

Patrón and Peón

By JAMES L. BUSEY

James L. Busey, Ph.D., M.A., B.A., is an associate professor of Political Science at Colorado University. He is author of a number of books, articles and reviews. His "Personally Speaking" article appeared in our issue of December, 1957.

LAND value taxation, free trade and the resulting upsurge of human liberty and production are very much needed in all parts of the world. However, it would be hard to find an area more appropriate for these reforms than Latin America. Also, at the present time, it would be difficult to imagine a region where such innovations are less likely to be brought to fruition.

To review here the grotesque figures on land monopoly in Latin America would be repetitious of the knowledge already possessed by most informed people, including particularly the advocates of land value taxation. One need only mention, by way of reminder, the contention that some one dozen families own virtually all the territory of the Republic of El Salvador; or that estates in Brazil and Peru run into thousands of hectares; or that a very few extremely wealthy families own most of the agricultural valleys of Chile; or that in several countries it is common for less than 5 per cent. of the population to own more than 75 per cent. of the land.

From these conditions, almost as night follows day, there flow the incredible extremes of poverty and wealth; the parasitic, non-producing *patrón* followed by his retinue of equally non-producing serfs; monstrous mansions with lily ponds, terraces, arabesque turrets and balconies, and great walls topped with broken glass to keep out the poverty-stricken rabble; destitution so appalling as to turn the head and sicken the heart; whole *haciendas* which are advertised for sale as complete with Indians; *peones* who must give many days of labour, without pay, to the kitchens and households of their masters; malnourished, illiterate peasants who are so held by debt that they cannot leave the great estates even if they dared; and with all this, a cauldron of fury, of rising demands for liberation from enslavement, and wild, ignorant, frantic mobs, and agitation by communists, demagogues and sincere, uneducated, desperate reformers.

Of late one hears much about the new burst of productive energy that is overcoming Latin America, about the big-prosperous cities like Sao Paulo and Mexico City, about the rising middle class. There is no doubt that change is occurring, and that Latin America is no longer an unvarying collection of medieval fiefs. But the rural areas of most of the countries are very far indeed from enjoying either distributed proprietorship or prosperity; and many of the cities are only now beginning to enter

the twentieth century. Most of Latin America is still primarily medieval and monopolistic in outlook, and her politics reflect that fact. Even in Mexico, almost a half-century after the revolution of 1917, medieval attitudes of subservience, and dominance by a wealthy, corrupt minority of politicians who have grasped public and much private power, indicate that there has not been a radical departure from a feudalistic past.

As is now evident in Cuba, and has long been clear in those parts of Mexico where the "co-operative" or *ejido* system of "land reform" has been promoted, there may not be much basic difference between medieval control by a few powerful, parasitic land-owning families, and monolithic control by the authorities of the state. In a paternalistic way, the government may provide peasants with some improvements in their physical conditions and in training for literacy, and of course these accomplishments are not to be lightly disregarded. But the dependence of peasants and workers on central authority is not decreased. Their liberties undergo no marked improvement. Their decision-making power is as ineffective as ever. By comparison with systems of distributed proprietorship, their poverty is still shocking. They have managed, in brief, to shift from control by one coterie of economic monopolists to a new one, wherein political and economic monopoly are merged in the same persons.

It can be argued, and with some force, that by comparison with monopolistic feudalism, collectivism may not be particularly revolutionary at all. Under new forms, the old relationships of *patrón* and *peón* still prevail. If this be true, then it may be said that neither Mexico nor Cuba — nor for that matter even Russia or China — has really undergone any fundamentally revolutionary change. Until they have experienced a revolution for the liberation of man from the chains of economic and political power, their shifts in form have been simply *plus ça change, plus c'est la même chose*. One may specu-



JAMES L. BUSEY

late about the world-shaking significance that a *real* social revolution of human liberation would have for these countries!

Most of the so-called social reform movements of Latin America are collectivist or semi-collectivist in nature. There are very few that would create a multiplicity of sturdy landed proprietors. In greater or less degree, most of the radical social movements have borrowed heavily from the state-monopolist conceptions of Marxism, and would substitute the power and authority of the state for the present domination by the landed monopolists.

In Honduras the *Partido Liberal* and courageous President Dr. Ramón Villeda Morales are trying, through land division and the granting of titles to public land, to create a nation of small proprietors. In Bolivia, almost in a series of fits of absent-mindedness, the *Movimiento Nacional Revolucionario* — or, more accurately, agrarian reformers who impelled the party to action — has brought off a thorough-going land distribution programme, with very little of the collectivist stress found in so many of the other countries. The Bolivian experience, however, has been marred by nationalisation of the tin mines and monstrous public ineptitude and civil chaos.

