

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523
BIBLIOGRAPHIC INPUT SHEET

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BATCH #16

1. SUBJECT
CLASSI-
FICATION

A. PRIMARY

Agriculture

AE10-0000-G516

B. SECONDARY

Agricultural economics--Chile

2. TITLE AND SUBTITLE

The politics of structural change in Latin America, the case of agrarian reform in Chile

3. AUTHOR(S)

McCoy, T.L.

4. DOCUMENT DATE

1969

5. NUMBER OF PAGES

51p.

6. ARC NUMBER

ARC

CI301.35.M131a

7. REFERENCE ORGANIZATION NAME AND ADDRESS

Wis.

8. SUPPLEMENTARY NOTES (Sponsoring Organization, Publishers, Availability)

(In Land Tenure Center research paper no.37)

9. ABSTRACT

10. CONTROL NUMBER

PN-RAA-797

11. PRICE OF DOCUMENT

12. DESCRIPTORS

Agrarian reform
Chile
Political aspects

13. PROJECT NUMBER

14. CONTRACT NUMBER
CSD-2263 211(d)

15. TYPE OF DOCUMENT

The present report is based on the author's doctoral dissertation, which was supported by the Land Tenure Center, a cooperative research and training program of the American Nations, the Agency for International Development, and the University of Wisconsin, and by the Fulbright-Hays program.

August 1969

RP No. 37

THE POLITICS OF STRUCTURAL CHANGE IN LATIN
AMERICA: THE CASE OF AGRARIAN REFORM IN CHILE

by

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All views, interpretations, recommendations, and conclusions expressed in this paper are those of the author and not necessarily those of the supporting or cooperating organizations.

THE POLITICS OF STRUCTURAL CHANGE IN LATIN
AMERICA: THE CASE OF AGRARIAN REFORM IN CHILE

Terry L. McCoy

Obviously concern with the factors which initiate and sustain structural change on a society-wide basis is relevant not only to social scientists who want to generalize about such phenomena but also to policy makers who wish to enact such changes.

The purpose of this paper is to generate some explanatory propositions regarding the probability of achieving socio-economic reform in a developing society. Specifically it attempts to begin to answer the question of "How do you get reform in Latin America?" The methodology employed is that of analyzing one case--agrarian reform in Chile--within the general context of recent Latin American reform programs.

It is particularly appropriate that we consider reform in the Latin American context. The late 1950's and early 1960's produced growing hemispheric interest in the concept of internal socio-economic reform. This movement culminated in the Alliance for Progress which committed not only the Latin American countries but also the United States, the most important actor in hemispheric politics, to a restructuring of Latin American society. The Charter of Punta del Este pledged the American Republics to a joint effort of "accelerated economic development and broader social justice."¹

To achieve these imposing objectives, it was agreed that reforms in education, land tenure, tax structure, and other areas would have to accompany conventional development measures. Participation in the financial benefits of the Alliance was to be contingent upon passing and implementing serious reform programs.

The Alliance for Progress was conceived as a formal, multi-lateral program of socio-economic reform. One of its primary goals was political. That is, through peaceful yet significant change in the direction of greater social, economic, and political equality, the governments of the Western Hemisphere, led by the United States, sought to avoid a repetition of the violent transformation which occurred in the Cuban Revolution.²

The efficacy of reform as a deterrent to revolution is subject to challenge. However, here we are primarily interested in the very existence and success of reform. Now, some eight years after the promulgation of the Charter of Punta del Este, we have the opportunity not only to evaluate the success of a program which systematically committed a diverse body of nations to internal reform, but also to begin to examine critically the political dynamics of the reform process. Policy makers and social scientists alike have placed a great deal of faith in the ultimate success of reform without exploring its complexities. What low level generalizations can now be made about the political requisites of socio-economic change?

The Case of Agrarian Reform in Chile

One of the primary objectives of the Alliance for Progress was: "To encourage...programs of comprehensive agrarian reform leading to the effective transformation...of unjust structures and systems of land tenure...."³ This analysis will focus on the specific issue of agrarian reform.

The heart of agrarian reform is the redistribution of land ownership. In the predominantly agricultural situation of a developing nation, the control of land is an important factor socially and politically as well as economically. Huntington states that:

Land reform...does not mean just an increase in the economic well-being of the peasant. It involves also a fundamental redistribution of power and status, a reordering of the basic social relationships which had previously existed between landlord and peasant.⁴

Agrarian reform is not just one of a series of reforms but perhaps the single most challenging issue facing the developing nations of Latin America.⁵

Analysis of the agrarian reform process is a study of how a new policy is made and implemented, and it includes analysis of the restructuring of the policymaking process. New participants enter the policy arena and sometimes new rules-of-the-game are adopted. Chile presents a unique opportunity for examining the complex and fluid process of agrarian reform. It has had to cope with the pressure for reform at an increasingly accelerated pace since the late 1950's.

As we shall see, Chile in many respects is atypical of Latin America. Nevertheless, in terms of agriculture and land tenure, Chile shares many typical characteristics with her neighbors, the chief one being concentration of landownership in a few hands. In 1955, according to the Inter-American Agricultural Development Committee, 78.5 percent of the agricultural surface of Chile was held in large farms composing only 6.9 percent of the total number of farms, while 77 percent of farms held only 8.4 percent of the total surface.⁶ Chilean agriculture featured, on the one hand, semi-feudal estates with resident laborers, and, on the other hand, small subsistence level plots. During the first century of Chilean independence little change occurred in this situation for two reasons. First, agriculture met the domestic needs of the country, and secondly the political groups which effectively ruled Chile benefited from the existing rural system.⁷ In the 1920's the urban upper and middle classes challenged the national hegemony of the landed aristocracy. Although primarily an urban movement, there was at least superficially some reform spillover into the rural sector. The new national constitution promulgated in 1925 posited limits on individual property rights and committed the state to take steps to subdivide the large estates.⁸ In pursuit of the latter objective, the Agricultural Colonization Bank was created in 1928 with the power to expropriate and subdivide poorly exploited land. Despite

tentative moves in the direction of agrarian reform in the 34 years of its existence from 1928 to 1962, the Agricultural Colonization Bank settled only 4,206 colonists in the entire country. Of these only 15 percent were settled in the rich Central Valley where the concentration of landownership was most severe.⁹

Serious discussion about reforming the rural sector began during the conservative presidency of Jorge Alessandri in the late 1950's. Alessandri, who had narrowly defeated a Marxist in 1958, was gradually moved to sponsor a comprehensive agrarian reform bill by internal pressures and such external events as the Cuban Revolution and Alliance for Progress. The President signed the bill into law in November 1962. The new law was a complicated document with 104 articles.¹⁰ It created three agencies: the Agrarian Reform Corporation (CORA) to redistribute land, the Agricultural Development Institute (INDAP) to aid small holders, and the Supreme Council for Agricultural Development to coordinate agricultural planning. Development was to be carried out on a regional basis. Regarding land to be redistributed, the new law established a table of priorities beginning with abandoned or poorly exploited property and including small, less than subsistence size farms. Finally, it set up a means for selecting recipients and posited the family farm as the ideal type of property.

Ostensibly the 1962 law differed from past agricultural legislation because it proposed widespread redistribution of land. That is, the publicly announced purpose of the law was to modify the traditional tenure system. In actual practice, little land was redistributed during the remaining two years of the Alessandri administration.¹¹ Nor was much accomplished in providing technical assistance and credit to small holders and in rationalizing agricultural development.

Despite the lack of substantive accomplishment, the Alessandri government did bequeath its successor the legal instruments with which to begin significant change. The 1964 presidential election quickly became a contest between the Marxist candidate and the nominee of the reformist Christian Democratic party, and so seemed to promise that further steps would be taken in the direction of reform. The election campaign served to escalate public awareness of and political commitment to agrarian reform. Both major candidates criticized the timidity of the Alessandri government, and both promised to attack directly the concentration of landownership by expropriating large holdings and distributing them to resident workers. They both promised a general overhaul of Chilean agriculture.

