INFORMATION TO USERS

This was produced from a copy of a document sent to us for microfilming. While the most advanced technological means to photograph and reproduce this document have been used, the quality is heavily dependent upon the quality of the material submitted.

The following explanation of techniques is provided to help you understand markings or notations which may appear on this reproduction.

1. The sign or "target" for pages apparently lacking from the document photographed is "Missing Page(s)". If it was possible to obtain the missing page(s) or section, they are spliced into the film along with adjacent pages. This may have necessitated cutting through an image and duplicating adjacent pages to assure you of complete continuity.

2. When an image on the film is obliterated with a round black mark it is an indication that the film inspector noticed either blurred copy because of movement during exposure, or duplicate copy. Unless we meant to delete copyrighted materials that should not have been filmed, you will find a good image of the page in the adjacent frame.

3. When a map, drawing or chart, etc., is part of the material being photographed the photographer has followed a definite method in "sectioning" the material. It is customary to begin filming at the upper left hand corner of a large sheet and to continue from left to right in equal sections with small overlaps. If necessary, sectioning is continued again—beginning below the first row and continuing on until complete.

4. For any illustrations that cannot be reproduced satisfactorily by xerography, photographic prints can be purchased at additional cost and tipped into your xerographic copy. Requests can be made to our Dissertations Customer Services Department.

5. Some pages in any document may have indistinct print. In all cases we have filmed the best available copy.
LINCOLN, JENNIE MAY KAH
LAND TO THE PEASANTS: THE PERUVIAN MILITARY
IN ACTION - AN AGRARIAN REFORM POLICY STUDY.

THE OHIO STATE UNIVERSITY, PH.D., 1978
LAND TO THE PEASANTS: THE PERUVIAN MILITARY IN ACTION
- An Agrarian Reform Policy Study -

DISSERTATION

Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of The Ohio State University

By
Jennie Kah Lincoln, A.B., M.A.

* * * * *

The Ohio State University
1978

Reading Committee:
William Liddle
Terry L. McCoy
Donald VanMeter

Approved By
Adviser
Department of Political Science
ACKNOWLEDGMENTS

From the time this study was originally designed to the time that the last few pages were being proofread, many people gave me inspiration and kind assistance. My research in Peru would have been impossible if several individuals had not been willing to open dusty file cabinets and to pour through working papers to help shed light on some question concerning the military government and the agrarian reform in Peru. The Research Director of CENCIRA, Pedro Ortíz, and the librarians at the CENCIRA Library were especially helpful. The family of Luis Echeverría opened their home to me for my stay in Lima and treated me as a daughter and sister. To the many administrators who consented to interviews I am deeply in debt for the workings of government are not always explained by numbers and documents.

My adviser, Terry McCoy, has been most helpful with guidance and suggestions for this study. His knowledge of Latin American politics and his dedication to his students have served as an inspiration to me. For the final preparation of the manuscript I wish to thank my typist, Elayne Bleill, who remained calm and unflustered during my frantic moments.

To my family I say a special thank-you for their steadfast support. Lastly, to my dear husband, Frank, my deepest thanks for his support of my academic endeavors—in theory AND in practice.
VITA

January 11, 1950 . . . .  Born - Portsmouth, Ohio

1971 . . . . . . . . .  A.B., Centre College of Kentucky, Danville, Kentucky

1971-1974 . . . . . .  Graduate Research Associate, Mershon Center, The Ohio State University, Columbus, Ohio

1973 . . . . . . . . .  Graduate Teaching Associate, Department of Political Science, The Ohio State University, Columbus, Ohio

1974 . . . . . . . . .  M.A., The Ohio State University, Columbus, Ohio

1974 . . . . . . . . .  Field Research - Lima, Peru

1977-78 . . . . . . .  Instructor, Department of Sociology, Miami University, Oxford, Ohio

1978 . . . . . . . . .  Research Associate, Comparative Research on Events of Nations (CREON) Project, The Ohio State University, Columbus, Ohio

PRESENTATIONS


# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acknowledgments</td>
<td>ii</td>
</tr>
<tr>
<td>Vita</td>
<td>iii</td>
</tr>
<tr>
<td>List of Tables</td>
<td>vi</td>
</tr>
<tr>
<td>List of Figures</td>
<td>viii</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Chapter</td>
<td></td>
</tr>
<tr>
<td>I. The Study of Public Policy and the Policy Process</td>
<td>8</td>
</tr>
<tr>
<td>Research Strategy for a Policy Study</td>
<td>14</td>
</tr>
<tr>
<td>Public Policy and the Policy Process in Developing Nations: Latin America</td>
<td>16</td>
</tr>
<tr>
<td>II. The Military in Latin American Politics</td>
<td>26</td>
</tr>
<tr>
<td>Historical Role of the Military as a Non-Ruling Political Actor</td>
<td>27</td>
</tr>
<tr>
<td>Military Intervention</td>
<td>30</td>
</tr>
<tr>
<td>Types of Military Governments</td>
<td>42</td>
</tr>
<tr>
<td>The Role of the Military as Governing Executive in the Policy Process</td>
<td>44</td>
</tr>
<tr>
<td>III. Agrarian Reform 1963-1968: The Belaunde Years</td>
<td>50</td>
</tr>
<tr>
<td>Prelude to Reform: The Physical and Social Setting</td>
<td>50</td>
</tr>
<tr>
<td>Prelude to Reform: the Political and Economic Setting</td>
<td>59</td>
</tr>
<tr>
<td>Agrarian Reform Under Belaunde: Policy Environment</td>
<td>74</td>
</tr>
<tr>
<td>Agrarian Reform: Policy Formulation</td>
<td>88</td>
</tr>
<tr>
<td>Agrarian Reform Law 15037: Policy Content</td>
<td>91</td>
</tr>
<tr>
<td>Agrarian Reform: Implementation</td>
<td>94</td>
</tr>
<tr>
<td>Agrarian Reform Results</td>
<td>104</td>
</tr>
<tr>
<td>Summary</td>
<td>107</td>
</tr>
<tr>
<td>Chapter</td>
<td>Page</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>IV. AGRARIAN REFORM 1968-1975: THE VELASCO YEARS</td>
<td>109</td>
</tr>
<tr>
<td>Evolution of the Peruvian Military as a Modernizing Reformer</td>
<td>109</td>
</tr>
<tr>
<td>Agrarian Reform: Policy Formulation</td>
<td>123</td>
</tr>
<tr>
<td>Agrarian Reform Law 17716: Policy Contents</td>
<td>124</td>
</tr>
<tr>
<td>Agrarian Reform: Policy Implementation</td>
<td>131</td>
</tr>
<tr>
<td>Agrarian Reform: Policy Results</td>
<td>145</td>
</tr>
<tr>
<td>Summary</td>
<td>162</td>
</tr>
<tr>
<td>V. CONCLUSION: THE IMPACT OF THE PERUVIAN MILITARY GOVERNMENT UPON THE AGRARIAN REFORM</td>
<td>165</td>
</tr>
<tr>
<td>Discussion of Hypotheses</td>
<td>167</td>
</tr>
<tr>
<td>Peru Since Velasco</td>
<td>173</td>
</tr>
<tr>
<td>LIST OF REFERENCES</td>
<td>178</td>
</tr>
</tbody>
</table>
LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Socioeconomic and Political Levels of the Coast and Sierra</td>
<td>55</td>
</tr>
<tr>
<td>2. Land Use (T Ha.), 1961</td>
<td>56</td>
</tr>
<tr>
<td>3. Land Tenure Pattern 1961</td>
<td>57</td>
</tr>
<tr>
<td>4. Land Distribution by Region and Type of Farm, 1961</td>
<td>58</td>
</tr>
<tr>
<td>5. 1962 Presidential Election Returns</td>
<td>69</td>
</tr>
<tr>
<td>6. 1962 Congressional Election Returns</td>
<td>69</td>
</tr>
<tr>
<td>7. Public Investment, 1960-67</td>
<td>77</td>
</tr>
<tr>
<td>9. Index of Agricultural and Food Production, 1956-1969</td>
<td>85</td>
</tr>
<tr>
<td>10. Exports and Imports, 1962-1965</td>
<td>86</td>
</tr>
<tr>
<td>11. Agrarian Reform Law 15037 (1964): Expropriation and Compensation</td>
<td>92</td>
</tr>
<tr>
<td>12. Agrarian Reform Policy Outputs 1968</td>
<td>105</td>
</tr>
<tr>
<td>13. Attendance at the CAEM and Promotion to General (1952-1962)</td>
<td>113</td>
</tr>
<tr>
<td>14. Classification of Lands Subject to Agrarian Reform</td>
<td>126</td>
</tr>
<tr>
<td>15. Distribution of Personnel in the Agrarian Zones (1972)</td>
<td>142</td>
</tr>
<tr>
<td>16. Ministry Budget Allocations as Percent of Total Budget</td>
<td>149</td>
</tr>
<tr>
<td>17. Agrarian Reform Budget Allocations in Soles</td>
<td>150</td>
</tr>
<tr>
<td>18. Land Redistribution Under the Agrarian Reform 1968-1977</td>
<td>152</td>
</tr>
<tr>
<td>Table</td>
<td>Description</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>19.</td>
<td>Index of Agricultural and Food Production</td>
</tr>
<tr>
<td>20.</td>
<td>Production of Principal Crops</td>
</tr>
<tr>
<td>21.</td>
<td>Peruvian Imports and Exports</td>
</tr>
<tr>
<td>22.</td>
<td>Economically Active Population</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Policy Impact Model</td>
<td>15</td>
</tr>
<tr>
<td>2.</td>
<td>Physical Map of Peru</td>
<td>51</td>
</tr>
<tr>
<td>3.</td>
<td>Map of Peruvian Departments and La Mancha India</td>
<td>52</td>
</tr>
<tr>
<td>5.</td>
<td>Overlapping Zones of SIPA and ONRA Personnel, 1967</td>
<td>103</td>
</tr>
</tbody>
</table>
INTRODUCTION

As military governments are becoming more prevalent in Latin America the need for in-depth analysis of the dynamics of and the impact of a military government upon public policy is becoming more apparent. Until recently most studies dealing with the military in Latin America were concerned with military intervention. The act of intervention itself was the subject of analysis in studies which sought to explain why the armed forces might be prompted to intervene. Only recently has the attention of political scientists turned to evaluating the performance of military governments and analyzing the impact of military governments upon politics and policy. Karen Remmer (1978) notes that "the sheer volume of research on the causes of military takeovers in Latin America implies that regime changes have important (policy) consequences" (p. 39) and yet the policy consequences of military governments are only beginning to be explored. What are the structural differences between a military and civilian governments? What is the impact of a change from a civilian government to a military government upon the policy process? How does the performance of a military government compare to that of a civilian government? In short, what difference does it make if the chief executive wears a military uniform?

This study approaches these questions by comparing a specific public policy under a civilian government and a military government in Peru during the past two decades. The dynamics of the policy process provide a framework of analysis under which the two governments may be analyzed.
to determine similarities and differences between them. How are civilian governments and military governments similar or different with regard to formulating and implementing policy decisions? Which type of government is more effective in implementing its policy decisions? Throughout the study particular attention will be paid to the interaction of the military with civilians under both forms of government. How this relationship is changed or maintained is significant to the performance of both types of government.

The policy under investigation in this case study is the agrarian reform policy which had its roots in the late 1950's in Peru. Agrarian reform has been a controversial and widely-debated issue throughout parts of Latin America in the past several decades. Land reform in simple terms is a redistribution of property to give more equitable rights to the individuals involved in cultivating the land. "The existing pattern of land tenure (i.e. ownership and control over land resources) . . . (was) such that it corresponded neither to the aspirations of the rural population nor to the requirements of rapid technological progress" (Carroll, 1961, p. 162). As policy-makers became more concerned with economic development they came to see the land tenure system as a cause of the stagnation of the agricultural sector's input to the national economy (Carroll, 1961, p. 162); thus changes were made by policy-makers to alter the land tenure system.

Agrarian reform, however, as it is to be considered in the Peruvian case includes other reforms in addition to land reform. It includes a social reform of the agricultural sector, an institutional reform of the agricultural bureaucracy and a reform of agricultural methods.
employed in under-productive areas. Agrarian reform in this study is synonymous with an attempt by policy-makers to improve a wide variety of concerns in the agricultural sector from the social aspects of the lives of the families in the agricultural sector to the economic aspects of production and marketing to the political aspects of administering the agricultural sector.

Agrarian reform became an issue of concern to the military in Peru when peasant unrest disrupted the countryside and threatened domestic tranquility. The military initially responded to the illegal seizures of haciendas by the peasants with force. In 1962 following an election which did not produce a clear-cut victor the military intervened and set up a military government which set the stage for development of an agrarian reform policy. The military had repressed several peasant movements but felt that repression was not a long-range answer to the problem. Therefore, when the military held a general election in 1963 there was a clear mandate from the military to the newly-elected President Belaunde to initiate a program of agrarian reform.

The Belaunde administration did get an agrarian reform bill passed by Congress but not until it had been watered down by opposition landowner interests. Opposition to the reform blocked any significant redistribution of land which might have occurred under the civilian administration. Peasant unrest brought the military into action again which in addition to other economic problems forced the downfall of the Belaunde government. In October 1968 the armed forces intervened and established a military government under the leadership of a military junta headed by General Juan Velasco Alvarado. One of the initial acts of the
military government was to decree an extensive agrarian reform policy which eliminated limitations of the earlier agrarian reform legislation and which promised no less than a complete restructuring of the land tenure system of Peru.

This study compares in detail the agrarian reform policy process under the civilian government of Fernando Belaunde Terry and the military government of General Juan Velasco Alvarado. Several hypotheses have been constructed to compare the behavior of the military government in the policy process to that of the civilian government to determine differences and similarities between the two types of governments. Data were collected for this study during fieldwork in Peru in 1974. Interviews were conducted in the Ministry of Agriculture, the Agrarian Reform Administration (DGRAAR), the Center for Agrarian Reform Research and Training (CENCIRA) and the National Planning Institute. Data on agrarian reform policy outputs were collected from governmental documents, reports and internal working papers from these agencies. Additional information was obtained from the archivists at La Prensa and the CENCIRA Library both in Lima and the Peruvian Embassy in Washington, D.C. Data on the agrarian reform policy outcomes were collected from secondary sources which annually compile social and economic indicators such as the FAO Production Yearbook, the FAO Trade Yearbook and the Statistical Abstract of Latin America (from the UCLA Latin American Center). Specific references to additional data sources are cited in the text.