In Mexico, the ruling *Partido Revolucionario Institucional* has never come clear as to whether it is collectivist or individualist, and has followed a mixed programme which has more elements of the former than of the latter. A congeries of parties in Costa Rica, Venezuela, and Peru follows a reformist programme which is quasi-socialist in inspiration, though without the pro-Soviet overtones which have come to dominate the Cuban scene. In the remaining countries of Latin America, few if any of the leading parties or other reformist movements can be said to advocate a forthright, coherent programme for the liberation of individuals from monolithic economic or

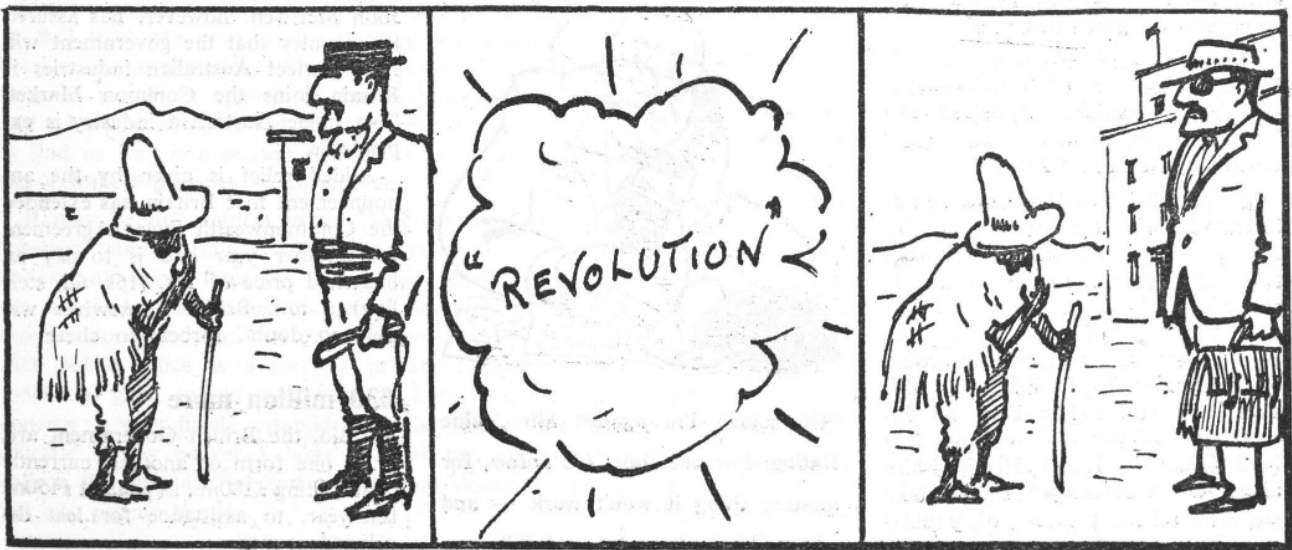
political power, or for the unleashing of human energy to the task of increased production. Most of the parties are without an identifiable social programme, are traditionalist and socially unconscious or are collectivist or communist.

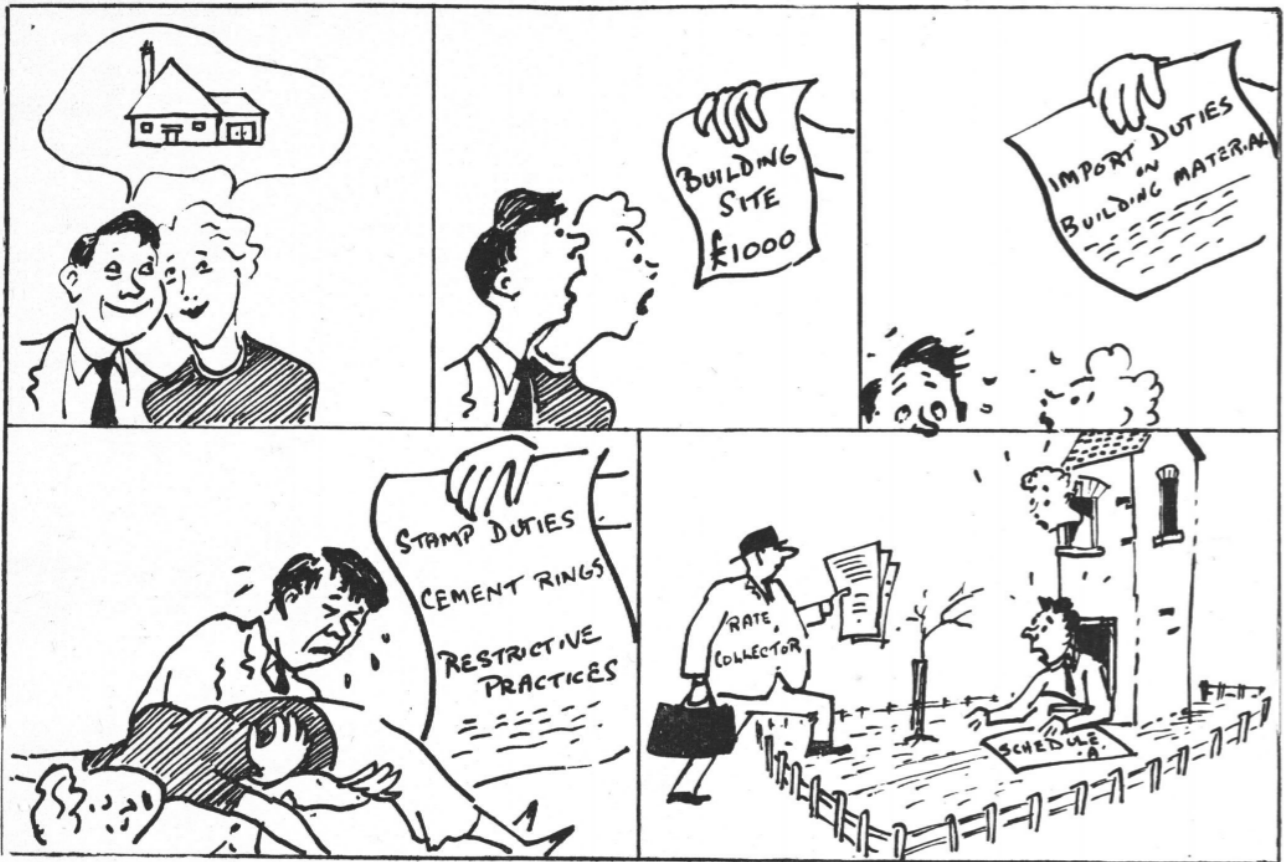
What, then, of land value taxation? Most Latin Americans know absolutely nothing about it, have never heard of Henry George and in the context of traditional patterns of coercion and authority would have little conception of the message of land libertarians. Collectivism or semi-collectivism fits more comfortably into the familiar moulds of popular subservience to paternalistic controls.