Eduardo Frei, the Christian Democratic candidate, won. For many international observers, the primary significance of his triumph was that it prevented an avowed Marxist from becoming president of

Chile. On the positive side, however, Frei took office with a pledge to restructure Chilean society. An item of top priority on the agenda of the new government was agrarian reform.

The Frei government approached the agrarian problem on two levels. First, it resorted to vigorous utilization of existing reform legislation and instruments. Secondly, Frei and the Christian Democrats drew up and submitted a new agrarian reform bill eliminating the legal obstacles to massive, sustained reform.¹² This twofold strategy permitted the government to begin implementing its reform program at the same time it reconciled differences within its own ranks and assimilated actual experience during the process of strengthening reform legislation. Frei signed the new agrarian reform law in July 1967. By then his program was well established.

Comparative Evaluation of the Chilean Experience

Studied in isolation the Chilean agrarian reform program under the Frei government gives some impression of accomplishment. But domestic critics of the government charge that it has accomplished little. Certainly Frei will not be able to meet his well-publicized campaign pledge of redistributing land to 100,000 peasant families by 1970. Nevertheless, within the Latin American context there is justification for proclaiming the Chilean case at least a partial success and for inquiring into the causes for its accomplishments.

Table I indicates that the Alliance for Progress has been relatively effective in eliciting the passage of agrarian reform legislation: all Latin American states have some kind of agrarian legislation. Excluding the three revolutionary cases--Mexico, Bolivia, and Cuba--whose agrarian reform programs were obviously motivated by factors other than the Alliance, only Uruguay, Argentina, and Venezuela did not produce some kind of agrarian legislation after the 1961 Charter of Punta del Este. In other words, there seems to have been some causal relationship between the existence and demands of the Alliance and the legislation of agrarian reform. In fact the Charter specified that countries must submit proof of reform programs in order to qualify for financial assistance.¹³

The existence of reform legislation does not necessarily indicate that reform programs are being carried out, particularly in Latin America. We shall evaluate the substantive results of these laws momentarily. First it seems worthwhile to consider the nature of the legislation itself. Although not sufficient alone, a sound legal basis is necessary for effective reform programs.

We must begin by distinguishing between agrarian "reform" legislation on the one hand and "resettlement" or "colonization" legislation on the other. The designation "reform" means that the law, in theory at least, is designed to transfer control over land

Table 1. Agrarian Reform Programs in Latin America

Country	Date and Type of Law	Results by 1969	
		Families	Acres
Argentina	1940, Colonization and Resettlement	9,390	3,140,838
Bolivia	1953, Agrarian Reform 1959, Land Settlement	197,600	20,688,720
Brazil	1964, Land Statute 1969, Agrarian Reform Decree	359 (Results by 1968)	11,463
Chile	1962, 1967, Agrarian Reform	13,881 (plus 1,066 families in 1963 and 1964)	3,355,000
Colombia	1961, Agrarian Reform	3,697 (results by 1968)	165,926
Costa Rica	1961, Land Settlement 1967, Agrarian Reform	3,944	183,958
Cuba	1959, 1963, Agrarian Reform	n.a.	n.a.
Dominican Republic	1962, Agrarian Reform	0	0
Ecuador	1964, Land Reform 1967, Agrarian Reform and Settlement	35,600 (Principally a colonization and titling program)	1,277,000
El Salvador	1950, Colonization	3,198	17,907
Guatemala	1952, Agrarian Reform 1956, Agrarian Statute 1952, Agrarian Transformation	22,220 (Since 1954 no land had been expropriated nor purchased)	401,817
Haiti	1962, Agrarian Sector Code	0	0
Honduras	1962, Agrarian Reform	2,680	268,695
Mexico	1915, Agrarian Reform	2,600,000	147,700,000
Nicaragua	1963, Agrarian Reform	4,576 (Colonization and Titling Program)	488,000
Panama	1963, Agrarian Reform	1,305 (Colonization Project)	45,638
Paraguay	1963, Agrarian Statute	34,642 (Settlement program)	1,085,119
Peru	1964, Agrarian Reform 1969, Agrarian Reform Decree	11,760	950,000
Uruguay	1948, Colonization	1,533	295,072
Venezuela	1960, Agrarian Reform	148,475	9,562,728

Source: Socio-Economic Progress in Latin America: Social Progress Trust Fund (Washington, D.C.: Inter-American Development Bank, 1969). The cut-off date on the results varies from country to country, but most approximate January 1, 1969. In some instances it was necessary to reinterpret and qualify the results in order to render them roughly comparable.

resources and all that accompanies this control from one group in rural society to another.¹⁴ Colonization and resettlement legislation does not even purport to redistribute rural resources in a direct manner; rather it seeks to alleviate the condition of the peasant by placing him on abandoned or state-owned property. Unlike some of her Latin American neighbors, therefore, Chile has opted for an explicit attack on the concentration of landownership. This approach is in part dictated by the absence of vacant land with agricultural potential and in part by growing political sentiment in favor of breaking the concentration of landownership.

The 1967 Chilean Agrarian Reform Law provides the legal framework for a very comprehensive reform. It establishes that any land in excess of 80 irrigated hectares of rich Central Valley soil or its equivalent in other areas is liable to expropriation and redistribution. Furthermore, the law provides that compensation for expropriated land will be in the form of a small cash down payment with the remainder in long term low interest bonds with a partial escalator clause for inflation. In order to avoid the economic chaos provoked by immediate redistribution of land from owners to peasants, the Chilean law calls for a mandatory transitional phase during which the expropriated property will be administered collectively by the peasants with the supervision of the Agrarian Reform Corporation. It also provides that the land may ultimately be distributed on a

"communitarian" or collective basis rather than to individuals.¹⁵ The 1967 law contains the general framework for reforming the entire system of water rights, which are important in a country with irrigated agriculture. Finally, it mandates the president to reorganize the entire public sector concerned with agriculture in order to make it more responsible to the demands of reform and strengthen the reform institutions created by the Alessandri administration in 1962.¹⁶ Thus working with the old law and the political disposition of Frei to make significant change in rural Chile, a new law was passed which on paper escalated the country's commitment to agrarian reform.

The 1967 reform law is evidence that the Christian Democratic government of President Frei was serious about its public pledge of implementing a "rapid, massive, and drastic" agrarian reform.¹⁷ What, in fact, have been the substantive results of Chile's agrarian reform program?

If agrarian reform by definition addresses itself to the restructuring of rural power relationships based upon property ownership, then the evaluation of reform legislation must begin with the amount of land redistributed.¹⁸ How much land has the Chilean government expropriated and turned over to the peasants? How does this amount compare with amounts redistributed in other Latin American nations, and more importantly has redistribution had

significant impact on rural Chilean society?

The raw figures for Chile in Table 1 are not particularly impressive. Furthermore, more recent figures confirm that the government will not fulfill Frei's campaign pledge of expropriating and distributing land to 100,000 families--more than 50 percent of the total landless rural population--by 1970.¹⁹ Yet there are indications of substantive accomplishments. First of the Latin American countries which passed agrarian "reform" legislation after 1960, Chile, by 1968, was exceeded in land redistributed and families benefited only by Venezuela (see Table 1).²⁰ Chile began later than Venezuela, and it does not have the financial resources and available land of the latter. Secondly, Chile's agrarian reform seems to have obtained a momentum at a time when other Latin American countries are having second thoughts about its desirability. For example, at a 1967 meeting to evaluate the Alliance for Progress, hemispheric presidents relegated agrarian reform to a secondary role in the Alliance's future.²¹

Land distribution is the key element of agrarian reform. It is not the only element. The accompanying aspects are what distinguish "agrarian" reform from simple "land" reform. Elsewhere, programs providing technical assistance, granting credit, and issuing legal titles to land squatters are used to distract attention from the failure to redistribute any land. In Chile the evidence strongly suggests that the secondary aspects of agrarian reform do

in fact contribute to the main task of significant land redistribution.