Most of the information received in the interviews in the various Peruvian agencies was a matter of public record. However, the
interviewing process began shortly after President Ford revealed that the United States Central Intelligence Agency had been actively involved in the downfall of President Salvador Allende in Chile in 1973. Sources of information for scholars from the United States virtually dried up overnight in Peru. Government agencies received a directive from General Velasco specifically indicating that no internal government documents were to be offered to citizens of the United States for any reason scholarly or otherwise.

A paranoia developed in the Velasco government that Peru would be the next target of CIA activity and that Velasco himself might be threatened. Several people involved with the administration of the agrarian reform in Peru did not share Velasco's fear concerning the danger of allowing U.S. citizens to study the various policies of the Velasco government. For example, one administrator who was quite proud of the accomplishments of the agrarian reform indicated verbally that no information could be made available from his office. While he spoke, however, he wrote a note indicating that he would share several reports and documents but that it should be done without the knowledge of anyone else in his office. For this reason any information presented in this study which resulted from personal interviews is indicated as such without naming the individual source. It is the opinion of this author that many of the interviews conducted and much of the information received was due to the promise of anonymity for the source.

The first two chapters of this study survey the literature concerning the two dimensions of the study, i.e. the study of public policy and the study of the military in Latin American politics. Chapter I
establishes a framework under which the policy process may be studied and presents background on public policy and the policy process in Latin America. Chapter II discusses the historical role of the military in Latin American politics, the external and internal factors which prompt military intervention and the types of military governments which result from military intervention. Following military intervention the military may choose to return rule to the civilians or to establish a military government. What happens when the military chooses to retain rule and to establish a military government is the focus of this study. Hypotheses are developed in Chapter II which will be tested on the military government's behavior in the agrarian reform policy process in Peru.

Chapter III presents the evolution of agrarian reform as an issue area in Peru beginning in the late 1950's. The military was instrumental in establishing agrarian reform as a national priority and issued a clear mandate to the Belaunde administration that it should develop an agrarian reform policy. Belaunde's agrarian reform policy met structural and environmental difficulties which in addition to the economic woes of the time led to his downfall in October 1968.

Chapter IV analyzes the military government of General Juan Velasco which was established following the military coup in October 1968. The military government of General Velasco undertook extensive programs of reform which would restructure Peru's political, social and economic systems into a "social democracy of full participation." Participation was to be understood in economic terms, not in political terms. All Peruvians were to be mobilized into a corporatist system which would
promote the development of Peruvian national life. One of the priorities of the military government was the implementation of the agrarian reform. The military government designed a program of agrarian reform which dealt not only with public and unused lands but also with the lands of the rich, productive sugar haciendas of the Coastal area and all lands which had been untouched by previous attempts at reform. Evaluating the performance of the military government in the agrarian reform process leads to a discussion of the impact of the military government upon the policy process in Chapter V.

The conclusions of this study are likely to be limited in scope since the study deals with one specific policy in one country. However, the amount of detail in which the two types of governments may be analyzed by studying one specific problem area is significant. Studying one policy over the span of two governments provides an excellent method for comparing how two different types of governments approach the same policy problem. This study adds not only to the understanding of the impact of political change upon public policy in Latin America, but also to the understanding of the role of the military as governing executive in Latin America and to the understanding of contemporary Peruvian politics.
CHAPTER I

THE STUDY OF PUBLIC POLICY AND THE POLICY PROCESS

The term "policy" identifies a widely recognized and widely used concept which refers in a very general sense to outputs of the political system specifically governmental outputs. Richard Rose (1973) suggested that the term policy "is perhaps best considered a generic symbol, rather than a scientifically precise concept" (p. 122). Policy usually refers to a declaration of intent to influence some part of society's way of life whether directly or indirectly. "It can refer to a set of expectations and intentions, or to a series of actions and their consequences, or all of these together" (Rose, 1973, p. 122). Thomas Smith suggests another definition, that of "idealized policy (which is) defined as the idealized patterns of interaction that the policymakers are attempting to induce" (Smith, 1969, p. 203).

Policy studies have been approached from two sometimes separate, sometimes inter-related perspectives: content and process. The most useful framework under which to study public policy is one which presents the various components of the policy process with reference to policy content to illustrate the interactions of actors in the political system, the relationships which are developed and maintained to sustain the political system and the results of those interactions and relationships. One important advantage to the study of public policy through the policy process perspective is that the process model
is dynamic. "Dynamic properties are of crucial importance, because policies are not advocated, adopted, implemented and evaluated at one moment in time" (Rose, 1973, p. 122). They are the result of the interaction of many variables across a period of time. Components of the policy process and important questions to consider when studying the various components of the policy process are as follows:

The environment, setting or pre-existing conditions of the policy arena. The policy process for any given policy begins at a specific point in time at which political, social and economic variables of the system may be identified. Virtually a myriad of variables of the environment set the stage of the initiation of the policy process for any given policy. Consideration of these variables prompt the following questions (as well as many more) concerning the setting of the policy arena. What are the political factors such as form of government, international relations, special interests of the government, decision-making style of the government, activities of other power contender groups which form the political setting of the policy arena? What are the economic factors such as type of economic system, international trade agreements, and the indicators of economic well-being of the citizens which form the economic setting of the policy arena? What are the social factors such as demographic size and composition, social cleavages, and indicators of social well-being of the citizens which form the social setting of the policy arena? (Easton, 1965).

Policy formulation. Policy formulation is understood in terms of the executive governmental decision-making process which identifies issue areas which are to be dealt with by the governmental structure.
"Policy makers are not (always) faced with a given problem. Instead they have to identify and formulate their problem" (Lindblom, 1968, p. 13). Manifestations of a problem such as riots, strikes, inflation, etc. may be problems in themselves but they are also symptomatic of larger problem areas. Following David Easton's (1965) analysis of the political system demands (inputs) are placed on the governmental structure by interest groups and/or assorted citizenry to make authoritative decisions concerning the welfare and maintenance of the system. Policy formulation requires the following steps:

a. gathering information so as to be able to clearly define the issue area at hand and to identify various goals or objectives which could deal effectively with the issue area;
b. choosing specific goals to be achieved with regard to the issue area [Fred Riggs (1964) notes that it is important not to equate goals with policy since goals may be more encompassing than the policy which is chosen to deal with the goals (pp. 332-334)];
c. debating the desirability and feasibility of the goals to substantiate the need for resolution of the issue area and to identify a policy plan or strategy which outlines particular actions which will lead to the achievement of the specified goals;
d. debating the possible consequences of the specified goals and actions or strategies to determine which actions provide optimum return regarding the resolution of the issue area at minimal risk/cost;
e. formalizing a governmental position concerning the issue area and issuing a governmental recommendation or policy statement which
identifies the government's goals and intended action with regard to the specific issue area. Policy statements provide the substance for systematic analysis of policy contents.

Questions to be considered when studying policy formulation in the policy process are: What are the decision-making styles of the government? How does the government gather information concerning issue areas? How are the issue areas debated and how are goals formulated? What is the interaction between the policy-makers and the intended target group with regard to policy formulation? Who makes the final decision regarding the government's policy recommendation and who issues the government's policy statement?

**Policy statements.** Policy statements (policy contents) range from those which are narrow in scope, reflect the special interests of a small group of people and affect a small number of clientele to those which are wide in scope, reflect larger group interests and demands and affect a large number of clientele. Policy statements may be simple or complex and may institute incremental change, wide-sweeping change or virtually no change to policies of the status quo. Types of policy statements may be distributive in nature, regulatory, self-regulatory or emotive-symbolic (Lowi, 1964, pp. 677-715; Salisbury, 1968, pp. 151-175; and Smith, 1969, pp. 498-515).

**Policy implementation: strategy or plan.** A policy strategy or plan identifies the government's recommended methods or actions to be taken to achieve the prescribed goals concerning the issue area. This is the initial step of the implementation process at which time the policy moves from the immediate concern of the executive decision-making
to the concern of the administrative organization, the bureaucracy, which will be responsible for the direct actions to be taken to implement the contents of the policy.

**Policy implementation: action.** Actual implementation of a public policy involves the interaction of two groups: the administrative organization responsible for the policy implementation and the target group or clientele at which the policy is directed. The implementation stage is a critical stage of the policy process for it is at this stage that the policy may be: a) abandoned by the executive decision-makers; b) modified depending upon response by the intended or unintended target groups or clientele and depending upon the administrative capability of the bureaucracy to implement the policy; or c) implemented following the original plan or strategy proposal. Questions which should be considered when studying policy implementation in the policy process are: What are the various methods of action recommended by the executive with regard to implementation? What are the actual methods employed by the bureaucracy with regard to policy implementation and how do they compare with the government's intended actions? Who does the actual implementation of a public policy (what agencies? what individuals?)? What is the co-ordination or relationship between the executive and the bureaucracy during the implementation process? What environmental factors assist or impede implementation of a public policy? What are the internal workings of the bureaucracy in the implementation process and how does that affect the results of a public policy?

**Policy results: outputs.** Policy outputs are the actual allocations of public resources which vary according to the goals and actions taken
with regard to specific public policy. Data concerning resource allocation are used to measure policy outputs to reflect the response to the intentions of the public policy. For example, the policy outputs of a policy designed to increase educational opportunity would be reflected by the percent of the gross domestic product spent on education, the number of teachers hired, number of new facilities constructed, the number of facilities expanded, etc.

Policy results: outcomes. Policy outcomes are the actual consequences of the policy outputs which are reflected by social and economic well-being indicators such as literacy, income distribution, life expectancy and mortality rates, etc. Policy outcomes reflect "the way or ways in which the course of events is in fact affected by the authorities' actions in implementing the policy they have chosen" (Ranney, 1968, pp. 8-9) and provide a measure of the impact of the policy. Policy outcomes ultimately affect the environment or the setting or the pre-existing conditions of the policy arena to resolve the initial issue area and/or to create the setting for a new issue area or areas.

Question which should be considered concerning policy results in the policy process are of two types: a) What are the actual policy outputs and outcomes of a particular public policy? b) What is the significance of the policy outputs and outcomes with regard to the political, social and economic performance of the government? Studying the policy process provides a framework for evaluating the performance of any government to identify its strengths and weaknesses in the governing process and an analysis of the capabilities and actions of that government to be responsive to the needs of its people.
Research Strategy for a Policy Study

"Policy sciences is concerned with the contributions of systematic knowledge, structured rationality and organized creativity to better policy-making" (Dror, 1971, p. ix). A policy study provides the framework for such endeavor. The underlying question of a policy study is: did/does this policy meet the desired goals for which the policy was intended? To arrive at a conclusion concerning the "success" of a particular policy, the policy scientist dissects the policy process into the component parts identified earlier. A systematic evaluation of the policy through each of its component steps will identify patterns of actions which lead to the success or failure of the policy with regard to its intended goals. The task of a policy study is to analyze information concerning the policy to be able to evaluate the performance and efficiency of the policy-makers and policy-implementors to recommend adjustments in the policy process which will lead to "better policy-making."

The following model is adapted from Thomas Cook and Frank Scioli (1972) to illustrate the relationship of the various components of the policy process. This model will be used to analyze the agrarian reform policies of the civilian government of Fernando Belaúnde and the military government of General Juan Velasco in the following Peruvian case study. Emphasis will be placed on identifying decision-making patterns and implementation strategies as well as the organizational structures and functions of the corresponding agencies of each government to formulate a comparative analysis of the policy process under a civilian government and the policy process under a military government. The ultimate
Figure 1

Policy Impact Model
objective of this study is to identify who governs best in an underdeveloped country: the civilians or the military?

Public Policy and the Policy Process in Developing Nations: Latin America

One problem with policy studies literature to date is that it reflects a distinct Western bias which makes several assumptions about the operation of the political system. Some of these assumptions such as the assumption of a stable political environment and a well-developed administrative capability on the part of the bureaucracy become problematic in discussing public policy and the policy process in developing nations. Looking historically at the policy environment of Latin America one finds two aspects of the policy process that differ from those in developed nations: 1) the political, economic and social characteristics of Latin America; and 2) the bureaucracies of Latin America. The following discussion identifies some of the important differences.

Political Characteristics of Latin America

The political institutions, structures and processes of Latin America differ from those of the developed nations. Latin America is characterized by a variety of political systems which range from the multi-party system in which popular elections are held, interest groups are freely organized and the economic system is regulated but not controlled by the government, to the corporatist system in which the government is largely authoritarian, interest groups are directed or even created by the State and the economic system is controlled by the State.
Political parties in Latin America are built not only around ideologies but also around issues or personalities which may come and go over time. Leadership styles which represent these groups range from the oligarch to the caudillo to the middle class professional to the populist conservative or falangist to the totalitarian of the left to the totalitarian of the right (Silvert, 1966, pp. 326-329) with an emphasis on a strong, often autocratic executive. There is a great deal of personalism in Latin American politics with a frequency of charismatic leaders. Political institutions other than the executive are often weak and political participation of the masses is limited.

Latin American politics are often characterized by the persistence of traditional leadership on the local level with low levels of integration on all levels of political activity, local, state, regional and national. Low levels of specialization and role differentiation as well as low levels of administrative capabilities are also characteristic of Latin American politics. For example, elites may be required to fulfill more than one role at the same time. The large number of political parties often necessitates coalition-building in the electoral process. The legitimacy of Latin American governments is often weakened in the process of dealing with parties of numerous coalitions which leads to violence, unrest and often a lack of procedural guarantees of civil rights.

The electoral process is repeatedly interrupted by periods of unrest which often result in increased military participation in domestic politics. The military may stand in the shadow as a veto group or may intervene to remove the existing government in a coup d'etat.
Martin Needler (1966) reported that between 1935-1964 fifty-six such military coups took place in Latin America (p. 617). Another eleven military coups have occurred in Latin America from 1964-1976. The frequency of military governments in Latin America is becoming more common-place as military leaders ally themselves with various power contenders within society or as the military comes to see itself as more capable of governing than the elected civilians.