In Argentina, the vigorous and able Ing. Mauricio Birabent publishes a little journal called *Reforma Agraria*, which, despite its name, stresses the need for land value taxation in all economic areas. There is no evidence that *Reforma Agraria* has had more than a negligible impact on Argentine politics. In Puerto Rico, the distinguished Dr. Edwin Rios Maldonado conducts some Henry George classes. The Henry George School in the United States reports rather sensational results of some advertising in Latin American newspapers and has attracted no less than five thousand students to its correspondence-course programme. This may be expected to have some ultimate effects of consequence.

But, as yet, it cannot be said that any political movement, party or leaders are concerned with, or have even heard of, the idea of land value taxation. In the bookstores of Latin America, one searches in vain, as I have done, for a copy of *Progress and Poverty* in any language, or even for a bookseller who has ever heard of Henry George or who has the slightest idea of his proposals. The only edition that appears to be available is one translated by Edwards Torrendell Foriúa containing 140 corrections. It is being used for the correspondence courses previously mentioned.

(continued on Page 13)





(continued from Page 11)

With respect to land value taxation, a very real problem is created in Latin America by the prevalence of monumental graft and corruption, which could conceivably negate any reform involving fiscal revision. Evasion, failure to make out any return and bribery of officials so that they will wink at tax-cheating are notorious in most of Latin America. What little internal taxation is imposed is seldom applied to the wealthiest individuals, and what money is raised through taxation is as likely to find its way into private pockets as to be utilised for the legitimate purposes of government.

It may be that reform in the direction of land value taxation would bring a strident demand for new and unheard-of official integrity. It must be admitted that in the Latin American context such a development seems quite remote. Colonial forebears established the principle that public office is a sort of private concession for individual gain, and in most parts of Latin America the concept is very firmly established. It is obvious that if officials simply pocket a large part of the funds they collect, the unearned increment from land values will still fail into private hands.

At the moment, then, the prospects for effective reform

in most of Latin America seem very dim indeed. It would appear that quasi-collectivism and continued reliance on paternalistic authority will provide the principal motifs for Latin American political action.

One must stress, however, that there is no more fertile field for the advocacy of Georgeist proposals. "Land reform" is on the lips of all socially conscious elements in Latin America, and it lies within the power of the advocates of land value taxation to give direction and meaning to the Latin American yearning for effective social revolution. One can only hope that Spanish and Portuguese copies of *Progress and Poverty*, or of its condensed versions, will become more available in Latin America; that advocates of land value taxation will maintain active contact with all their Latin American acquaintances; and that Latin Americans will be encouraged to organise political movements and pressure groups and to publish journals and tracts which will aim towards the individual liberation of man on the basis of equal right to use of the earth. It is clear that their collaboration with the International Union should be encouraged.

If these things can be accomplished, the republics of Latin America may yet have their first genuine social revolutions. Then, in the words of the Mexican national anthem, "The earth to its centre shall tremble!"