The most important supplementary activity, perhaps even more important than land redistribution itself in the early phases of agrarian reform, is the organization of the peasantry. Such organization serves two functions: it creates lines of communication between the government and the chief clientele group, and it builds a base of political support for reform. Traditionally the peasants are one of the least organized, weakest groups in a developing society. Until recently Chile's peasants were no exception.²² The Frei government successfully sponsored a rural unionization law which establishes the right of agricultural workers to organize, simplifies the procedure, provides protections for union members and leaders, and insures both the right of collective bargaining and the right to strike.²³ In addition to its legislative role, the government, through INDAP, is actively organizing the peasants. By mid-1968 well over 100,000 rural workers and small landholders were members of unions, committees, or cooperatives.²⁴

Such a spectacular growth of peasant organizations in a relatively short period is unprecedented for Latin America in a non-revolutionary context. Furthermore, it is the official philosophy of the Frei government to push the peasants, through their organizations, into the decision-making process at both the local and national levels.²⁵ The immediate effects of the organizing effort

were strikes and general labor unrest provoked by the peasants' newly collectivized campaign to improve their lot.

The Christian Democratic agrarian reform program has not stopped at land redistribution and peasant organization. The government has expanded credit and technical assistance and reoriented them toward small producers. Keeping in mind that the State Bank and CORFO deal primarily with large and medium producers, Table 2 indicates that credit to the small holders served by INDAP and CORA has increased faster than that to the large landowners.

Table 2: Profile of Chilean Agricultural Credit, 1964-1966

A. Number of Clients Served by Credit Institutions

	State Bank	CORA	INDAP	CORFO	TOTAL
1964	31,217	465	34,931	3,918	70,531
1965	38,544	1,089	49,340	2,842	91,815
1966	48,866	4,980	58,456	3,619	115,921
Change					
1964-1966	+56.5%	+970.9%	+67.3%	-7.6%	+64.3%

B. Amount of Credit Granted in Millions of 1966 Escudos

	State Bank	CORA	INDAP	CORFO	TOTAL
1964	227.1	2.4	14.3	40.4	284.2
1965	374.0	3.7	28.7	50.1	456.5
1966	618.9	34.5	38.4	88.0	779.8
Change					
1964-1966	+172.5%	+943.7%	+168.5%	+117.8%	+174.3%

Source: República de Chile, Tercer mensaje del Presidente de la República don Eduardo Frei Montalva, al inaugurar el período de sesiones ordinarios del Congreso Nacional (1967), p. 336.

An Explanatory Proposition: Economic Development, Agriculture, and Reform

One can plausibly argue that Chile has made substantive progress in reforming its rural sector. Although not revolutionary in scope, redistribution has begun. Furthermore, by mobilizing the peasant population the Frei government is restructuring the rural problem-solving system in a fundamental and permanent way. It seems we are therefore justified in seeking the possible reasons for the relative success of agrarian reform in Chile. What conditions moved the political system in the direction of agrarian reform? What policies and political strategies permitted utilization of the reform sentiment? In other words, what relevance does the Chilean experience have for future reformers?²⁶ And what modifications does it suggest in current theories about reform?

Ostensibly the most basic requisite for reform is an arrangement which is widely perceived as being structurally defective. In the case of agrarian reform, the problem concerns unequal distribution of power and wealth in the rural sector, this inequality being based upon the concentration of land ownership in a few hands. This pattern of land tenure is found throughout Latin America, but as the Gini Index in Table 3 indicates, Chile shared the highest concentration of land ownership in Latin America. Other measures of land distribution confirm that Chile's tenure system was one of the most inequitable in the entire world.²⁷

By any standard of equality, Chile had a serious problem. Paradoxically, this situation occurred in what was reputedly one of the most democratic countries in Latin America. The juxtaposition of these two characteristics undoubtedly affected the course of agrarian reform. We shall explore this relationship in more detail later. First let us examine the economic impact of the tenure system, since it seems to offer some explanation for the success of agrarian reform in Chile.

Table 3, in addition to pointing out that Chile featured the most inequitable distribution of land ownership in Latin America, shows that this archaic tenure system coincided with a relatively developed economy. According to such indicators as gross domestic product per capita and percentage of urban population, Chile was considerably more advanced than most Latin American countries. It seemed to be on the road to economic development. Economic development, however, is not an inevitable nor linear process. In Chile it was accompanied by severe inflation, a phenomenon which often detracted from and sometimes nullified real economic advances. Inflation accentuated the normal fits and starts of the development process. Repeated failure to control it in a direct mechanical way, created pressure for dealing with it in a more profound approach. Referring to the Chilean case, Albert Hirschman summarizes the

"escalator" role of inflation as follows:

In other words, persistent inflation will arouse or strengthen demands for basic social and economic reforms; and a society that is unable to make the relatively small inter-group adjustments required to end inflation is likely to find itself faced with strong and persuasive demands for much more fundamental social changes.²⁸

According to the "structuralist" analysis of Chile's inflation, the agrarian sector became the prime target for reform. Not only was it one of the most socially retrogressive tenure systems in Latin America, but it acted as a drag on national economic development. The very structure of Chilean agriculture was unproductive. Therefore, it was an important factor in creating economic stagnation-inflationary spiral.

Data supporting the structuralist interpretation were not hard to find. Chile, a potentially rich agricultural country, was importing food and fiber at the rate of approximately \$150,000,000 worth per year.²⁹ During the development stage agriculture should not only satisfy rising domestic needs but also earn the foreign exchange needed to finance industrial growth. Clearly Chilean agriculture was not doing its part during the difficult transitional phase. It consumed valuable foreign exchange. The subsistence income of the vast majority of those employed in agriculture inhibited the expansion of domestic markets and import substitution.³⁰ The

bleakness and lack of opportunity in rural Chile drove people to the cities in numbers which could not be productively absorbed by an economy past the first stage of development.³¹

The attractiveness of the structuralist demand for deepseated reforms grew in the late 1950's as Chile passed through a painful period of inflation.³² The near victory of a Marxist in the 1958 presidential election indicated widespread disillusionment with conventional solutions to long-standing economic problems. The 1962 agrarian reform law represented, to a certain extent, the recognition by a conservative government of possible causal relationships between land tenure and general economic stagnation.³³ Finally, in 1964, the majority of Chile's voters opted for a presidential candidate and party committed to the structuralist approach.

The logic of the structuralist argument alone is impressive. The Frei government astutely exploited this argument to build political support for its agrarian reform program. For example, during the legislative debate over the Christian Democratic reform bill, the government sought the support of the urban middle class by arguing that comprehensive agrarian reform would lower the prices on agricultural goods by increasing production and productivity. In an attempt to split the Chilean right on the issue of agrarian reform, the government waged a vigorous campaign to win over the industrial

and commercial interests. Government-financed advertisements proclaimed that reform would result in new markets and increased demand for manufactured goods.³⁴

The government succeeded in neutralizing potential industrial-commercial opposition to the new reform bill. The National Agricultural Society (SNA), the recognized national spokesman for the large landholders, was unable to enlist public support from its industrial and commercial counterparts. Even more significant was the split which developed within the landowners.³⁵ President Frei opened the fissure with repeated assurances that efficient farmers who paid good salaries would not be subject to expropriations. This approach convinced important opinion makers, especially the leadership of SNA, that the interests of the landowner would not be served through unrestrained opposition to agrarian reform. Rather they accepted the proposed bill in principle and sought to moderate it. Not all landholders supported the compromise policy of SNA, especially those whose lands were expropriated during the debate over the new bill. Growing criticism of SNA's cooperation with the government forced the SNA leadership to resign shortly before the new reform bill became law in July 1967. However, the new officers continued the policy of responsible dialogue with the government. In essence, then, the majority of Chile's landowners found themselves accepting the reasoning that the rural sector had to be