Economic Characteristics of Latin America

The level of economic development of Latin America clearly differs from the developed nations which presents a large difference in many of the issue areas confronting the two regions. Latin America suffers from the ironic disparagey of being a nation wealthy in areas of natural resources accompanied by high levels of poverty and a large discrepancy in the distribution of wealth. Latin Americans are suffering from high levels of unemployment, underemployment and inflation while most of the Latin America nations are undergoing the transformation from being an agriculturally-oriented economy to the industrially-oriented economy characteristic of the developed nations. Latin America is beginning to establish local industries to produce secondary and tertiary goods and materials which have previously been imported but to do so has been dependent upon a large number of foreign investors to bring the technology and man-power to operate the industries from the West. Although countries in Latin America are increasingly demanding 49-51% ownership of multi-national corporations located in their countries, there remains a large amount of foreign investment which ships profits home to the
mother country. The transformation from an agricultural economy to an industrial economy raises a large number of issue areas concerning problems of development which are not typical in developed nations.

Social Characteristics of Latin America

Latin America is characterized by a distinct elite/mass class cleavage with the middle class slowly beginning to emerge in some countries. Ethnic group divisions remain strong in some areas with little integration into national society. Literacy levels for the official language (Spanish or Portuguese) remain low with many Indian groups perpetuating their own language and customs. Demographic trends include rapid population growth, massive migration from rural areas to urban areas with subsequent rapid growth of major cities. Programs of social security and general welfare are inadequate or non-existent. Education is increasingly being offered to a larger segment of the population but still does not include the very low levels where children are needed to help support the family's existence. Migration to the urban areas also reflects changing values and relationships which have a great impact on family life and family heritage.

It is within this political, economic and social setting that the policy process operates in Latin America. Issue areas are identified and policies formulated not always in a democratic environment characteristic of the developed nations, but more often than not in a tightly controlled autocratic executive where response to political inputs from the system may be highly selective. The economic and social characteristics of Latin America also differ greatly from those of the developed nations which create policy problems which are not comparable.
The policy process itself in Latin America is distinct from that of the developed nations. The differences in political institutions and leadership styles in Latin America affect the public policy process with regard to identifying salient issues, setting goals and formulating policies and policy strategies. Since this study deals with one particular leadership group, the military, and since the role of a governing military in the policy process will be discussed later, it is not necessary to differentiate the leadership and decision-making processes of the two regions. However, since the bureaucracy is the administrative organization charged with the task of policy implementation it is useful to present a brief discussion of the characteristics of bureaucracies in developing areas and specifically in Latin America.

**Latin American Bureaucracies**

The diversity of types of bureaucracies in Latin America corresponds to the diversity of political regimes. Fainsod's classifications of representative bureaucracies, party-state bureaucracies, military-dominated and ruler-dominated bureaucracies all can be found in Latin America (Fainsod, 1973). It is important to keep in mind that Latin America is undergoing the transition from traditional society to a modern society. The role of bureaucracies may be impetus to, victim of, or hindrance to this transition. Depending upon the levels of development of the individual countries nearly all of the Latin American countries fall in either the Duverger's classification of the primitive spoils system based on political choice and the practice of corruption or the developed spoils system based on political choice and honesty.
Duverger corresponds these types to different levels of development as follows:

In a very underdeveloped society, where the state is in fact the instrument of government of small groups of privileged minorities, and appears as such in the eyes of the population, its officials usually ensure the satisfaction of the private interests of those groups and not of the public interests. The idea of "public service" does not really exist. The officials are selected by the dominant groups with regard to their loyalty, which is only rewarded by the material benefits they derive from their positions. Thus corruption forms part of the system. . . . Developing countries find themselves in an intermediate situation, which naturally puts them in a contradictory position from the point of view of public service. On the one hand, force of habit urges them toward the spoils system and corruption; on the other hand, evolution toward modern form progresses in a way favorable to a technical administration based on political independence and honesty (Duverger, 1965, pp. 11-12).

Nearly all of the Latin American bureaucracies suffer from problems which may be systemic in nature, structural in nature, or a combination, systemic-structural in nature. Many of these problems relate to the absence of the pre-conditions necessary for effective public administration as identified by S. K. Makielski (1967) as follows:

1) a basic skill pool - including various talents from the managerial level to the secretarial level; 2) organizational experience - brought about in socialization processes which teach teamwork or leader-follower experiences; 3) administrative norms - including not only communication patterns, but also the basic attitudes of the population toward bureaucracy; 4) organization language - phrases, symbols and general organization-management vocabulary (generally learned or adopted rather than common terms) (pp. 149-151).

Without these administrative pre-conditions Makielski suggests several policy implications:

1. administrative flexibility sharply curtailed;
2. break-down in communications on all levels of administration;
3. lack of competent administrators and other personnel as well as recruitment problems in finding competent bureaucrats;
4. capacity of administrative structure to respond to procedural innovations and technological changes;
5. bureaucracy experiences resistance to change;  
6. aid-countries may find great administrative procedural gap -
"good" methods may not fit in "real" world of developing
areas (pp. 151-152).

Structural problems of bureaucracies in Latin America include: the
frequency of personal loyalties as opposed to organizational loyalties;
the lack of efficient organizational procedures and routines and the
"lack of delegation of authority" (Thurber, 1973, p. 34). Personal
loyalties to a supervisor, to friends or family represent the dominance
of "personalismo" in Latin American bureaucracies. Insufficient organi­
zational procedures and routines make record-keeping difficult and
reinforce the personalistic nature of the bureaucracy as reference to
decisions, operations, etc., may not be in writing, rather in some
bureaucrat's head. Thurber (1973) found in researching Latin American
bureaucracies "the desire not to accept responsibility and to carry
through on action without supervision" (p. 34) as well as the lack of
delegation of authority.

Systemic problems which affect Latin American bureaucracies are:
the frequency of change in governments and the use of the bureaucracy as
a panacea for employment problems by the government. Frequent changes in
government, especially by extra-constitutional means play havoc upon
the bureaucratic organization and interrupt the flow of continuity from
one administration to another. The use of the bureaucracy to relieve
unemployment, or "empleocracia" (Hennessy, 1964, p. 197) leads to
organizational dysfunction and chaotic administration.

Many of the difficulties in the Latin American bureaucracies result
from a combination of systemic and structural problems. Several of
these include:
1. low levels of governmental integration and co-operation on the local, state and national levels, as well as ministerial separatism which hinders communication flows and allows for duplication of services;
2. environmental conditions such as low levels of literacy and education which impede recruitment of skilled individuals for specialized services;
3. corruption (Scott, 1969, p. 1142);
4. a lack of a "civic culture" (Almond and Verba, 1963) where individual concerns are placed secondary to concerns of the public welfare in bureaucracies.

Although the bureaucracies in Latin America may assume different roles for different regimes several concluding points may be made. First, Latin America clearly suffers from the lack of a basic skill pool as identified by Makielski. Administrators are often chosen because of their relationship with the new leader or with the leaders of the governing party or party coalition as opposed to being chosen for their administrative skills. Similarly military officers who assume administrative responsibilities may or may not be trained in tasks of public administration. Second, the continuity of a Latin American bureaucracy is often threatened by extended periods of political instability. Transition from one political regime to the next depends largely upon lower level bureaucrats whose positions may not have been changed in the shuffle from one administration to another. Third, in order for Latin American bureaucracies to reach a higher level of administrative development many of the systemic characteristics of the area will have to be
changed to effect structural changes in the areas of public administration.

Summary

The preceding discussion outlines the approach of contemporary social scientists to the study of public policy through policy content and the policy process. Analyzing the policy process provides a framework for evaluating the performance not only of the governmental executive but also the bureaucratic organization of the political system. Public policy studies draw from a wide range of concepts and theories of politics, economics and sociology to identify specific structures and interactions which can lead to recommendations for improvement in the policy process. The policy impact model presented in this chapter provides the framework of analysis and research strategy for evaluating the agrarian reform policies of the civilian government of Fernando Belaunde (1964-1968) and the military government of General Juan Velasco Alvarado (1968-1975) in Peru. Comparing the policy contents and the policy process under each government will suggest conclusions concerning the governmental performance of each government in a comparative perspective.

Most of the public policy literature reflects an innate bias of the developed nations with assumptions and jargon that relates to those nations. This policy study, however, is concerned with a particular public policy and the corresponding policy process in Latin America. It is necessary, therefore, to identify the unique political, economic and social characteristics of the Latin American environment as well as the institutional differences in the Latin American executive and bureaucracy
to recognize that the study of public policy in Latin America reflects a different environment and different structural variables than a similar study in the West. The importance of this point does not challenge the applicability of the policy impact model to Latin America. Clearly, this model is useful in organizing a public policy study in Latin America by analyzing the structural and behavioral patterns in policy formulation and policy implementations and evaluating the policy results or impact of the policy outputs and outcomes. The conclusions of a policy study in Latin America, however, are likely to reflect the differences in the policy environment of the two regions as well as differences in the decision-making styles and the obvious differences in the institutional structures and development.
CHAPTER II

THE MILITARY IN LATIN AMERICAN POLITICS

The military is one of the most powerful and often the most visible actor in Latin American politics. Regardless of the size of the military itself, the structural characteristics of its disciplined organization give power contender status to the military institution. Historically the military has been a conservative force, allied with the landed, monied aristocracy. Preservation of the state and society was synonymous with preservation of the conservative stronghold of the economy. Writing in 1964 Edwin Lieuwen stated, "When the Latin American political spectrum is considered as a unit, there is little question that the armed forces are a conservative, antirevolutionary institution standing in the way of achievement of evolutionary social revolution by democratic means" (p. 130). Lieuwen cites military intervention in Argentina, Brazil, Peru, Guatemala, Ecuador, the Dominican Republic and Honduras in the early 1960's which "intended to depose or restrain reform-minded civilian political leaders and groups, or to prevent their coming to power" (p. 130). The military perceived social change as threatening not only to law and order but also to national and self-interest (Lieuwen, 1964, p. 135).

Events of the late 1960's and 1970's have changed the perspective of the military, however, from that of conservative caretaker to active modernizer. How did this change come about and what are the results?
The following chapter analyzes the role of the military in Latin American politics by examining the following questions: 1) What is the nature of the military as a non-ruling political actor? 2) What prompts military intervention in the governing process? 3) What types of military governments follow military intervention? 4) What course of policy-making does the military pursue as governing executive? 5) What is the impact of a military government on the political system? In other words, what difference does it make if the chief executive wears a military uniform? Discussion of these questions as approached by various social scientists since the 1960's provides background for the development of several hypotheses regarding the specific policy actions which the military will choose as governing executive. These hypotheses are to be tested in a case study of the military government of General Juan Velasco Alvarado from 1968-1975.

Historical Role of the Military as a Non-Ruling Political Actor

The historical task of the military in Latin American society has been two-fold: 1) to protect and defend that society from external aggression; and 2) to defend the government of that society by preserving internal order. The assignment of these tasks to the military (including the Army, Navy, Air Force, National Police, etc.) is both formal and informal in that constitutions establish the existence of the armed forces, but also the people of that society depend upon the military for preservation of a stable political order. The military is potentially a very powerful actor in Latin American politics by virtue of the societal tasks it is charged to perform. Political power configurations have
included the military in every position from that of direct rule to that of a silent veto group on the sidelines of a civilian government. Military officers are frequent Cabinet Ministers in civilian governments and are involved with policy decisions not directly related to the military.

The military or armed forces of Latin American countries have been influenced from an organizational standpoint by the military organizations of the developed nations. Following World War II, the availability of surplus weapons and machinery and foreign training programs gave birth to "modernized armies" in underdeveloped countries.

The fact that these new armies in pre-industrial societies are modeled after industrial-based organizations has many implications for their political roles. One of the characteristics is particularly significant: the specialization that modern armies demand in skills and functions is only distantly related to the command of violence. . . . As the armies have striven to approximate their ideal models they have had to establish all manner of specialized organizations and departments that require skills that are either in short supply or nonexistent in their societies (Pye, 1976, p. 176).

Thus after World War II the Latin American military began to modernize. Professional training schools for officers were developed based on officer training by soldiers in the United States. There began to be an emphasis on technical skills and knowledge of advanced warfare techniques. Military budgets were expanded to include purchase of sophisticated machinery and other modern military hardware. Thus modernization had an effect not only upon the political role of the military, but also on the skills and training military itself.

The concept of a modern military goes beyond the advancement of weapons, strategies and warfare operations. Modernization of the military has introduced a new curriculum to the training of the men who control the
technological machinery: concepts of politics, economics and sociology. The education of the modern military officer, therefore, goes beyond the boundaries of military science and penetrates the boundaries of the social sciences. The end result of this new training is that the military comes "to identify more readily with intellectuals, students, and other groups which support a modernization ideology" (Pye, 1966, p. 177).

The role of the military as a non-ruling actor remains that of protector of the state from external or internal aggressions. However, with the introduction of a modernizing element to the operations of the military, the significance of the force of its potential political power is increased. The military officers may no longer see themselves merely as the caretaker of the conservative interests of certain individuals. Welch and Smith (1974) suggest that the political role of the armed forces now varies according to certain environmental factors within the society and internal factors within the military itself. These factors are identified as follows:

1. The political roles of the armed forces may vary with factors peculiar to each state. These factors, which we call environmental, include the nature and extent of political participation within the society, the relative isolation of the armed forces from social and political currents, the extent to which the military serves as a direct support for the government, and the legitimacy enjoyed by the government.

2. Variations in the organization of the armed forces, which we call internal factors, interact with the environmental variables. Among the internal variables are mission, political awareness, level of cohesion, technological proficiency, the nature and extent of military professionalism, and the value espoused by the military, particularly values reinforcing or undercutting political subordination (pp. 3-4).

Welch and Smith's classification of factors which determine the political
role of the military should be expanded to include several other factors such as cultural or historical factors, international or geopolitical factors and socio-psychological factors of leadership. Combining these factors with those presented by Welch and Smith the following discussion summarizes the social science literature regarding the military role in politics from military intervention through subsequent military rule.