Table 3. Agrarian Structures and Importance of Agriculture in Latin America

Country	Gini Index of Land Concentration	GDP per capita (\$-1963)	% of Urban Pop.	Ag. as % of Gross Product	Balance of Ag. Trade
Argentina	86.3	635	73.7	16.5	+
Bolivia	93.8 ^a	150	35.0	28.2	-
Brazil	83.7	200	46.3	29.0	+
Chile	93.8	385	68.2	11.1	-
Colombia	84.9	265	52.0	32.6	+
Costa Rica	89.1	415	34.5	30.6	+
Cuba	79.2 ^a	n.a.	n.a.	n.a.	n.a.
Dominican Republic	79.5	270	30.3	n.a.	+
Ecuador	86.4	238	36.0	36.7	+
El Salvador	82.8	270	38.5	29.8	+
Guatemala	86.0	290	33.6	31.2	+
Haiti	n.a.	60	12.2	49.2	+
Honduras	75.7	220	23.2	51.1	+
Mexico	n.a.	440	50.7	16.1	+
Nicaragua	75.7	330	40.9	38.7	+
Panama	73.7	540	41.5	22.0	+
Paraguay	n.a.	205	35.4	38.4	+
Peru	87.5	295	47.4	23.0	n.a.
Uruguay	81.7	585	80.0	21.4	+
Venezuela	90.9 ^a	880	62.5	7.6	-

^aBefore the revolution or land reform.

Sources: Gini Index, in which higher numbers indicates higher concentrations of land ownership, is from Bruce W. Russett, "Inequality and Instability: The Relation of Land Tenure to Politics," in Robert A. Dahl and Deane E. Neubauer (eds.), Readings in Modern Political Analysis (Englewood Cliffs, New Jersey: Prentice-Hall, 1968), pp. 158-159. GDP per capita and percentage of urban population from Socio-Economic Progress in Latin America. Agriculture as percentage of gross product from United Nations, Economic Commission for Latin America, Economic Survey of Agriculture in Latin America, 1966, Part IV: Past, Present, and Future Trends of Agriculture in Latin America (EICU, 12/7/67 Add 3, 17 March 1967), p. 34. Agricultural balance of trade from Food and Agriculture Organization, Balance of Trade: Trade Yearbook, Vol. 18 (Rome: FAO, 1964).

restructured if economic development were to proceed. The government further co-opted the moderate landowners into tacit support of reform by convincing them that they were the "efficient" farmers who would not lose their land. This strategy isolated and fragmented the political power of those owners who were in fact threatened by reform.³⁶

The reaction of the landowners was more than passive acceptance of the inevitable. Under the leadership of SNA, they set about reorganizing themselves into a modern interest group which could successfully compete for political attention and public resources with the other groups being formed in rural Chile. Long range SNA policy proposed organizing all landholders, large and small, into a national system of societies, unions, and cooperatives. In August 1967 representatives from 20 agricultural societies with a combined membership of over 20,000 farmers formed the National Council of Farmers.³⁷ More than 90 employer unions with over 2,000 members were constituted in 1967 to represent owners in collective bargaining and general labor disputes.³⁸

Chile's large landowners accepted the reformist challenge to improve agriculture in a manner which did not fit the traditional stereotype of the Latin American "oligarchy."³⁹ Their reaction to reform was not entirely negative. True, owners did reorganize in an attempt to strengthen their own position, but not for purposes

of an all-out defense of the status quo. Rather they sought to operate effectively in the new system created by agrarian reform. From this perspective, the "reformed," as one prominent landowner put it, became the "reformers."⁴⁰

The relatively poor performance of Chilean agriculture was an economic fact beyond dispute in the 1950's and early 1960,s. Another characteristic of the Chilean economy was uneven growth coupled with inflation. The structuralists began to argue persuasively that the first characteristic was an important cause of the second. Furthermore, they blamed low agricultural production and productivity on the archaic land tenure system. The Christian Democrats parlayed this technical argument into an action program positing agrarian reform as necessary for economic development. Growing dissatisfaction with agriculture made the program attractive and permitted the formation of a broad coalition on its behalf.

The widely shared perception of Chilean agriculture as an obstacle to development contributed to the pro-reform climate. Paradoxically the fact that agriculture was not too important in the over-all economic picture also served to pave the way for reform.

By the 1960's, Chile was no longer a predominantly agricultural country. As Table 3 indicates, only 11.1 percent of the gross domestic product originated in agriculture. According to another

source, agriculture's share of the value added in domestic product from 1950 to 1964 was half the Latin American average and lowest in the area except for Venezuela.⁴¹ The relative unimportance of agriculture in Chile meant that change in the rural sector could be attempted without fear of provoking total economic collapse; both politically and economically there was more room to maneuver and experiment. The risks involved in agrarian reform were less in Chile than in, for example, Colombia or Brazil where agriculture was the principal employer and chief source of foreign exchange.

Thus far the Chilean case suggests the following proposition: agrarian reform is more likely to occur under conditions of intermediate economic development where the agricultural sector is performing poorly but is not the primary economic activity, and where the concentration of land ownership is perceptibly unequal. Our first proposition therefore concerns the economic environment which is conducive to peaceful reform.

The data in Table 3 for Venezuela, the other Latin American country with a relatively successful reform experience, tend to support the proposition. That is, at the time of its reform, Venezuela featured a developing economy primarily dependent on mineral extraction with agriculture contributing little. Venezuela also faced a growing agricultural trade deficit. Based upon the Chilean and Venezuelan cases, we would predict that, as other Latin American

economies move from a rural-agricultural toward an urban-industrialized base, agrarian reform will become both more popular and more seriously pursued. While the drive for development has its ups-and-downs, there is a hemispheric trend toward increasing food imports.⁴² A logical corollary of our proposition about the economic configuration favorable to reform is that, in those countries economically dependent upon one crop, such as sugar or coffee, reform will be aimed at domestically oriented agriculture.⁴³

Policy-makers and social scientists have consistently emphasized the political controversial nature of agrarian reform. As a result reform programs usually slip through incrementally.⁴⁴ Agrarian reform does involve fundamental changes. Nevertheless, our proposition holds that at a certain point in the economic development of every country, it is possible to mobilize a wide base of political support for reform.⁴⁵ The urban middle class and industrial interests may not actively campaign for reform, but, as in Chile, they will probably lose sympathy for the large landholders as agriculture lags behind the rest of the economy. Logically one would assume that for these sectors to continue to accept reform they would need some positive feedback regarding the economic performance of "reformed" agriculture. They want proof of the indirect payoff promised by the structuralists. Fortunately for the reformers the Chilean experience suggests that there are means for prolonging urban support without producing immediate economic improvements.

Land redistribution usually leads to lower marketed production in the short run. The Frei program sought to avoid widespread disruption with a mandatory transitional period under government supervision for all reform projects. In the absence of any dramatic economic upturn which could be related to agriculture, the government attempted to convince the public that one was near by publicizing selected instances of improved production after reform.⁴⁶ Such tactics may win time for reformers. Yet if a significant segment of the population originally supported reform because they saw it as the key to economic growth, then sustained evidence of improvement must be forthcoming. The very conditions which initially make reform possible also impose limits on its performance. They demand economic achievements.

An Explanatory Proposition: Institutionalized Pluralism and Reform

As with most complex human behavior, economic conditions alone are not sufficient to explain the Chilean agrarian reform program. Other variables are important to an understanding both of how the program originated and of its implementation. Their existence also suggests that the political future of reform does not solely depend upon a perceptible economic upturn. Political factors themselves influence the path of agrarian reform.

As Table 4 indicates, Chile deviates from the Latin American norm not only economically but also politically. One of Chile's most distinguishing characteristics is its stable democratic political history. Along with Costa Rica and Uruguay, it is consistently described as an exception to the authoritarian trend in Latin America.

To what extent, if any, has Chile's unique political system contributed to the success of agrarian reform? In the first place, Table 4 demonstrates that Chile has enjoyed a high degree of political stability. The country has not undergone an unconstitutional change in government since the early 1930's. Not even Uruguay and Costa Rica can match this record. Sustained reform is very unlikely to occur in a political situation where not only the personnel of government change frequently but also the nature of the regime itself. In addition, many of the military coups of the 1960's were directed against reformist governments. But stability alone is obviously not enough. Currently some of the most stable regimes, such as Nicaragua and Paraguay, have very bad reform records. Does the "democratic" aspect of the Chilean political character therefore help explain the success of reform?

The answer to the foregoing question is not a priori an easy one. A cogent argument can be made that democracy by its very nature is incapable of implementing structural change. The system presents

Table 4. Latin American Political Systems

Country	Democratic Ranking	Stability Ranking	Remarks
Argentina	4	10	Military Coups, 1962, 1966.
Bolivia	16	18	Military Coup, 1964; significant peasant movement.
Brazil	7	5	Military Coup, 1964; destroyed incipient peasant movement.
Chile	3	3	Strong Marxist parties; growing peasant movement.
Colombia	6	16	2 parties alternate in power until 1974; incipient peasant organization.
Costa Rica	2	1	Reformist governments since 1948.
Cuba	15	--	1-Party state; strong but dependent peasant movement.
Dominican Republic	18	4	Military Coup, 1963; U.S. Military Intervention, 1965.
Ecuador	10	11	Military Coup, 1963; counter-coup 1966.
El Salvador	12	13	Relatively progressive military rule with civilian facade.
Guatemala	13	17	Military Coup, 1963; strong peasant movement, 1945-54.
Haiti	19	19	Duvalier dictatorship.
Honduras	14	12	Military Coup, 1963; peasant unions in banana areas.
Mexico	5	15	Strong peasant movement dominated by official party.
Nicaragua	17	8	Family dictatorship.
Panama	11	2	Military coup, 1968.
Paraguay	20	6	Stroessner dictatorship.
Peru	9	7	Military coups, 1962, 1968; peasants organized in some areas.
Uruguay	1	14	Return to presidential government in 1967.
Venezuela	8	9	Strong and independent peasant movement.

Sources: "Democratic Ranking" is for 1960, from "Correlates of Democracy in Latin America," in Ben G. Barnett and Kenneth F. Johnson (eds.), Political Forces in Latin America (Belmont, California: Wadsworth Publishing Company, 1968), p. 514. The countries were ranked by 40 experts on the basis of 15 criteria. The degree of correlation between 1945 ranking and the 1960 ranking measured by the Spearman Rank Correlation Coefficient is $Rho=0.88$, significant at 0.01. "Stability Ranking" is adopted from Ernest F. Duff and John F. McCamant, "Measuring Social and Political Requirements for System Stability in Latin America," American Political Science Review, Vol. 62, No. 4 (December, 1968), p. 1138. Information for "Remarks" came from: Barnett and Johnson, the New York Times; and Annbal Quijano Obregon,

Elites in Latin America (New York: Oxford University Press, 1967), pp. 310-340.

too many opportunities for obstruction and debilitating compromise. Referring specifically to Chile, one group of authors states that, "The essence of pluralistic democracy is that it cannot be quickly moved in one direction or another..."⁴⁷ Another author analyzing Chilean political history concludes that not even the legitimate participation of Marxist parties has increased the chances of reform. He argues that the Marxists participate only because they do not challenge the existing order, and as a result:

Chilean political democracy has rested...on an equilibrium of social forces more or less in stalemate, more or less willing to act toward each other in the political arena on the tacit assumption that each would respect the "rights" of the others concerning their fundamental interests as they define them.⁴⁸

According to the above interpretations, a democratic political system would not be capable of producing and sustaining reform programs. The stagnation inherent in the interplay of a wide variety of groups precludes reform as a viable alternative to maintenance of the status quo or revolution. Yet intuitively one senses important differences between the political equilibrium of Chile and the stagnation of authoritarian regimes such as Paraguay and Nicaragua. While Chile's democratic norms proscribe certain behavior, they certainly permit a more open and dynamic society than those which exist in most of Latin America. Analysis of the political dynamics

of the agrarian reform process in Chile produces evidence in support of preliminary speculation about the relatively favorable atmosphere of democracy for reform. It is true that Chile did not seriously begin to reform its archaic rural sector until the early 1960's; nevertheless, it has still accomplished more than most Latin American countries. In what follows we shall examine data which validate the proposition that institutionalized pluralism is more conducive to peaceful reform than alternative political systems. First we shall look at those aspects of the Chilean political system which brought pressure to bear for legislative action, and then at those aspects which permitted implementation of the laws.

Neither the 1962 nor the 1967 agrarian reform laws represented a reaction to direct political pressure from the peasants. Chilean peasants did not have a viable organization until late 1967. Other political actors represented the interests of the peasants in pushing for reform. Specifically, the Marxists and Christian Democrats forced the issue into the legislative arena.

We shall discuss the role of the Christian Democrats in more detail later. One must emphasize here, however, that it is unlikely that such a political group could have gained control of the government and pushed through a reform program in most other Latin

American countries. The basis of Christian Democratic political power is electoral. The Party (PDC) emerged from relative obscurity to capture the presidency in 1964 and then won unprecedented majority control of the lower house of Congress in 1965. Unlike her neighbors, Chile has a tradition of strict adherence to election results.⁴⁹ The Christian Democrats were therefore permitted to take power without fear of subsequent overthrow because they sponsored programs which threatened the interests of established power contenders. On the contrary, the Chilean system encouraged the PDC to seek election as a reformist party. Furthermore, as a relatively new party in search of a permanent constituency, it was natural for the PDC to give its program an agrarian emphasis since the peasants were the last major unaffiliated sector in society.⁵⁰ In the Chilean political configuration, the Christian Democrats stood to gain a significant partisan reward for their support of agrarian reform.

The contribution of the Marxists to the reform process is subject to a variety of interpretations. In general, the political role of Marxists in non-Communist systems has been inadequately examined. Prominent social scientists have traditionally stressed the basic incompatibility of Marxist participation in Western democracies. For example, one criteria defining democracy for Lipset is the absence of a strong Communist party.⁵¹ Students of Latin

American politics tend to see politics as a battleground between Communism and democracy with no room for compromise or cooperation. Fear of the Marxists, especially the Communists, is based upon sentiments such as the following:

The Communist parties of Latin America, like their counterparts elsewhere in the world, have two basic objectives. The first has been to serve the interests of the Soviet Union... The second has been to seize power within their particular country, establish a dictatorship of their party, then proceed to remold the country's economic, social, and political life according to the orthodox precepts of Marxism-Leninism.⁵²

The Chilean Marxist movement dates back to the second decade of this century and includes an orthodox Communist party (PC) and a militant Socialist party (PS). Together these two parties consistently drew about one-third of the national vote.⁵³ Our study of their behavior in the struggle over agrarian reform challenges some of the rigid interpretations about the function of Marxist movements in Latin America. It suggests that Marxist parties can not only abide by the democratic rules-of-the-game, but can even play a positive role in the reform process. Functionally there are situations in which nominally revolutionary groups assume reformist roles which strengthen democracy.

For many years the Marxist parties and labor unions were the only sources of representation and feedback for large segments of Chilean society. These groups, working through legitimate channels,

applied important pressures for agrarian reform in the late 1950's and early 1960's. The near victory of the Marxist candidate in the 1958 presidential election forced the basically conservative winner to sponsor an agrarian reform bill. PC and PS representatives in Congress kept pressure on the government to make the subsequent law meaningful. The few peasant unions which existed to supervise implementation of the 1962 law were Marxist affiliated. The 1964 presidential election pitted the Marxist who had nearly won in 1958 against Eduardo Frei of the PDC. The presence of a strong Marxist candidate forced Frei to the left on issues like agrarian reform, while the Marxist candidate sought support by emphasizing his commitment to what was in essence a democratic reform program. Following the election, the PC and PS pushed the Frei government to fulfill its campaign pledge to radically accelerate agrarian reform activities. After token attempts to strengthen the new bill submitted by the Frei government, Marxist congressmen voted in mass for the bill. Without their support passage would have been problematic since the PDC lacked a majority in the Senate.