Military Intervention

"The concept of intervention implies that the military is not an integral part of the national society" (Kourvetaris and Dobratz, 1976, p. 87). There is no doubt that the military is definitely an integral part of the national society in Latin America. Intervention in this discussion is to be understood in terms of the military's direct and intentional assumption of the role of chief executive.

Factors External to the Military Which Prompt Military Intervention

Political factors. Weakness of political institutions and procedures to ensure peaceful change may prompt military intervention. A crisis in the legitimacy enjoyed by any government or when no agreement may be reached among power contender groups concerning the legitimacy of the government the military is likely to intervene (Perlmutter, 1969; Huntington, 1968). William R. Thompson (1975) notes that much of the literature discusses "institutional 'vacuums'" (p. 460) governing a nation which prompt military intervention for many different reasons. In the absence of a legitimate civilian government, military officers who promote intervention "are viewed as obediently enacting the roles
assigned to them by vague and impersonal systemic forces" (Thompson, 1975, p. 460). Military intervention in this instance "fills the void" in the governing structure created by the weakening of established political institutions.

Solicitation of military support by various power contenders may prompt military intervention. When public confidence in governing officials is diminished or lost the military may be invited to ally with one or more political groups in order to oust a particular government. Needler (1966) has noted the tendency for military intervention to occur just prior to a Presidential election or just following a Presidential inauguration which often is the result of the defeated party or parties enlisting the aid of the military to prevent the winning party from successfully entering the executive office.

Cultural and historical factors such as an historical propensity for the military to intervene may in itself prompt subsequent military intervention. Finer (1962 and 1974) and Janowitz and Van Doorn (1971) found that past military intervention increases the probability that the military may intervene in domestic politics again. Similarly, Thompson (1975) discusses "the pull of the past through historical and cultural legacies" (p. 460) as providing an impetus for military intervention.

"Coup contagion" is another political factor which may prompt military intervention. Li and Thompson (1975) in an attempt to illustrate James Rosenau's linkage theory (1969) studied the possibility of whether or not a military coup in one country might influence the military of another country to intervene in its nation's domestic politics in a similar manner. Although the nature of their article is highly
speculative concerning the explanatory strength of their hypothesis, Li and Thompson analyzed one hundred and seventy-one military coups d'etat all over the world which occurred between 1946-1970. Their analysis suggests a strong support of the coup contagion hypothesis in Latin America (pp. 63-68).

**Economic factors.** "Perceived deterioration of economic conditions—especially if accompanied by a belief that the government is unable to resolve or is responsible for the deterioration" (Welch and Smith, 1974, p. 26) may prompt military intervention. Again, the legitimacy of any government is threatened by the dissatisfaction of the people which manifests itself in lack of support for the government. If the government is held culpable for a deterioration of economic conditions, pressures build in favor of military intervention to oust the government and to restore economic stability. Much of Martin Needler's study of the role of the military in politics deals with this aspect of military intervention. Needler (1966) concludes that "the overthrow of a government is more likely (to occur) when economic conditions worsen" (p. 618) than when economic conditions are stable or improving. Needler explains that an anti-government propaganda campaign may inspire the military to intervene. Attacks against the government by the mass media, strikes and terrorism by various political groups opposed to government policies as well as persuasion of individual officers by anti-government political and non-political leaders "create an impression of a situation in which there is no other solution than a military assumption of power" (Needler, 1969, p. 240). Egil Fossum (1967) also found that the frequency of coups d'etat in Latin America doubled from 1.3 coups/year during periods
of economic improvement to 2.6 coups/year during periods of economic decline (p. 237).

Social factors. Conflicts which arise as a result of ethnic and/or class cleavages and threaten the legitimacy of the government may prompt military intervention. Tensions between ethnic groups, regional groups, age groups, etc., may reduce the capability of the government to meet the needs of all the groups. The result is that one or more of these groups turns to the military for action in removal of the existing government. José Nun (1968) has studied a phenomenon which he calls the "middle class military coup" (p. 147). Nun's explanation of this particular phenomenon is as follows:

... the working and upper classes may or may not be affected by the decisions adopted by the government. It depends on whether the solution is an overt labor policy or an oligarchic one. But, owing to their position in the socio-political space, certain sectors of the middle classes will always be affected. ... The capacity for defense of these sectors is reduced by their lack of such organizations as the unions of the working class, and their lack of traditional representative instruments like the ones efficiently used by the oligarchy. It is here the military intervenes (p. 176).

In a period of rapid social mobilization military intervention is likely to occur. Huntington (1968) suggests that the impetus to military intervention is brought on by the effects of social mobilization rather than the mobilization process itself. "Urbanization, increases in literacy, education, and media exposure all give rise to enhanced aspirations and expectations which, if unsatisfied, galvanize individuals and groups into politics. In the absence of strong and adaptable political institutions, such increases in participation mean instability and violence" (Huntington, 1968, p. 47). Robert Putnam (1967) applied
statistical analysis to correlate given indicators of social mobilization (urbanization, literacy, newspaper circulation, higher education and distribution of radios) with military political activity in Latin America between 1956-1965 and found a negative correlation of -0.53 (p. 96). The validity of Putnam's data and analysis have been challenged, however (Rankin, 1974, pp. 88-89), and his findings do not address the issue that Huntington argues, i.e. the ability of the political institutions to meet the demands of the people during the process of social mobilization as an impetus to military intervention.

**Internal Factors Which May Prompt Military Intervention**

*Structural characteristics of the military.* Organizational characteristics of the military such as discipline, hierarchy, centralized command, formalized internal communication network, and espirit de corps are influential factors in the military's decision to intervene in domestic politics. No other bureaucratic organization can claim such elaborately structured organizational characteristics. In writing about armed forces organizations Marion Levy (1971) notes that armed force organizations are clearly the result of careful planning. "They are not generally formed on the spur of the moment, and they are usually quite explicitly organized with a view to efficient functioning of their members in pursuit of relatively well understood ends" (Levy, 1971, pp. 44-45). He explains that there are several reasons for this: 1) that the goals or purpose of armed force organizations are highly visible: preservation of internal order; 2) that recruitment into those organizations is selective with regard to age and sex; and 3) that they
are organizations into which people are inducted for a specific purpose (Levy, 1971, p. 45). These factors contribute to the high level of organization and efficiency of the armed force organization or militaries as they are referred to here. The hierarchical nature of the military also contributes to the organizational efficiency of the military. The foundations of discipline, hierarchy and a well-defined pattern of authority provide an excellent basis for continuity of the organization.

Cohesion. "The feeling of group solidarity and the capacity for collective action" (Janowitz, 1964, p. 67) or cohesion may influence the military's decision to intervene in domestic politics. The organizational characteristics identified earlier all contribute to the cohesion or solidarity of the military organization. Such cohesion is significant for the role of the military in politics. The rule of thumb is to carry out the orders of the commanding officer without questions. With a well-disciplined and cohesive unit, therefore, an order to effect a coup d'etat and to oust a President would be carried out without question. Janowitz (1964) elaborates this point indicating that the higher the internal cohesion of the military, the greater the capacity of the military to intervene in domestic politics. If the military successfully intervenes but is low in internal cohesion, a countercoup may occur (p. 68). Several social scientists have challenged the notion that the military organization is innately cohesive and homogeneous specially considering that recruitment into the military is reaching a wider background of social origins. "An examination of this problem must start from an appreciation of the fact that officers of the armed forces are not dominated by a single political viewpoint but hold a
variety of political orientations" (Needler, 1966, pp. 620-621). Stepan (1971) suggests that the military is as factionalized as any other subsystem as a result of the socialization differences among the military officers (p. 269). Both Needler and Stepan as well as Potash (1969) discuss the heterogeneity of the military which would challenge the idea of cohesiveness of the military as a viable factor. However, their analyses deal largely with the backgrounds of the various military personnel. It may be argued that once the individual is inducted into the military, his allegiance, dedication and daily operations in the military institution transcend the origins of his background to bring about a cohesive homogeneity suggested by Johnson (1964) and Janowitz (1964). This subject will be discussed in greater detail in conjunction with the subject of the self-interest of the military.

Antonomy. "Anxiety to preserve its autonomy provides one of the most widespread and powerful motive for (military) intervention" (Finer, 1962, p. 14). Welch and Smith (1974) identify this area as critical to the maintenance of civil-military relations. "The vital necessity for both officers and politicians is mutual recognition--that is awareness by the military as well as civilian leaders of a) the area of exclusive policy authority for each, and b) the areas of shared policy authority" (p. 16). Any attempt by civilian authority to reduce the power held by the military under civilian authority may provide enough threat to the autonomy or the self-interest of the military to produce a coup d'etat. Interference by the civilian authority in the military culture itself (such as salaries, recruitment, training, promotion, retirement procedures, etc.), a veto of proposed military expenditures or budget cuts
in the military allotment may prompt military intervention (Needler, 1966, p. 623). The military holds a unique position in society—that of caretaker of the state, protector of the nation—which instills a sense of mission to the members of the military institution. The nature of this sense of mission, duty, or obligation to the state, however, very easily becomes a mission, duty, or obligation to self-preservation as well. Rankin (1974) suggests that "at the same time the military institution is developing a mission, there are corporate self-interest peculiarities within the military which keep intervention within the realm of 'reactive' militarism" (p. 94). In their criticism of the Nun model of the middle-class coup phenomenon José Miguéns (1970-1971) and Carlos Astiz (1969) suggest that military officers are more likely to be motivated to initiate intervention because of their institutional allegiance rather than to respond to the interests of a specific class. Another factor which relates to the importance of the self-interest of the military is the military's perception of the importance of economic development. In the 1950's and 1960's military leaders "began to perceive national security problems as extending beyond conventional military operations ... because many of the existing social and economic structures seemed so inefficient or unjust as to create the conditions for, and give legitimacy to, revolutionary protest and hence constitute a security threat. It was believed by the military that these conditions were ultimately a threat to the military itself as an institution" (Einaudi and Stepan, 1971, p. 21). In addition, with the growing professionalization of the military, the military saw great need to expand its technological capabilities since this appeared to be the
trend for militaries in the underdeveloped world following World War II. Economic development for the nation would be critical to be able to purchase the necessary military hardware to maintain a secure position in the regional balance of power.

Structural differentiation. The bureaucratization of the military has had an overwhelming impact on the role of the military in politics. Emphasis on developing skills of force and domination has shifted to an emphasis on the development of managerial skills, technical proficiency and education in the military science of warfare. The result has been a new professionalism of the military which has narrowed the gap of technical knowledge between the civilians and the military.

The new skills of the military require that the professional officer develop more and more of the skills and orientation common to civilian administrators and civilian leaders. The narrowing difference in skill between the civilian and military is an outgrowth of increasing concentration of technical specialists in the military (Janowitz, 1960, pp. 8-9).

Professionalism. Professionalization of the military has brought to rise competing theories regarding the result of this professionalization. Huntington (1957) contended that the more professional the military, the more likely the military would be to maintain a non-political stance. Both Finer (1962) and Abrahamsson (1972) argue on the other hand that the more professional the military organization, the more likely it will become active in politics. Abrahamsson identifies two processes of professionalization of the military: corporate and individual. The corporate process of professionalization evolved historically in four areas:

a. state centralization leading to the domestic recruitment of cheap military labor for mass armies;
b. industrialization, making possible the equipment of large armies and creating ties between the officer corps and the bourgeois class;
c. the decline of the nobility as a source for officer recruitment;
d. technological innovations (Welch and Smith, 1974, p. 19).

The individual process of professionalization takes place through internalization of values, beliefs and goals of the military institution itself. Abrahamsson suggests that "the values and goals characteristic of a small, privileged, aristocratic group of officers have been essentially supplanted by nationalism, pressimistic beliefs about human nature and the probability of war, political conservatism and authoritarianism (Welch and Smith, 1974, p. 19). These institutional beliefs take on particular importance when the military perceives that the governing civilians are not initiating and implementing policies which are parallel to the military's notions of national goals.

Huntington later modified his judgment about the political role of the military saying that

the extent to which military institutions and individuals become politicized is a function of the weakness of civilian political leaders to deal with the principal policy problems facing the country. The extent to which a politicized officer corps plays a conservative or a reform role in politics is a function of the expansion of political participation in the society (Huntington, 1968, pp. 221-222).

As the military institution expands its educational opportunities and requirements, military officers gain an expertise in political, economic and social issues which usually have been the responsibility of the governing civilians. The impact of professionalization of the military may then prompt military intervention.

Socio-psychological aspects of leadership. The discussion of internal factors which may prompt military intervention is not complete
without some mention of socio-psychological variables which influence military leadership. Several authors have attempted to dissect the components of the "military mind" (Abrahamsson, 1972, pp. 76-79) to determine the effects of the military mind on the military's role in politics. Labels such as "authoritarian" and "nationalistic" are frequent in reference to the military. Eckhardt and Newcombe (1969) attempted to identify psychological influences on attitude formation to explain militaristic behavior. Their findings indicate that militaristic attitudes correlate strongly with: a) intolerance of ambiguity; b) rigidity; c) conservatism; and d) authoritarianism (p. 213). Eckhardt and Newcombe (1969) cite other studies (p. 215) which characterize the military mind as: orderly, frugal and obstinate (Farber, 1955); over-controlled, restrained, aloof and rigid (Blum, 1958); and orderly, predictable, punctual, prompt, decisive, rank-conscious, and simplistic (Lyons, 1963). The implication of these findings is that the military mind has decisive attitudes which coupled with the growth in professionalization enhance the self-image of the military concerning its ability to intervene in and to govern the political process.

Military Intervention: A Summary

The above discussion has identified the primary factors which lead to military intervention in domestic politics. Environmental factors such as social unrest and economic instability may threaten the legitimacy of a civilian government to the extent that the military is moved to oust the civilian government and/or to supervise its replacement. Cultural or historical factors such as a history of military intervention
may prompt subsequent military intervention. Regional or international politics may motivate the military to intervene especially following the "coup contagion" hypothesis. Factors innate to the military institution itself such as organizational characteristics, structural differentiation and the new professionalism of the military may prompt the military to intervene in domestic politics. The relationship between the autonomy or self-interest of the military and the military's interpretation of its assigned role as protector of the national defense may also prompt military intervention. How the military interprets the national defense or national interest and how the military identifies its role in protecting that interest defines the military's role in politics. No longer is national defense identified solely in terms of protection from external aggression. Protection of the national interest now is additionally interpreted as protection from internal disruption as well. When the military determines that the government is not acting in the national interest the military is likely to cross the threshold to military intervention.