The Marxist parties assumed a more active role than just that of a "loyal opposition." They were instrumental in placing the issue of agrarian reform before the public and in forcing Congress to act upon it on two separate occasions. This active yet moderate behavior also characterized the Marxists' participation in the

implementation phase of the reform process. They took advantage of the rural unionization law to organize peasant unions, and formed a national peasant confederation with over 18,000 members.⁵⁴ Such a large organization had the potential for overloading the reform agencies with an excess of demands, but Marxist leaders urged moderation and discouraged illegal challenges to the reform process.⁵⁵ While maintaining constant pressure on CORA and INDAP, the Marxists stayed within the bounds of legitimate behavior.

In most Latin American countries the chief threat to agrarian reform comes from the right, not the left. Table 4 illustrates the frequent use of military coups against reformist governments.⁵⁶ The almost universal and deep commitment to democratic norms in Chile prevented extra-constitutional moves against agrarian reform. Chilean landowners did not conspire with the military when it became clear that the Frei government had broad political support for its program. Rather they accepted the fact that the political configuration had changed and set about reorganizing along "modern" interest group lines in order to compete in the post-reform situation.

It is evident that the institutionalized nature of Chile's pluralistic political system was ultimately a facilitator of significant change. In a society where the Communist and Socialist parties are allowed to participate openly, pressure for change is

inevitable. Furthermore, Chilean pluralism is not stagnant, because it does permit the formation of new political groups such as the PDC and peasant unions. When these groups win control of government through electoral victory, they can be sure that if they adhere to democratic norms, their opponents will do likewise and accept the policies and programs of the victorious party. Seen from this perspective, widespread commitment to democratic rules-of-the-game is functional for reform.

The reasoned opposition of both the left and right to the Christian Democratic reform was due in part to ingrained behavior and in part to the fear of sanctions against unconstitutional action. The right could ultimately count upon military action to subdue radical moves by the left while the latter could presumably fall back upon a popular uprising. However, both extremes also had faith in the long term ability of the Chilean political system to protect their interests. Landowners accepted reform and sought to control it. The Marxists did not resort to violent land seizures because they felt that the same results were attainable through legal measures. Both groups retained the hope of controlling government through election.

A broad spectrum of political forces support the Chilean system. In return the system not only guarantees their right to participate but also produces occasional payoffs for this participation. Such

a diverse, open political configuration gives the impression of constant chaos. It can, however, be a dynamic problem-solving apparatus--even to the point of restructuring itself as in the case of agrarian reform in Chile. Adaptation and internal reform is the essence of political development.

An Explanatory Proposition: Reform Strategy and Reform

Chile's state of economic development and her political system were important to the success of reform, but in a sense they are passive factors; they constitute an atmosphere conducive to reform. Ultimately reform depended upon an individual or group of individuals motivated to and capable of manipulating the pro-reform atmosphere to produce a concrete program. These are the "reformers." Both they and their strategy are partly molded by systemic conditions, but they also act as an independent variable in the reform process. In Chile the "reformers" were Christian Democrats. Therefore, to fully understand the path of agrarian reform we must examine the PDC and its reform strategy.⁵⁷

The PDC is not typical of Latin American political parties, which tend to be loosely organized, transitory coalitions. While there are reformist parties of various shades in Latin America, none approach the ideological basis and internal organization of the PDC. Students of political parties imply that significant

voters who hoped to see Chile move forward in a sustained way. Over the years the PDC emerged as a party with a well-conceived program and enlightened, close-knit leadership. In 1964 its candidate for president promised to implement a "Revolución en Libertad" (Revolution in Freedom) if elected. Without violating Chile's democratic tradition, Frei and the PDC committed themselves to a complete restructuring of society, with the emphasis on incorporating the heretofore marginal sectors into all aspects of national life.⁶¹ For rural Chile, the "Revolución en Libertad" offered agrarian reform.

With the rapid growth of the PDC, culminating in its 1964 victory, a number of new elements entered the party and made its membership more heterogeneous. Furthermore, translating campaign promises, even when detailed and well-conceived, into action was time consuming. Therefore, on taking power Frei gave the PDC a mandate to produce an agrarian reform bill consonant with party principles, acceptable to party members, and capable of passing Congress. In the meantime, he set about utilizing the existing law and instruments to begin his reform program. Such a dual approach provided a source of feedback for party policymakers at the same time actual progress was made with reform.

A serious debate developed within the PDC over the new bill. One faction wanted, in essence, to make marginal changes in existing legislation while the other wanted a strong bill which would enable the government to remake Chilean agriculture. It is important to point out that this debate, which often became bitter, was carried on almost entirely within the confines of the PDC. The only significant source of outside information came from those party members who also held government positions. Neither the peasants nor landowners participated in any systematic fashion. The closed strategy had drawbacks, but they may have been offset by the advantages. The final version was less a compromise than a victory for the faction favoring a strong measure. The bill included such controversial measures as the right to expropriate property for size alone, regardless of state of exploitation, an interim period between expropriation and distribution under state supervision, and the alternative of distributing land on a collective basis rather than to individuals alone. Since the proposal had been thoroughly debated within the party, the PDC presented a united front in Congress, and the bill's radical nature assured it the ultimate support of the Marxist parties and their allies. It passed relatively unscathed.

In the pre-legislative phase of the reform process, the PDC sought to minimize bargaining and compromise. A common party position

was worked out, and then, as is necessary in a parliamentary democracy, the debate was opened to interest groups and opposition parties. Unity within the government party plus a bill which already included the chief proposals of the leftist opposition spelled success for the legislation.

Minimizing opposition and maximizing support for a reform during the prolonged period of implementation is even more complex than engineering a legislative victory. Regarding the landowning opponents, we have already seen how the Frei government exploited internal divisions by promising to protect the efficient producers.⁶² In addition the government publicized that many of its measures, such as higher prices for agricultural products, improved marketing facilities, and increased subsidization for agricultural inputs, accrued to the benefit of large landowners as well as small.⁶³

In general, President Frei made a point of consulting with national representatives of the landowners on reform related topics. But at the local level, field studies reveal that there was practically no contact between the reform agencies and landholders. This dual strategy seems to have been functional for the progress of reform. It kept the landowners off balance. On the one hand national leaders gave the impression, through their meetings with Frei, of knowing what was going on; on the other hand, local landowners were not prepared for the next move by the reform agencies.

The government exposed the vaunted power of the large landowners to be frail indeed.

In its effort to build a permanent pro-reform coalition, the Frei government chose not to institutionalize the support of the Marxists. Many Christian Democrats, central to the agrarian reform program, urged the President to formally incorporate the Marxists into his government, but he steadfastly refused.⁶⁴ Frei argued that he had been elected to form a Christian Democratic government with no compromising alliances. While the government had no formal links with Marxist groups, it did work with them, especially peasant unions, on an ad hoc basis at the local level.

The sector which stood to gain the most from agrarian reform was the peasantry, but it was totally without organization in 1964. The Christian Democrats' answer to this dilemma was not to wait for the peasants to organize themselves in reaction to the reform, but to build peasant organization as reform was taking place. In this way the government not only constructed an important base of political support for reform; it also retained some control over this base by seizing the initiative. Christian Democratic control over the fledgling peasant movement could not be total in Chile's pluralistic environment. The Marxists and independent Christian labor movements were not hindered in their efforts to form peasant

unions after 1964, but the government mobilized public resources through INDAP to create the largest peasant confederation in Chile.

INDAP, as the principal peasant organizer in Chile, has a great deal of influence on the direction taken by the peasant movement as a whole. Not every peasant can receive land under the reform program if it is to increase agricultural production and protect efficient producers. INDAP helps restrain the pressure on CORA for land by encouraging the peasants under its control to seek alternative goals such as wage raises, profit sharing, and worker participation in the administration of private farms. Because of INDAP's influential position, other peasant confederations have followed its restrained policies.

INDAP has not emasculated the peasant movement, as in Mexico. It goes to battle for its clientele, even against other official agencies, when necessary. But in its organizing role, INDAP serves as a built-in guarantee against input overload on the reform system.

The lack of effective peasant political power is often cited as one of the chief obstacles to land reform.⁶⁵ Powell credit Venezuela's success with reform to a viable peasant union movement working through the government reform party.⁶⁶ Chile seems to confirm this formula for success. It also suggests an important innovation. State agencies can effectively anticipate the need

for peasant organization and help meet this need with official resources, even in a political system with a strong liberal democratic tradition. By seizing the initiative, the Christian Democratic government was able to impose some control on the emerging peasant movement, but it also forced its opponents into peasant organizing activities. Three major national peasant confederations emerged in a very short time. This organizational proliferation provides the reform process with a crucial long range basis of political support which transcends any one party.⁶⁷ It also enriches Chilean pluralism which has been weak in the rural sector.

On taking office in 1964, President Frei and the Christian Democrats promised a peaceful revolution for Chile. One of its key elements was agrarian reform. PDC plans for massive national reform have been frustrated, but the traditional pattern of land concentration and labor exploitation in rural Chile are being significantly restructured. The ideological commitment and reform strategy of the PDC have been contributing factors to the success of agrarian reform. Their most important contribution has been the institutionalizing of a rural problem-solving system which will outlast the Christian Democratic government itself.

Conclusion

Samuel Huntington has written that, "Revolutions are rare. Reform, perhaps, is even rarer."⁶⁸ Students of Latin American politics are just as pessimistic about the prospects of reform, even when compared to those for violent revolution.⁶⁹ This paper does not deny the difficulty of successfully executing profound socio-economic change. It does, based upon analysis of the Chilean experience with agrarian reform, postulate some general conditions and policies conducive to such change. In the abstract then, reform is more probable when the sector to be reformed: 1) constitutes an obvious drag on national development, yet does not represent the primary economic activity; 2) exists within an institutionalized pluralism characterized by a broad spectrum of organized interests which uncover problems before they become explosive, and also characterized by widespread commitment to democratic behavior; and 3) is led by a highly motivated, well organized reform movement. The coincidence of such conditions in the same country is rare, but these factors are perhaps more subject to manipulation than those which lead to revolutions.

NOTES

¹Preamble of the Charter of Punta del Este as reprinted in O. Carlos Stoetzer, The Organization of American States: An Introduction (New York: Frederick A. Praeger Publishers, 1965), p. 145.

²For a discussion of the difference between reform and revolution see Samuel P. Huntington, Political Order in Changing Societies (New Haven: Yale University Press, 1968), p. 344.

³Title I, Number 6 of the Charter of Punta del Este in Stoetzer, op. cit., p. 147.

⁴Huntington, op. cit., pp. 298-299.

⁵Fifty-four percent of the total Latin American population lives in rural areas. Oscar Delgado, "Revolution, Reform, Conservatism," in James Petráš and Maurice Zeitlin (eds.), Latin America: Reform or Revolution, (Greenwich, Conn.: Fawcett Publications, 1968), p. 382.

⁶Comité Interamericano de Desarrollo Agrícola, Chile: Tenencia de la tierra y desarrollo socio-económico del sector agrícola (Santiago: CIDA, 1966), p. 43. Hereafter referred to as the CIDA report.

⁷Markos Mamalakis, The Changing Structure and Role of the Chilean Agricultural Sector, Center Discussion Paper No. 26 (New Haven: Economic Growth Center, Yale University, 1967), pp. 2-7.

⁸Frederico G. Gil, The Political System of Chile (Boston: Houghton-Mifflin Company, 1966), p. 90.

⁹William C. Thiesenhusen, Chile's Experiments in Agrarian Reform (Madison: University of Wisconsin Press, 1966), p. 36.

¹⁰Corporación de la Reforma Agraria, La reforma agraria chilena: Ley 15.020 (Santiago: CORA, 1962).

¹¹For 1963-1964 CORA announced that it would redistribute 12,347 plots of land. It actually gave out only 1,066. CIDA Report, op. cit., p. 254.

¹²One observer remarked that, "The Land Reform law of Chile, with its enabling amendments, is an extraordinarily complicated document... It is...cumbersome and laden with possibilities for delay." Thiesenhusen, op. cit., p. 40.

¹³"Organization and Procedures," Title II, Chapter V, in Stoetzer, op. cit., pp. 153-154.

¹⁴This concept of agrarian reform is in part taken from John Duncan Powell's "Agrarian Reform or Agrarian Revolution in Venezuela?", in Arpad von Lazar and Robert R. Kaufman, (eds.), Reform and Revolution: Readings in Latin American Politics (Boston: Allyn and Bacon, 1968), pp. 267-290.

¹⁵República de Chile, Ley de reforma agraria: Ley No. 16.640 (Santiago: Editorial Nascimento, 1968), see Titles I, II, and IV, respectively.

¹⁶Ibid., Titles V and XI, respectively.

¹⁷A phrase most frequently attributed to Jacques Chonchol, a leading agrarian reform policymaker in the Frei government and the chief executive of INDAP until 1969. For an example of his thinking see Jacques Chonchol, "Razones económicas, sociales y políticas de la reforma agraria," in Oscar Delgado (ed.), Reformas agrarias en la América Latina (Mexico, D.F.: Fondo de la Cultura Económica, 1961), pp. 161-201.

¹⁸For a comprehensive discussion of agrarian reform see Thomas F. Carroll, "The Land Reform Issue in Latin America," in Albert O. Hirschman (ed.), Latin American Issues--Essay and Comments (New York: The Twentieth Century Fund, 1961), pp. 161-201.

¹⁹As of June 24, 1969, the Agrarian Reform Corporation (CORA) had expropriated 928 farms with a total of 2,300,000 hectares and 23,000 families. It had formed 480 settlements (asentamientos) and distributed 1500 provisional titles of ownership. According to CORA's chief executive, 100,000 families would be reached by CORA in 1973 if the present rate is maintained. El Mercurio, June 25, 1969, p. 30.

²⁰Here we are excluding the three revolutionary cases and including only those countries with "reform" laws.

²¹Agrarian reform was listed as one alternative among various policies which might be used to modernize agriculture in Latin America. U.S. Department of State, "Declaration of the Presidents of America, Punta del Este, Uruguay, April 14, 1967," in Commitment for Progress The America's Plan for a Decade of Urgency, Inter-American Series 93 (May, 1967), p. 19.

²²In 1964 peasant unions were virtually non-existent. There were only 1,647 union members out of approximately 200,000 farm workers. República de Chile, Senado, "Informe de la Comisión de Trabajo y Previsión Social recaído en el proyecto de ley de la H. Cámara de Diputados que modifica el regimen jurídico de los sindicatos agrícolas," Boletín No. 22.196 (1966), p. 16. In order to form a union, the old law required that a minimum number of workers be from the same farm,

that at least ten workers or 50 percent be literate; it restricted strikes to non-harvest seasons and provided no protection for union leaders.

²³Sindicación campesina: derechos del trabajador agrícola (Santiago: Mario Barrientos C., 1967).

²⁴The precise figure is difficult to calculate. The Dirección General del Trabajo of the Ministry of Labor provided the following information on membership in the three national peasant union confederations as of February, 1969: "Libertad" (Independent Christian), 17,421 members; "Triunfo Campesino" (INDAP), 39,288; "Ranquil" (Marxist), 18,253. Union membership continues to grow. INDAP in La Nación, January 14, 1969, claimed that its cooperatives and committees had a total membership of 150,000 peasants.

²⁵For an example see INDAP, Departamento de Planificación, "Manual de programación para áreas de desarrollo campesino" (1966), a workbook for INDAP personnel, p. 7.

²⁶There is some indication of a revival of interest in agrarian reform. Studies commissioned by the United Nations Economic Commission for Latin America in 1968 called for "massive agrarian reform" in order to redress the socio-economic imbalance of rural Latin America. The New York Times, April 20, 1969.