This discussion has dealt primarily with military intervention under a civilian government. Virtually all of the factors contributing to the military's intervention under a civilian government apply equally to the possibility of a split within the military prompting intervention or the overthrow of a military government when a faction of the military challenges the legitimacy of the established military government.
Types of Military Governments

The dynamics of civil-military relations present many possible combinations of interaction: "the (military) can take over the government with or without the consent of civilian politicians, on their behalf or against them, in order to eliminate one civilian group and establish another, or to eliminate rivals in the military" (Perlmutter, 1969, p. 382) itself. Many authors have constructed taxonomies or classifications of civil-military relations (Huntington, 1957, 1968; Abrahamsson, 1972; Lang, 1972; Perlmutter, 1969; Rapoport, 1962; and Welch and Smith, 1974). Relevant to this case study are propositions from these studies concerning civil-military relations in praetorian societies after military intervention has successfully placed military officers in the executive office of the government. "A praetorian state is one in which the military tends to intervene and potentially could dominate the political system" (Perlmutter, 1969, p. 383).

A brief presentation of two of the above classifications will identify what types of military governments are likely to follow military intervention in praetorian societies.

Perlmutter (1969) differentiates the two types of praetorian military governments following military intervention as follows:

1. The arbiter-type of military government characterized by:
   a. acceptance of the existing social order
   b. willingness to return to the barracks after civilian disputes are settled
   c. no independent political organization and no attempt to maximize military rule
   d. time limit for the rule of the army until an alternative "acceptable" regime is established
   e. concern that professional norms of the military institution may be destroyed by political involvement of the military
f. a tendency to operate from behind the scenes as a pressure group

g. low level of national consciousness and identification

h. fear of civilian retribution

2. the ruler-type of praetorian military government characterized by:

a. rejection by the officer corps of the existing order and a challenge of the legitimacy of the existing order

b. no confidence in civilian rule

c. no expectation of returning to the barracks

d. a political organization which attempts to legitimize and maximize army rule

e. conviction that military rule is the only alternative to political disorder

f. the politicization of professionalism of the military

g. operation in the open

h. high level of national consciousness

i. little fear of civilian retribution (pp. 392-403).

Welch and Smith (1974) referring to Luckham's typology identify four types of military governments or regimes:

1. predatory military regimes characterized by:

a. pre-industrial societies where political institutions had decayed and social mobilization and economic development were in the early stages

b. personalistic military style

2. reformist military regimes characterized by:

a. a new military professionalism which identified corporate self-interest with national development

b. coalition with emerging middle class to challenge traditional oligarchy concerning national (especially economic) policies

c. civil-military alliance to create a national identity and to promote economic development

3. radical military regimes characterized by:

a. linkage of military interests to the masses

b. concern for the creation of a new political organization to lead a nationalistic and wide-sweeping social and economic reform

4. guardian military regimes characterized by:

a. emphasis on social and economic change only through a gradual and orderly process, but comes to power with no particular political, social or economic program of its own (pp. 54-69).

Both typologies have similar ideas about what constitutes the various types of military regimes. As a matter of simplification the remainder of this study will refer to two types of military regimes in
a praetorian society: guardian military regime (from Welch and Smith's study and Perlmutter's "arbiter" regime) and ruler military regime.

Most of the literature concerning military politics to date has dealt with the causes of military intervention. Less attention has been directed to the consequences of military intervention and subsequent military rule. Having identified two basic types of military regimes which are likely to result from military intervention the remainder of this study will deal with the consequences of a ruler military regime. "One of the major debates about the consequences of military intervention concerns the ability of the military to serve as effective agents and brokers of social change and modernization in their respective societies" (Kourvetaris and Dobratz, 1976, p. 91). The next part of this study deals with the role of the military as governing executive in the policy process. A systematic examination of military behavior in that role will present useful information and add to the knowledge of the consequences of military intervention and military rule.

The Role of the Military as Governing Executive in the Policy Process

Following military intervention the governing military has basically two alternatives: 1) to return rule to the civilians; and 2) to retain military rule. "Its strategy in either case may be to restrict participation, or to expand it" (Finer, 1974, p. 14). Therefore Samuel Huntington (1968) identified four options which result:

1. return and restrict. The military can return power to civilians after a brief rule and a purge of government officials but continue to restrict the rise of new groups to power.
2. return and expand. The military leaders can return power to civilians and permit the social groups which they had
previously blocked to come to power under new conditions and usually new leadership.

3. retain and restrict. The military can retain power and continue to resist the expansion of political participation.

4. retain and expand. The military can retain power and permit or, indeed, capitalize upon the expansion of political participation (pp. 233-236).

Since the focus of this study is the ruler military, Huntington's options of "retain and restrict" and "retain and expand" are of particular interest. What are the consequences of the military's deliberate choice to retain rule and to implant itself as the governing executive? The answer to this lies in an examination of the military as governing executive in the policy process. The following discussion follows the framework established in Chapter II for analyzing the policy process to construct hypotheses regarding military behavior as governing executive in the policy process which are to be tested on the Peruvian case study.

**Policy Goals**

The establishment of policy goals which a military government intends to pursue may correspond to the original motives which prompted the military coup or may develop following the successful military intervention. Whether or not specific goals of a military government were clear in the minds of the leaders of the intervention, the general goals of a military government will reflect the societal responsibility of the military as guardian of the national security. Professionalization of the military, however, has prompted the military's expansion of its ideology concerning the composition of national security to the extent that national security may be equated with national development.
Hypothesis 1. Policy goals of a military government (as opposed to a civilian government) are more likely to equate national development with national security and to promote stable internal security through control of political participation.

Hypothesis 2. Policy goals of a military government are more likely to include social reform only if social reform is perceived to be a requisite for economic reform.

Policy Formulation

The military institution brings to the executive office a well-established decision-making framework which eases the military into the governmental structure. How does the military collect and synthesize inputs from the political system concerning the policy issue area? What is the interaction between civilian elites and non-elites with regard to formulating policy?

Hypothesis 3. Policy formulation under a military government will follow decision-making patterns of the military organization and will include civilian input only when deemed necessary or desirable by the military. All legislative functions are likely to be carried out by the military as opposed to the legislative branch which operates under a civilian government.

Policy Implementation

The policy plan or strategy of a military government reflects its need to legitimate military rule. A ruling military government enjoys a certain amount of legitimacy following the coup based solely upon the ability to oust the previous government successfully. Support for the
coup must be transferred to support for the military government, however, since legitimacy of the ruling military as executive depends upon compliance with the decisions of the new government by the citizenry. The life of any government depends upon the agreement of society (whether expressed or understood) to accept the authority of its decisions and policies. "A claim to legitimacy is not sufficient; effective channels and means must also be available and action must be undertaken (by the government) for the confirmation and maintenance of that claim" (van Doorn, 1975, p. 3).

**Hypothesis 4.** The policy plan or strategy of a military government will pursue policy goals which attempt to establish legitimacy of military rule, whereas the policy plan or strategy of a civilian government will pursue policy goals which attempt to maintain the legitimacy of its rule established by popular elections.

The task of successful implementation of the public policies of the military government is critical to the sustained legitimacy of that military government. In order to achieve that sustained legitimacy the military is dependent upon the creation of a workable relationship with the bureaucracy, in essence, a civil-military alliance. "Maintenance of order calls for a flow of policy decisions that can be executed through the orders, rules, routines and procedures, formal and informal, on which the bureaucratic order is founded" (Feit, 1973, p. 11).

**Hypothesis 5.** Policy implementation will depend upon the creation (formal or informal) of a military/bureaucratic alliance.
Policy Results: Outputs and Outcomes

The impact of a military government is felt by the political system at all steps of the policy process. The end result of the military's government's goals, strategies and actions, however, can be measured by the political, social and economic indicators identified in Chapter II.

Hypotheses 6. The military government with a development ideology is likely to outperform its civilian counterparts in national development if:

a) the military government can establish and maintain a secure level of political legitimacy;
b) the military government can successfully create an operable military/bureaucratic alliance to implement its developmental ideology.

The two greatest problems which affect the performance of a military government are: 1) its ability to maintain the legitimacy of its rule through whatever means; and 2) its ability to create a successful alliance with the bureaucracy in order to implement its programs and policies. Without a secure level of legitimacy the military government cannot function. Similarly, although professionalization of the military has increased the technical and administrative capabilities of the military, it would be impossible for the military to assume all administrative responsibilities without the organizational assistance of the existing bureaucratic structure.

If these two problems are resolved, however, there are certain procedural and institutional advantages of the ruling military's performance capabilities toward national development over its civilian
counterparts. First is the size and strength of the military institution itself. Even if a political party can match the military in size or in membership, no political party has the capability of tapping the national budget for financial support like the military. Similarly, with frequent changes in organizational structure and leadership, no political party can match the organizational effectiveness of the well-entrenched patterns of procedures and operations of the military institution. Second, the military institution is widely known by the population unlike many political parties which have to struggle for cognitive recognition among the population. The high potential for instant visibility among the population is clearly a political advantage over any civilian group. Third, the increasing professionalization of the military including extensive education in the process and needs of national development adds to the performance capabilities of the military institution. Fourth, the number and variety of force capabilities of the military institution add immense strength to the political power of the military government's decisions and implementation procedures. No civilian political party can match the force capabilities of the military institution.

Disadvantages to having a military government stem from the amount of repression employed by the military government. Restraints upon the political, economic and social institutions of a nation are not likely to be favored by the people of the nation regardless of the performance capabilities of the military government. The following case study analyzes the performance of a civilian government and a military government in the agrarian reform policy process in Peru.
CHAPTER III

AGRARIAN REFORM 1963-1968: THE BELAUNDE YEARS

Prelude to Reform: The Physical and Social Setting

The physical setting of Peru includes three distinct geographic regions: the coast, the sierra and the jungle. The climatic and topographical differences of these areas have had a profound effect on social organization and agricultural activity of the areas. Farm size, crop production, agricultural tools and methods vary from area to area reflecting not only the geographical setting but also the social and economic history of the areas (see Figures 2 and 3).

The coast is a narrow strip of desert covering approximately 11% of Peru's total land area which is cultivated in tropical and semitropical crops with extensive irrigation from numerous rivers. Two of Peru's primary crops come from this area: cotton and sugar. Due not only to the nature of cultivating those crops but also to the initial settlement into Peru by the Spaniards, agriculture in the area is organized in large plantations owned by very few families or corporations. Handelman (1975) comments:

To a large extent Pizarro set the tone of Peru's subsequent political and cultural development. He established the colonial capital, Lima, in a coastal river valley, rather than in the more densely populated highlands, so that the white settlers could be in shipping contact with Spain and other areas of Spanish America. In time the coast became the preserve of white Spanish culture as well as the heart of the nation's economic and political systems (p. 17).
indicates the Sierra.

Figure 2
Physical Map of Peru
indicates area known as La Mancha India

Source: Handelman, 1975, p. 16.

Figure 3
Map of Peruvian Departments and La Mancha India
Land of the large coastal plantations is cultivated almost entirely in market crops of sugar, cotton and rice. The degree of mechanization in agriculture is highest on these plantations due to techniques necessary for sugar and cotton refinement and to the emphasis on economic development of the coast of the Peruvian government in the 1950's. For example, the estimated number of tractors in Peru in 1968 was 10,000 with 80% of these being used on the coast, 17% in the sierra and 3% in the jungle (Weil, Black, Blutstein, McMorris, Munson and Townsend, 1972, p. 276).

On the eastern side of Peru lies an extensive jungle area, the Selva, which covers approximately 68% of the total land area of Peru. Historically the Selva has been sparsely populated (approximately 9% of the total population according to the 1961 census) and is largely composed of isolated aboriginal tribes from the Amazon region which had virtually no interaction with the Peruvian Inca empire (Handelman, 1975, p. 15; Dobyns and Doughty, 1976, pp. 21-22 and pp. 131-132) and have had very little interaction with contemporary Peruvian national life. Barraclough (1973) estimates that 80% of the Selva or approximately 62 million hectares "are poor-quality lands which could be utilized (only) with adequate methods of fertilization and cultivation . . . 5% or 4 million hectares, are badly drained lands called *aguajales* (marshes) . . . (and) 15%--12 million hectares--are fertile alluvial river bottoms which are suitable for the relatively easy cultivation of various tropical crops" (p. 249). Cultivation in the Selva consists primarily of subsistence farming and foresting. However, cleared forest lands bordering the Sierra (the Montaña) have increasingly become a source of pasture land and a potential area for colonization.
The area extending between the Coast and the Selva is the Sierra which refers to the mountains and mountain valleys of the Andes. Population of the Sierra is predominantly Indian with traditional dress and language (Quéchua or Aymara) sustained generation after generation. Cuzco, the ancient Incan capital, is the social and economic center of the area known as "mancha india" or "Indian territory" which includes the departments of Ancash, Apurimac, Ayacucho, Huancavelica, Cuzco and Puno (see Figure 2).

These departments contain nearly 90% of the 1.8 million Peruvian adults whose primary language is Quéchua or Aymara. About 87% of the adult population of the mancha india speak little or no Spanish. Together with the central highland departments of Junín, Pasco and Huanuco, these states give Peru a population that is nearly one-half Indian or mestizo (Handleman, 1975, p. 19).

Two patterns of land tenure existed in the Sierra: the minifundia, tiny subsistence plots owned by individuals or collectively by Indian communities; and latifundia, large plantations which were generally rented by the owner (often absentee landlords) to hacendados to manage while the owners collected rents in cash and/or in crops. Latifundia of the Sierra were "feudal in nature and bear no resemblance to the commercial plantation of the 'costa,' other than size" (Cohen, 1964, p. 49).