²⁷See Bruce Russett's measure of "percentage of the farms with one-half of the land" in "Inequality and Instability: The Relation of Land Tenure to Politics," in Robert A. Dahl and Deane E. Neubauer (eds.), Readings in Modern Political Analysis (Englewood Cliffs, New Jersey: Prentice-Hall, 1968), pp. 158-159. Solon L. Barraclough and Arthur Domike in "Agrarian Structure in Seven Latin American Countries," Land Economics, XLII, No. 4 (November 1966), pp. 391-424, have figures which rank Chile near the bottom in terms of land tenure.

²⁸Albert O. Hirschman, Journeys Toward Progress: Studies of Economic Policy-Making in Latin America (New York: The Twentieth Century Fund, 1963), p. 216.

²⁹CIDA Report, op. cit., p. 23. Of this figure only \$20,000,000 worth were tropical products, which could not be produced efficiently in Chile

³⁰The average per capita income index per active person in agriculture actually declined from 1950 to 1960. In both years it was by far the lowest of any economic sector. Ibid., p. 20.

³¹Economists have traditionally been optimistic about the ability of a developing economy to absorb surplus rural labor. However, they are beginning to argue that in the transitional phase fledgling industries cannot employ all untrained rural migrants. Agriculture must be made more attractive and labor intensive. See William C. Thiesenhusen, "Population Growth and Agriculture Employment in Latin America," (paper presented to Conference on Population Problems and Latin American Development, University of Wisconsin, May 1968). A revised version, Population Growth and Agricultural Employment in Latin America with some U.S. Comparisons, is Land Tenure Center Paper No. 62 (Madison: University of Wisconsin, 1969).

³²Hirschman, op. cit., pp. 216-217.

³³Ibid.

³⁴For example, see El Mercurio, December 15, 1965.

³⁵For background on the split within the Chilean right over agrarian reform see Robert R. Kaufman, The Chilean Political Right and Agrarian Reform (Washington, D.C.: Institute for the Comparative Study of Political Systems, 1967). Unfortunately Kaufman's monograph was completed before the split had become serious.

³⁶Huntington, op. cit., points out that land reform is more likely to succeed when it has to deal with only a small minority of very large holders, p. 385. In a personal interview, an official of SNA stated that his organization did not defend expropriated landowners since the vast majority were not good farmers and deserved to lose their land.

³⁷El Mercurio, August 22, 1967, p. 15.

³⁸Arroyo, s.j., op. cit., p. 165. The provision for rural employer unions was included in the rural unionization law sponsored by the Frei government.

³⁹For a discussion of some of the problems involved in using the concept of "oligarchy" see James F. Payne, "The Oligarchy Muddle," World Politics, Vol. 20, No. 3 (April 1968), pp. 439-53.

⁴⁰Personal interview with ex-president of SNA.

⁴¹Mamalakis, op. cit., p. 1.

⁴²United Nations, Economic Commission for Latin America, Economic Survey of Latin America (1966), Part IV: Past, Present, and Future Trends of Agriculture in Latin America (E/CN, 12/7/67) add. 3, 17 March 1967), p. 51.

⁴³The Peruvian agrarian reform law of 1964 includes special exemptions for the coastal sugar plantations. Terry L. McCoy, "The Politics of Agrarian Reform in Peru," Paper presented to Land Tenure Center, Madison, Wisconsin, 1965.

⁴⁴Albert O. Hirschman, Development Projects Observed (Washington, D.C.: The Brookings Institution, 1967), pp. 171-173.

⁴⁵Jacques Chonchol explicitly recognizes the existence of this support in Chile in La reforma agraria como proceso dinámico de integración en una sociedad que se transforma (Santiago: INDAP, 1967), pp. 5-6.

⁴⁶For example, in June 1967, the head of CORA called a press conference to present impressive evidence of production gains on reform projects in one area of the country. El Mercurio, June 2, 1967, p. 28.

⁴⁷Charles J. Parrish, Arpad J von Lazar, and Jorge Tapia Videla, The Chilean Congressional Election of March 7, 1965 (Washington, D.C.: Institute for the Comparative Study of Political Systems, 1967), p. 30.

⁴⁸Maurice Zeitlin, "The Social Determinants of Political Democracy in Chile," in James Petras and Maurice Zeitlin (eds.), Latin America: Reform or Revolution?, op. cit., p. 233.

⁴⁹For a discussion of the tentative nature of elections in Latin America see Charles W. Anderson, Politics and Economic Change in Latin America: The Governing of Restless Nations (Princeton: D. Van Nostrand Company, 1967), Chapter 4.

⁵⁰The right to vote depends upon proof of literacy in Chile. This tends to reduce the political impact of the peasants, but the Frei government is both pushing to repeal the requirement and sponsoring rural adult education programs.

⁵¹Seymour Martin Lipset, Political Man: The Social Basis of Politics (Garden City, New York: Doubleday and Company, 1963), p. 30. Lipset specifies that one characteristic of democracy is the absence over the past 25 years of a Communist or fascist movement receiving more than 20 percent of the vote.

⁵²Robert J. Alexander, Latin American Politics and Government (New York: Harper and Row Publishes, 1965), pp. 77-78.

⁵³Since 1956 the PC and PS have been loosely united, although remaining separate identities, under the banner of the Popular Action Front or FRAP. In 1967 the PS split but both branches continue to participate in FRAP's electoral and Congressional activities.

⁵⁴Dirección General de Trabajo, Ministry of Labor.

⁵⁵For an analysis of one such illegal act which Marxist leaders subsequently repudiated, see Terry L. McCoy, "The Seizure of 'Los Cristales': A Case Study of the Marxist Left in Chile," Inter-American Economic Affairs, Vol. 21., No. 1 (Summer 1967), pp. 73-93.

⁵⁶Comparing Tables 1 and 4 we see that six of the countries which passed agrarian reform legislation after 1961 have suffered military coups following passage of the laws.

⁵⁷"Strategy" here refers not only to the political program for gaining acceptance of the PDC reform but also to the extent it activates significant socio-economic change.

⁵⁸For example, see Gabriel W. Almond and G. Bingham Powell, Jr., Comparative Politics: A Developmental Approach (Boston: Little, Brown and Company, 1966), pp. 108-109, and Leon D. Epstein, Political Parties in Western Democracies (New York: Frederick A. Praeger Publishers, 1967). Epstein finds that the modern trend in party organization is away from the socialist working class party toward the loosely structured mass party of the United States. He sees this "contagion from the right" as a healthy development since it means that parties are becoming more appropriate to pluralist democracy. Pp. 351-358.

⁵⁹Elsa Chaney, "Christian Democracy and Agrarian Reform in Chile and Venezuela," M.S. Thesis, University of Wisconsin, 1965, p. 80.

⁶⁰Ibid., pp. 81-82.

⁶¹For a report of the PDC program see "El Congreso del Partido Democrata Cristiano," Política y Espíritu, Vol. 20, No. 296 (October, 1966), pp. 88-100.

⁶²Ibid., pp. 16-17.

⁶³For example, see government newspaper, La Nación, July 24, 1967, p. 21.

⁶⁴This issue eventually created such a serious conflict within the PDC that a large segment of the left withdrew from the party in May, 1969. The New York Times, May 25, 1969.

⁶⁵For example, see Huntington, op. cit., pp. 389-390.

⁶⁶Powell, op. cit., pp. 279-280.

⁶⁷Looking at Venezuela, Powell concludes that inter-party competition for the allegiance of the peasantry profits both the peasants and the reform process. John Duncan Powell, "The Politics of Agrarian Reform in Venezuela: History, System, and Process," Ph.D. Thesis, University of Wisconsin, 1966, pp. 343-344.

⁶⁸Huntington, op. cit., p. 344.

⁶⁹For example, see Martin C. Needler, Political Development in Latin America: Instability, Violence, and Environmental Change (New York: Random House, 1968), p. 125, where the author lists the disadvantages of reform compared to revolution.