Crops of the Sierra including corn, wheat, barley, potatoes, coffee, tobacco and other foodstuffs, are produced on family-worked farms where agricultural methods are almost primitive. "Tools and methods are little improved over those in use during Inca times, except for the use, by no means universal, of the ox-drawn plow introduced by the Spaniards during the sixteenth century" (Weil, et al., 1972, p. 275).

Just as Peru contains great geographical differences, social differences of the geographical areas are equally distinct. With
oligarchic political control of the nation throughout the economic
development of the Coast, the highland areas of the Sierra were
historically exploited for their natural resources and labor force.
Development of the Sierra was never politically or economically neces­
sary until the need for increased agricultural production arrived. At
the same time peasant unrest was becoming a political issue which would
affect the economy. Table 1 illustrates the socioeconomic and political
gaps between the population of the Coast and of the Sierra in the mid
1960's.

Table 1
Socioeconomic and Political Levels of the Coast and Sierra

<table>
<thead>
<tr>
<th></th>
<th>Coast</th>
<th>Sierra</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population (1965)</td>
<td>4,662,400</td>
<td>5,993,900</td>
</tr>
<tr>
<td>Percentage of national population</td>
<td>39.7</td>
<td>51.0</td>
</tr>
<tr>
<td>Percentage of nation's voters</td>
<td>69.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Percentage of national income</td>
<td>61.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Percentage of urban population</td>
<td>69.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Percentage of adult literacy</td>
<td>79.0</td>
<td>41.0</td>
</tr>
</tbody>
</table>

Source: Handleman, 1975, p. 21

Land Use and Land Tenure Patterns

In 1961 the total land area of Peru under cultivation was less than
2%. Forest and woodland (57.4%) accounted for the largest percentage of
total land area. Table 2 identifies the use of land area in Peru in
1961.
Table 2

Land Use (T Ha.), 1961

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total area</td>
<td>128,522</td>
</tr>
<tr>
<td>Land area</td>
<td>128,000</td>
</tr>
<tr>
<td>Arable and permanent crops</td>
<td>2,351</td>
</tr>
<tr>
<td>Arable</td>
<td>2,171</td>
</tr>
<tr>
<td>Permanent crops</td>
<td>180</td>
</tr>
<tr>
<td>Permanent pasture</td>
<td>27,977</td>
</tr>
<tr>
<td>Forest and woodland</td>
<td>73,800</td>
</tr>
<tr>
<td>Other land</td>
<td>28,872</td>
</tr>
</tbody>
</table>

Definitions:

- **Total area** refers to the total area including area under inland water.
- **Land area** refers to total area excluding area under inland water (major rivers, lakes).
- **Arable land** refers to land under temporary crops (double-cropped areas are counted only once), temporary meadow for mowing or pasture, land under market and kitchen gardens (including cultivation under glass), and land temporarily fallow or lying idle.
- **Land under permanent crops** refers to land cultivated with crops which occupy the land for long periods and need not be replanted after each harvest, such as cocoa, coffee, and rubber; it includes land under shrubs, fruit trees, nut trees and vines, but excludes land under tree grown for wood or timber.
- **Permanent meadows and pastures** refers to land used permanently (five years or more) for herbaceous forage crops, either cultivated or growing wild (wild prairie or grazing land).
- **Forests and woodland** refers to land under natural or planted stands or trees, whether or not productive and includes land from which forest have been cleared but which will be reforested in the foreseeable future.
- **Other land** includes unused but potentially productive land, built-on areas, wasteland, parks, ornamental gardens, roads, lanes, barren land and any other land not specifically listed in another category.

Source: FAO Production Yearbook, 1976, pp. 3 and 50.
Land tenure in Peru is characterized by the classic latifundia-minifundia pattern in which large areas of land are held by few owners and large numbers of owners hold tiny plots of land which add up to very little land area. Table 3 presents the land tenure pattern in Peru in 1961. Barely 1.3% of the total number of farm units covered 84.6% of the total number of hectares in farmlands while 83.2% of the total number of units covered only 5.5% of the total number of hectares in farmlands.

Table 3
Land Tenure Pattern 1961

<table>
<thead>
<tr>
<th>Size group (hectares)</th>
<th>Number of units</th>
<th>%</th>
<th>Hectares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1</td>
<td>290,900</td>
<td>34.2</td>
<td>127,869</td>
<td>0.6</td>
</tr>
<tr>
<td>From 1-5</td>
<td>417,357</td>
<td>49.0</td>
<td>926,851</td>
<td>4.9</td>
</tr>
<tr>
<td>From 5-20</td>
<td>107,199</td>
<td>12.6</td>
<td>879,385</td>
<td>4.7</td>
</tr>
<tr>
<td>From 20-100</td>
<td>24,628</td>
<td>2.9</td>
<td>980,058</td>
<td>5.2</td>
</tr>
<tr>
<td>From 100-500</td>
<td>8,081</td>
<td>0.9</td>
<td>1,625,643</td>
<td>8.7</td>
</tr>
<tr>
<td>From 500-1000</td>
<td>1,585</td>
<td>0.2</td>
<td>1,065,157</td>
<td>6.2</td>
</tr>
<tr>
<td>From 1000-2500</td>
<td>1,116</td>
<td>0.1</td>
<td>1,658,636</td>
<td>8.8</td>
</tr>
<tr>
<td>More than 2500</td>
<td>1,091</td>
<td>0.1</td>
<td>11,341,901</td>
<td>60.9</td>
</tr>
<tr>
<td>Total</td>
<td>851,957</td>
<td>100.0</td>
<td>18,604,500</td>
<td>100.0</td>
</tr>
</tbody>
</table>


Table 4 further illustrates the polarization of Peruvian land tenure patterns in presenting the land tenure pattern of the different geographic regions. Large multi-family units account for an overwhelming percentage of the land area in farm in Sierra, on the Coast and even in the Selva. In addition to the inequitable land distribution, "the concentration of land holding is paralleled by very unequal access to
## Table 4

**Land Distribution by Region and Type of Farm, 1961**

<table>
<thead>
<tr>
<th>Region and Size Category</th>
<th>Number of Farms</th>
<th>Total Hectares</th>
<th>Average Hectares per Farm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Total</td>
<td>Number</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td><strong>Costa</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-family</td>
<td>45,000</td>
<td>83.2</td>
<td>129,000</td>
</tr>
<tr>
<td>Family</td>
<td>6,200</td>
<td>11.4</td>
<td>52,000</td>
</tr>
<tr>
<td>Medium multi-family</td>
<td>2,000</td>
<td>3.7</td>
<td>78,000</td>
</tr>
<tr>
<td>Large multi-family</td>
<td>920</td>
<td>1.7</td>
<td>1,036,000</td>
</tr>
<tr>
<td><strong>Sierra</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-family</td>
<td>590,730</td>
<td>83.4</td>
<td>722,000</td>
</tr>
<tr>
<td>Family</td>
<td>88,500</td>
<td>12.5</td>
<td>744,000</td>
</tr>
<tr>
<td>Medium multi-family</td>
<td>19,100</td>
<td>2.7</td>
<td>760,000</td>
</tr>
<tr>
<td>Large multi-family</td>
<td>8,912</td>
<td>1.3</td>
<td>11,450,000</td>
</tr>
<tr>
<td>Communities</td>
<td>808</td>
<td>0.1</td>
<td>1,604</td>
</tr>
<tr>
<td><strong>Selva</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-family</td>
<td>83,177</td>
<td>92.8</td>
<td>272,000</td>
</tr>
<tr>
<td>Family</td>
<td>3,675</td>
<td>4.1</td>
<td>100,000</td>
</tr>
<tr>
<td>Medium multi-family</td>
<td>2,151</td>
<td>2.4</td>
<td>168,000</td>
</tr>
<tr>
<td>Large multi-family</td>
<td>637</td>
<td>0.7</td>
<td>1,508,000</td>
</tr>
</tbody>
</table>

*Source: Carroll, 1970, p. 6.*
water, production inputs, agricultural credit and marketing facilities" (Carroll, 1970, p. 7). Furthermore, approximately 700,000 families of agricultural workers held no land at all at the time of the 1961 census.

**Population Growth and Migration**

According to the 1961 census which served as the basis for designing the 1964 Agrarian Reform Law, Peru had a total population of nearly 10 million people with a natural demographic increase of approximately 3% each year. This rapid population increase significantly affected migration patterns as the excess population from the subsistence-level farming areas of the Sierra moved to Lima and to other cities along the Coast which began to strain under the pressure of the added population. Meanwhile the jungle area of the Amazon lowlands had very little net increase in population.

**Prelude to Reform: the Political and Economic Setting**

Fernando Belaunde Terry was born on October 7, 1912 in Lima, Peru into a family whose political history had been traced back fourteen generations to Don Nicolás de River, the first mayor of Lima and Don Juan de la Torre, the founder of Arequipa. Belaunde's great-grandfather, General Pedro Díaz Canseco, was President of the Republic in 1865. His uncle, Víctor Andrés Belaunde, was a noted professor who served as President of the General Assembly of the United Nations. To a greater extent, however, the politics of his father greatly influenced Belaunde's life. Rafael Belaunde was exiled in 1924 and settled in Paris where Fernando Belaunde began his early education. In 1930 the Belaunde family
moved to Miami, Florida where Fernando began his architecture studies. In 1933 the Belaunde family returned to Peru when Rafael Belaunde was appointed by the President, General Oscar Benavides, to be Peru's Ambassador to Mexico. Fernando transferred his studies to the University of Texas where he was graduated in architecture in 1935. When Fernando Belaunde later returned to Peru he had spent over half of his first twenty-three years living outside of Peru.

Belaunde's own political inclinations and ambitions came to the surface during the administration of President Manuel Prado, 1939-1945, when Belaunde disagreed with the oligarchic sympathies of the Prado government. Belaunde's greatest concern was for the expansion of political and economic participation to all the people of Peru. He called for the integration of the Indian into the Peruvian national mainstream of life and proposed extensive public works projects to improve the infrastructure of the inland areas to promote communication and integration of the coastal areas with the highlands of the interior.

Belaunde was an architect by profession but ran for a legislative office (Diputado), won and served between 1945-1948. In 1956 Belaunde formed a political party, the National Front of Democratic Youth, to support his candidacy for President. He proposed economic and social reforms emphasizing decentralization of the government and assimilation of the Indian. Belaunde's newly-organized party also attacked the political philosophy and policies of the oligarchy for sustaining a major division in Peruvian society between the privileged and the peasant. Supporters of the National Front of Democratic Youth came not only from the young but also from intellectuals, professionals and Marxists "who
through the years had grown disillusioned with Peruvian aprismo, socialism and communism" (Pike, 1969, p. 294). Belaunde campaigned extensively in the South building support especially around Arequipa, the home of many of his family.

Agrarian Reform under Prado

The 1956 Presidential election marked the return of civilian rule following the dictatorship of General Manuel Odria, 1948-1956. Odria had hoped to turn rule over to his choice of the Presidential candidates, Hernando de Lavalle. But Lavalle did not fare well against the choice of the oligarchy, Manuel Prado, and the new moving political force, Fernando Belaunde. In the heat of this contest a strange coalition was formed to counter the growing force of Belaunde's political support. Manuel Prado sought the support of Haya de la Torre and the APRA (Alianza Popular Revolucionaria Americana). Marett (1969) describes this union as a "marriage of convenience" (p. 178) or "convivencia" (living together), as it was labelled by the leaders, to join the forces of the oligarchy and the middle and working class supporters of APRA to defeat de Lavalle and Belaunde.

APRA was and still is the ideological manifestation of Haya de la Torre who formed the party in 1924 while in exile in Mexico. Grant Hilliker (1971) analyzed the main themes of APRA's philosophy as follows:

1. "Authentic democracy," which can be interpreted as a call for a revolution of social mobilization and political participation. It is also called "responsible democracy" with "popular roots." It emphasizes the contrast between the exploiting and undemocratic "oligarchy" and APRA's championship of the underprivileged "three classes" of workers, farmers and middle class.

2. "Functional democracy" describes the Aprista revolution of reason and scientific planning. It is the harnessing of the
state to the interest of the "national economy," as opposed to the sector of the economy which is foreign-oriented (although by 1931 Haya sought to control, rather than repel, foreign investment). . . .

3. "The moral force of Aprismo" heralded the revolution of crusading zeal which would be required to support the more rational elements of doctrine . . . "Aprismo, then, is not a political banner; Aprismo . . . is a force that responds to national yearning" (pp. 18, 19).

The political goals, which evolved from the APRA ideology were deeply entrenched in economic and social reform, called for nationalization of the petroleum and mining industries, agrarian reform, incorporation of the Indian into national life and a Latin American integration and unity which would reject imperialistic intervention in the economies of Latin America. APRA drew support from a wide range of middle class groups such as student, white-collar trade unions and professional associations, but the most homogeneous support, if not the strongest support, comes from the trade unions which include the workers and the campesinos. "There is probably no question that 1) Aprista control of trade unions is the best potential weapon the party has in times of political crisis, and 2) that APRA (enjoyed) a greater degree of such control than any other party, or, in the number of adherents, all other parties combined" (Hilliker, 1971, p. 83).

APRA has been outlawed numerous times in its political history. Although the revolutionary violence initially preached in its early stage of development has been toned down, the military has never forgiven APRA for its attack on the military barracks at Trujillo (Haya de la Torre's birthplace and stronghold) during which two hundred soldiers were killed. Other terrorist acts at that time included the assassinations of Commandant Luis Sánchez Cerro in 1933 and António Miro Quesada
and his wife in 1935. Commandant Sánchez had been elected President in 1933 following a military coup d'état and had outlawed APRA operations. António Miró Quesada was the editor of El Comercio. APRA has never successfully elected its own Presidential candidate, Haya de la Torre. Its ideology has been modified somewhat especially with regard to foreign relations and economic activity. "Attacks on the United States imperialism were slowly downgraded, and the differences between aprismo and communism--which had existed from the beginning--were emphasized, in part to counter charges of collusion made by some members of the traditional upper class" (Astiz, 1969, p. 100).

The "convivencia" between the traditional upper class and APRA emerged largely because Prado saw that he could not win the 1956 election without support from trade unions, the urban working class and the middle class which he feared would support Belaunde. Therefore, in exchange for legalizing the APRA party and thereby opening the door to APRA's participation in future elections, Haya de la Torre agreed to support Prado's candidacy for President. "Haya de la Torre had presumably come round to the view that APRA would never get anywhere without some measure of Establishment support" (Marett, 1969, p. 178). The surprising results of the 1956 election were as follows: Manuel Prado, 568,000 votes; Fernando Belaunde, 458,000 votes; Hernando de Lavalle, 222,000 votes. On July 28, 1956 Manuel Prado was installed as President of the Republic having defeated Fernando Belaunde by only 110,000 votes. Following the election Belaunde's political forces regrouped under the banner of the Popular Action Party (AP--Accion Popular) and Belaunde proceeded to continue campaigning throughout the countryside with the
1962 Presidential election as his next goal.

Following a campaign promise (largely a concession to APRA), one of President Prado's first acts was to organize the Commission for Agrarian Reform and Housing. The Commission, under the leadership of landowner Pedro Beltrán, was hardly a threat to the oligarchy since it was placed under the control of the National Agrarian Society, the organization representing landowner interests. Astíz (1969) notes that the members of the Commission included representatives of the Cerro de Pasco Corporation, the Grace Corporation and other members of the National Agrarian Society (p. 200). In addition to the fact that the Agrarian Reform Commission was controlled and directed by the landed oligarchy it is significant to note that the Commission was not established in response to peasant demands, but in response to a need to increase agricultural productivity and a need to stem rural-to-urban migration which was threatening Lima and other coastal cities (Handelman, 1975, pp. 80-81). Drought conditions and famines in Arequipa, Ayacucho and Puno had necessitated importing foodstuffs which accentuated the growing balance of payments problem. "Therefore many government officials saw the need for an agrarian reform that would increase agricultural productivity" (Handelman, 1975, p. 80). Therefore, it was in the political interest of the Prado regime to initiate a study of agrarian reform and the options open to the government to move in this direction.

During the time of economic concern another crisis was building for the Prado government, an unintended result from legalizing APRA. Following Prado's removal of constraints on the political activities of APRA which had stifled APRA operations for eight years under Odría,
peasants began to organize, especially in the APRA strongholds of Junin and Pasco in the central highlands. Peasants were beginning to reject the hacienda power structure which controlled their lives and to organize to present demands for change.

In 1958 eight sindicatos (peasant unions) representing peasants from the haciendas of La Convención, ninety miles northwest of Cuzco, formed the Provincial Peasant Federation of La Convención and Lares. Initial peasant demands had sought a reduction of labor obligations to the landlords. Following a malaria epidemic in the 1930's which nearly depleted the area's labor supply, hacendados of La Convención had recruited highland village laborers from neighboring indigenous communities to come to work on the haciendas by offering the villagers plots of land to work for themselves. Payment for these plots amounted to a labor obligation to the hacendado for ten to twenty days free labor. The villagers who relocated (cólones) worked their own plots in coffee and came to resent the amount of time owed to the hacendado. In addition, there was often hacendado interference with the cólones' marketing of their coffee. Grievances culminated in 1958 when the Provincial Peasant Federation presented a list of demands including: 1) elimination of labor obligations to the hacendados with rent to be paid in cash; 2) the right to sell coffee directly to commercial markets; and 3) the granting of long-term leases (6-10 years) on the colones' plots of land (Craig, 1969, p. 285). By 1960, 130 sindicatos belonged to the Provincial Peasant Federation including 11,000 campesinos. The Federation established ties with the Cuzco Labor Federation (FTC) and was gathering strength as a viable political force. In 1960 the Federation called for
a massive tenants' strike. It was at this time that Hugo Blanco, an agronomist with Trotsky sympathies, moved to La Convención in hopes of developing the unrest in La Convención "into more an ideological and militant movement that would eventually serve as a model for rural revolt in the highlands" (Handelman, 1975, p. 74). Peasant strikes continued and land invasions by the peasants became frequent as armed peasants forcibly took over the haciendas in Pasco and La Convención. The initial response of the government to the peasant unrest was to instruct local law enforcement officers to deal with illegal seizures of property. Mass arrests, however, did not stop the peasant invasions and the local police were often powerless against the increasing number of armed peasants. In 1961 President Prado initiated a military operation "operación desalojado" (operation eviction) which was instructed to remove the peasants from the occupied haciendas in Pasco. Invasions continued as did the massive military operations in the highlands to squelch the peasant unrest. Military repressions in the highlands culminated in a battle in March 1962 with an estimated 3500 peasants. The military gained control of the region and declared martial law controlling peasant unrest in the area for the moment (Handelman, 1975, pp. 77-78).

Meanwhile President Prado's Commission on Agrarian Reform was not heard from until 1960 when it filed a report proposing an agrarian reform law. The Commission's proposal protected the landowners to a great extent by exempting coastal estates and requiring all payment at market values in cash. The report mentioned for the first time, however, that expropriations might be necessary. The Commission's proposed law was
never sent to Congress and in the best use of the term was "pigeon-holed." Beltrán, however (then Prime Minister), without Congressional action on the agrarian reform established the Institute of Agrarian Reform and Colonization (IRAC) which initiated some colonization projects in the Selva and helped administer the San Lorenzo irrigation project on the Northern Coast which had been financed by the World Bank in 1957 (Carroll, 1970, pp. 14-16).

1962 Presidential Election and Military Intervention

The presidential elections of 1962 staged a political contest that would once again see intervention of the Peruvian military into domestic politics. The three principal candidates were Haya de la Torre (APRA), Fernando Belaunde (AP) and Retired General Manuel Odría, who in an attempt to stage a comeback formed the Odrista National Union Party (UNO).

Haya de la Torre saw the 1962 election as the election which would finally place him in the Presidency (Dobyns and Doughty, 1976, p. 233). Following the "convivencia" alliance with the oligarchy Haya enjoyed the official support of the incumbent government of Manuel Prado, but he continued to campaign for the APRA themes of the creation of a national state through nationalization and industrialization, the nationalization of land and the establishment of cooperatives to attain increased agricultural productivity and the achievement of Latin American integration and unity.

Belaunde, likewise, saw the 1962 election as his entrance to the Presidential palace (Belaunde, personal interview, November 8, 1975). The Acción Populár had been gaining strength since his 1956 bid for
election especially among the middle sectors "unable to aspire to aristocratic status (having been) presented with overwhelming evidence that it would be necessary for them to wage a concerted struggle as a class unit to maintain for their children the economic and social level they had attained for themselves" (Pike, 1967, p. 304). Belaunde had picked up the middle class voters who were disillusioned with Haya de la Torre's political connections with the oligarchy.

The issues of the 1962 election were the same for all of the candidates: "hunger, land-shortage, education, and housing, for which the obvious remedies were agrarian reform, economic development, schools, houses and communications" (Marett, 1969, p. 183). The differences among the candidates stemmed from approaches to those problems and from the personalities of the candidates themselves. Other candidates whose votes would become significant later were: Hector Conejo (Christian Democratic Party); Cesar Pando (National Liberation Front/Communist Party); Luciano Castillo (Socialist Party); and Alberto Ruiz (Social Progress Party).

On June 10, 1962 nearly two million voters cast ballots for President. The result of the vote, however (see Table 5), indicated that none of the candidates had received the required one-third of the votes necessary to win the election.

Following the final tally of the vote by the National Elections Jury an elaborate series of inter-party negotiations began. Table 6 presents the result of the 1962 Congressional elections. A majority in Congress was clearly the goal of each party as the parties began to regroup to face a Congressional election of the President. A coalition
Table 5

1962 Presidential Election Returns

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victor Raul Haya de la Torre</td>
<td>557,047</td>
</tr>
<tr>
<td>Fernando Belaunde</td>
<td>544,180</td>
</tr>
<tr>
<td>Gen. Manuel Odría</td>
<td>480,798</td>
</tr>
<tr>
<td>Hector Conejo</td>
<td>48,792</td>
</tr>
<tr>
<td>Cesar Pando</td>
<td>33,941</td>
</tr>
<tr>
<td>Luciano Castillo</td>
<td>16,658</td>
</tr>
<tr>
<td>Alberto Ruiz</td>
<td>9,202</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,690,618</strong></td>
</tr>
</tbody>
</table>

Blank votes: 8,869  
Null votes: 8,073  
Annulled votes: 29,578  
Required to win election: 563,539


Table 6

1962 Congressional Election Returns
(Number of Senators and Deputies by Party)

<table>
<thead>
<tr>
<th>Party</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>APRA</td>
<td>114</td>
</tr>
<tr>
<td>AP</td>
<td>78</td>
</tr>
<tr>
<td>UNO</td>
<td>42</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>241</strong></td>
</tr>
</tbody>
</table>

between Belaunde and Odría would not produce a majority and neither candidate approached the idea. Haya de la Torre, however, approached Belaunde about a coalition since the total of their combined seats would be a comfortable majority of 192. From all reports Belaunde rejected any proposal feeling comfortable in the knowledge that the military would likely support his candidacy as it had in the earlier election. "It was the army’s assurance to him (Belaunde) on Monday, June 18, that he had won the election by more than the required third that inspired his premature announcement of victory" (Patch, 1962, p. 13). On July 17, 1962, Haya de la Torre met with General Odría and announced that the Aprista congressmen were instructed to vote for General Odría for President. "By preparing the way for Odría to become President, Haya de la Torre felt that he had guaranteed the actual seating of a large bloc of Aprista senators and deputies . . . and that the military would not prevent one of its own members, Odría, from occupying the Presidency" (Pike, 1967, p. 300).

On July 18, 1962, however, the military responded by taking over the government and sending the former President Prado into exile. What prompted the military intervention at this point? The historic enmity between the military and APRA was one motive which prompted the military to prevent Haya de la Torre from assuming the political power he would probably control once a coalition government took office. In addition, the Peruvian military had been undergoing a developmental evolution itself (see Chapter IV) which prompted it to assume the role of governing executive and to set the stage for the election of Fernando Belaunde whose reformist plans supported the developmental ideology of the military
junta was composed of the top military officers of the Peruvian armed forces: Gen. Ricardo Pérez Godóy, Chief of the Comando Conjunto (similar to the U.S. Joint Chiefs of Staff); Gen. Nicolás Lindley Lopez, Commander of the Army; Vice-Admiral Juan Francisco Torres Matos, Chief of the Navy; and Gen. Pedro Vargas Prada, Chief of the Air Force. All members of the junta had been involved in activities of the Center for Advanced Military Studies, the CAEM (see Chapter IV) which explains to some extent their interest and concern in developmental reform. The idea of the junta was that governing would be a joint command effort. In March 1963 when members of the junta felt that Pérez Godóy was trying to establish too much of a caudillo position possibly leading toward a dictatorship they replaced him with General Lindley, one of Fernando Belaunde's strongest supporters "who was a key in the army's determination that Belaunde should win the elections of June 10" (Patch, 1962, p. 16).

Although the military junta had declared at the onset of its regime that it would hold elections in July 1963, the military initiated several policies and projects which reflected the developmental orientation of the regime. The military government established the National Planning Institute whose instructions were to draw up the National Development Plan, the National Housing Agency and a housing bank to deal with urban housing problems, especially slums and squatter settlements (Marett, 1969, pp. 187-188). Carroll (1970) notes that "while the Junta did not push for the enactments of a comprehensive land reform law (several proposals had been before Congress) it did take a number of positive steps toward reform" (p. 16). In August 1962 the military government
decree that all unused (and not irrigated) land reverted to the state. In January 1963 the military government issued a decree-law which outlined norms for future legislation toward agrarian reform.

The military became even more interested in agrarian reform when it perceived that the peasant mobilization under Hugo Blanco was becoming more and more of a threat (Handelman, 1975, p. 81). Military policies toward peasant unrest and problems in the agriculture sector were characterized by both repression and reform. The military would not tolerate the illegal activities of the unionized peasants and in an effort to disrupt their organization arrested and imprisoned Hugo Blanco and many other peasant leaders from the areas of Cuzco, Junín and Pasco. Reports of massacres and mass arrests eventually lessened the number of land seizures. "However, . . . the military realized that police repression alone would be insufficient to control a militantly mobilized rural group like the La Convención tenants" (Handelman, 1975, p. 82).

In February 1963 the military government issued Decree Law #14444—an agrarian reform program for La Convención and Lares which directed IRAC to begin expropriating "over-sized" and "under-utilized" haciendas in the valley. Although implementation of the agrarian reform law had barely begun (one hacienda had been expropriated by IRAC) by the time that elections were held, peasant uprisings had diminished due to the repression of military activities and the promise of ensuing reform. The military left a clear mandate to the prospective civilian government to carry out an agrarian reform.

As promised the military junta held a Presidential election in July 1963. The major issues in this election were the same as before but
there were some significant political differences from the 1962 election. First, the three major candidates were the same (Odría, Haya de la Torre and Belaunde), but of the four minor candidates in the 1962 election only one (Cesar Pando of the National Liberation Front) ran in the 1963 election. Belaunde openly sought the support of the "also rans" (Hilliker, 1970, p. 68) which together had received an important 6% of the national vote. Second, Belaunde now had the official support of the incumbent military regime. Third, Belaunde had courted and won the support of the Christian Democrats who withdrew their Presidential candidate in favor of Belaunde. The deal struck with the Christian Democrats was that Belaunde promised them control of the Ministry of Agriculture and the Agrarian Reform Agency as the Christian Democrats were strongly committed to agrarian reform in the Sierra (Handelman, 1975, p. 83). Fourth, Belaunde was given the official support of the Catholic Church which had previously supported General Odría in the 1962 election (Pike, 1967, p. 310). Fifth, Belaunde openly courted the vote of the peasants in this election to extend his political base. Handelman (1975) suggests that Belaunde's strategy in seeking the peasant vote would offset the strong grass-roots organization of APRA and the economic elite support of Odría.

By the time of the 1963 election, a fairly substantial number of village smallholders were literate enough to obtain voting cards. The peasantry, which had always been an insignificant actor in national politics, now had developed into a significant voting bloc. Belaunde realized that the rural power structure of the large landowners and political bosses could no longer control the comunero vote (p. 84).

Belaunde travelled extensively throughout the highlands in pursuit of the rural vote. "Belaunde's campaign was the first personal contact
most of these villagers had ever had with a Presidential candidate (Handelman, 1975, p. 85).

Belaunde continued his campaign for social and economic reform for Peru through expanded government expenditure and investment in infrastructure which are usually substitutes for active reform. He did, however, promise tax reform, administrative reform, agrarian reform and an immediate (within 90 days) solution of the International Petroleum Company problem leading to the recuperation of the oil fields of LaBrea and Parinas (Bases para la Alianza AP-DC, 1963). The foundation of his campaign strategy was to develop policies and programs which "could establish the basis for co-existence and co-operation between the Coast and the Sierra, between capitalism, individualism and the westernized way of life on one hand, and socialism and Inca traditions of communal labour and landownership on the other" (Pike, 1967, p. 307). Rather than reject the established ways of the northern coastal area or the central highlands, "he envisioned a genuinely pluralistic country in which the Coast could advance with its westernized, capitalist traditions while the Sierra progressed through its at least semi-socialistic Inca customs" (Pike, 1967, p. 307). Belaunde won the 1963 election and on July 28, 1963 the military returned to the barracks leaving the civilian government with a clear mandate to continue and expand the developmental reforms envisioned by the military.

Agrarian Reform Under Belaunde:
Policy Environment

Belaunde had been successful in aggregating enough support to win the Presidency. However, the newly-elected reformist President was
faced with reformist Congress which opposed his strategies for reform and which set out to use its constitutionally-endowed opposition tactics to the fullest. Belaunde, consequently, began his Presidency with two handicaps: 1) a minority government; and 2) renewed peasant unrest which began two days after his inauguration.

In the guidelines of the Peruvian Constitution of 1933 which were still in effect in the 1960's, there are at least 30 articles (out of 236) "which establish parliamentary independence or deal with the executive or the president personally in order to limit the arbitrary use of power in favor of the Cabinet, or Congress, to which the Cabinet is formally responsible" (Hilliker, 1970, p. 130). In addition to congressional powers of censure of Ministers, surprise confidence votes and congressional investigation, the Constitution grants several other powers to Congress which limit the powers of the President:

1. Congressional action in lieu of presidential: to convocate by-elections for either or both chambers (Article 97); to convocate regular sessions of Congress (Article 107); to begin deliberations even though the president does not attend the installation (Article 110); to promulgate laws passed by both chambers if the president has not done so after ten days (Articles 128-129).

2. Congressional independence of the executive: to avoid conflicts of interest between legislative and other (including executive) responsibilities (Articles 99-106); to continue indefinitely in special session (Article 108); to determine its relations with the Executive (Article 116); to exclude armed forces from congressional premises except as Congress requests (Article 118).


Members of the APRA/UNO coalition took advantage of nearly every opportunity to exercise congressional authority over the President short of actual impeachment. Congressional censure or threat of it forced at
least one Minister to resign each year "until by mid-1967 a total of
ten such incidents had occurred during Belaunde's term" (Hilliker,

The first three years of Belaunde's regime may be characterized by
the slogan, "El Perú Construye"—"Peru builds." Government expenditure
and investment in housing, health, and water and sewage projects increased
rapidly. Increased expenditures in education initially were directed
at increasing teacher salaries and then later at expanding school facili-
ties. The government initiated projects to increase the number of ports
and to increase the size of existing ports on the Pacific as well as on
the Amazon River. One of the more famous personal projects of President
Belaunde is the Carretera Marginal—the Marginal Highway which was
designed to be built along the eastern "edge" of Peru in the tropical
lowlands as a panacea for social and economic development of the area.
Building on the theme of Peruvians rebuilding Peru for Peruvians,
President Belaunde initiated a program of "Cooperación Populär" which
organized community public works projects manned by local volunteers,
especially university students. Table 7 illustrates the increased
public investment in economic infrastructure from the Prado regime
through the Belaunde regime. Central and local government investment
in economic infrastructure increased over 600% between 1960-1967.

President Belaunde was successful in initiating many reform projects
including the agrarian reform to be discussed later in this chapter.
However, the economics of these projects as well as the interactions
with Congress concerning them eroded his political position. One of
Belaunde's financial advisors commented:
Table 7
Public Investment, 1960-67

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>659</td>
<td>583</td>
<td>1,242</td>
<td>2,868</td>
<td>2,799</td>
<td>3,093</td>
<td>4,580</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>1,228</td>
<td>1,640</td>
<td>2,868</td>
<td>2,799</td>
<td>3,093</td>
<td>4,580</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>1,545</td>
<td>1,254</td>
<td>2,799</td>
<td>3,093</td>
<td>4,580</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>993</td>
<td>2,100</td>
<td>3,093</td>
<td>4,580</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1964</td>
<td>1,775</td>
<td>2,805</td>
<td>4,580</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>3,047</td>
<td>3,131</td>
<td>6,178</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1966</td>
<td>4,250</td>
<td>3,732</td>
<td>7,982</td>
<td>7,967</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1967</td>
<td>5,101</td>
<td>2,866</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By sectors:

- **Roads**: 327, 484, 645, 261, 1,071, 1,330, 2,255, 2,736
- **Ports and airports**: 27, 75, 107, 164, 129, 342, 480, 608
- **Irrigation**: 20, 35, 49, 550, 842, 1,214, 521, 321
- **Housing**: 568, 2,274, 1,998, 1,854, 500, 460, 827, 324
- **Health and water**: 568, 536, 566, 666
- **Industry**: 769, 1,731, 2,338, 2,207
- **Total as % of GNP**: 2.2, 4.6, 3.9, 3.9, 4.8, 5.5, 6.0, 5.2
- **Private fixed investment as % of GNP**: 16.0, 17.8, 19.0, 17.9, 14.3, 14.3, 13.7, 14.1

Source: Central Bank, Cuentas Nacionales; and partial sector data from Kuczynski, 1977, p. 59.
President Belaunde was above all a builder. He saw the country as a vast terrain on which an architect could exercise his skills. While he saw the need for useful economic infrastructure investments of various kinds—such as roads, irrigation, schools, health facilities and housing—the financial aspects of this investment interested him little. Somehow the economic and financial considerations would bend in the face of the priority of developing at all costs (Kuczynski, 1977, p. 27).

The Belaunde government was plagued almost from the beginning with economic difficulties which were magnified by the inability of the administration and the Congress to agree on budgetary and fiscal measures. "An important feature influencing fiscal policy in the early years of the Belaunde administration was the view by some in the government that inflation was a good thing, as an inevitable concomitant to development" (Kuczynski, 1977, p. 77). However, internal inflationary pressures "inevitably had repercussions on the balance of payments, by creating a greater demand for imports on top of the demand already created by the process of industrialization and the heavy programme of public works" (Marett, 1969, p. 192). Intensifying the balance of payment problem was the rapidly growing foreign debt which had been incurred to help finance the public works projects. The foreign debt under Belaunde was increased from $187.4 million in 1962 to nearly $742.2 million in 1968 (Marett, 1969, p. 192). The negative effect of Peru's growing indebtedness is reflected in Table 8 which reports Peru's balance of payments.

The beginning of Belaunde's downfall can be dated on September 1, 1967 when the Peruvian currency, the sol, was devalued from an exchange rate of 26.82 soles/$1 to 38.7 soles/$1—a 30% devaluation. Events which followed the devaluation which sealed Belaunde's downfall have
Table 8
Balance of Payments, 1960-67
(Millions of U.S. Dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>32.7</td>
</tr>
<tr>
<td>1961</td>
<td>34.3</td>
</tr>
<tr>
<td>1962</td>
<td>6.2</td>
</tr>
<tr>
<td>1963</td>
<td>18.5</td>
</tr>
<tr>
<td>1964</td>
<td>25.0</td>
</tr>
<tr>
<td>1965</td>
<td>14.7</td>
</tr>
<tr>
<td>1966</td>
<td>-24.2</td>
</tr>
<tr>
<td>1967</td>
<td>-31.0</td>
</tr>
</tbody>
</table>

Source: Banco Central de Reserva, Cuentas Nacionales, 1950-1967, Table 17.

been chronicled by many writers. Belaunde's continued difficulties in proposing a tax package which Congress would approve led to several Cabinet shake-ups and reformulation of administrative strategies. A split developed in the President's own party, Acción Popular, over financial policy which resulted in the resignation of Edgardo Seoane as Prime Minister and his defection (along with many supporters) from the original party organization. From September 1967 to May 1968 the Peruvian economy faced one crisis after another under the direction of four ministers of finance whose policies continually were rejected by Congress. Kuczynski comments (1977), "Each new finance minister would have to begin his term with two pilgrimages, one to Washington, D.C. and another to Haya de la Torre in his country retreat ten miles outside Lima... Haya stuck to his slogan of 'No más impuestas!' (no more taxes) (p. 175).
Two political scandals developed which also undermined the legitimacy of the Belaunde government. First, in March 1968 a contraband scandal was exposed and reported in the press. RIPSA, an airline company, was allegedly flying contraband shipments into secret airfields in the South. Accusations were numerous which associated government officials and members of the military with the scandal. The second political scandal erupted following negotiations for the recuperation of the oil fields of LaBrea and Parinas from the International Petroleum Company. The Peruvian government had contested IPC's claim to subsoil rights and by August 1968 claimed $144 million in lost revenues (Jaquette, 1971, p. 191). After long negotiating sessions which involved delicate political interaction with the United States government as well as IPC, an agreement was reached in August 1968 in which the oil fields were turned over to the Peruvian Empresa Petrolera Fiscal (EPF) in exchange for the cancellation of IPC's $144 million "debt" and permission to expand its refinery capacity and exploration activities. A crisis developed when several weeks after the agreement had been announced, on September 10, 1968, Carlos Lorét de Mola, President of EPF, "charged on television that the last page of the crude oil sale agreement between EPF and IPC was missing . . . he implied that the page had been deliberately mislaid, and that it contained an important part of the overall agreement with IPC, namely the sum that explained the price of $1.08 per barrel of crude oil" (Kuczynski, 1977, p. 270). Loret de Mola's accusation led to confusion, embarrassment and insecurity of the Belaunde government. In the wake of the crisis Belaunde's Cabinet resigned and the military intervened before the Belaunde government could form a new one.
Peasant Unrest

Immediately following President Belaunde's inauguration a new wave of peasant unrest began in Junín involving peasants of the Indigenous Community of San Pedro de Cajas. Peasants seized and occupied literally hundreds of hectares of range land along the Central Highway "ostensibly owned by the Cerro de Pasco Corporation" (Dobyns and Doughty, 1976, p. 236). The peasants were armed and organized along military operation procedures which they had learned as a result of mandatory two years of military services.

Former (military) conscripts from San Pedro de Cajas who had reached the rank of corporal or sergeant while in national service led the 'recuperation' operation... They mobilized the community's cooperative bus service vehicles, taxis, horses and organized infantry units to occupy various sectors of the disputed land on a tight schedule with national banners whipping in the altiplano breeze (Dobyns and Doughty, 1976, p. 236).

The government response was surprising. Belaunde did not order troops to the area, but attempted to establish communications with the peasants asking them to await legal steps of reform instead of illegal seizures. Seeing Belaunde's hesitance to order troops to repress the peasant uprisings many other peasant communities were inspired to seize land. "Many of the communities in Pasco that had been ejected from haciendas during President Prado's 'operation eviction' now felt that it was safe to retake the land" (Handelman, 1975, p. 86). During the first two months of the Belaunde administration peasant invasions (around 30) involved nearly every hacienda in the department of Paso (La Prensa, October 2, 1963 and October 4, 1963). In Junín over 40 peasant communities occupied haciendas (Handelman, 1975, p. 88). "Between July 1963 and July 1964 the metropolitan press reported well over 200 separate
estate takeovers" (Dobyns and Doughty, 1976, p. 236). Peasant unrest and mobilization threatened the very existence of the Belaunde government especially since the previous military government had exercised a repressive campaign against the peasants and would not tolerate this threat to domestic stability and national security.

Belaunde's initial response to the peasant unrest was to enter into discussions with peasant leaders, inviting them to the Government Palace in Lima, to request that they comply with the laws and await the agrarian reform legislation which was under preparation. Belaunde's approach was significantly different from the approach of preceding governments. "Peasants whose needs and demands had always been ignored in the past were now sending delegates to meet with the President and his Cabinet in Lima" (Handelman, 1975, p. 118). Belaunde himself, travelled to the villages of the territories where land had been seized to demonstrate his personal interest in resolving the land issue. Belaunde's approach was initially successful as leaders of Pasco signed a noninvasion pact in return for government economic aid and a guarantee of land redistribution with the new agrarian reform legislation. Similarly peasant leaders in Junín pledged to return seized lands in return for government economic assistance (MacLean, 1965, pp. 129-130).

However, Belaunde's "conciliatory" (Handelman, 1975, p. 117) policy in the mestizo regions of the Center was not applied to the peasant unrest which developed in the South where the government responded with force and repression. Special military assault troops were ordered to the Cuzco province when peasant seizures spread to that area. Once again peasant massacres were reported with mass arrests and
a suspension of Constitutional guarantees for peasant activists suspected of subversive activities (Handelman, 1975, pp. 120-121). Military units were dispatched to meet over 140 seizures in the Cuzco area (MacLean, 1965, p. 134).

Belaunde's two-fold approach to peasant unrest in the two geographic regions may be explained by a number of political factors. First, historically there was a greater Peruvian tradition of repression of the peasants in the South than in the central highlands. Second, the timing of the invasions and Belaunde's response reflected the growing pressure from the oligarchy, the military and the press for an official response to the illegal acts of seizure such that when the invasions began in the department of Cuzco Belaunde felt compelled to act. Even his own Vice-President is reported in the press to have declared, "Invasions are anarchy" (La Prensa, September 8, 1963). Fourth, differences in the two movements themselves may have evoked differing responses in that many of the peasants of Junín and Pasco (as was noted before) held voter registration cards which peasants of the Cuzco area did not (Handelman, 1975, pp. 122-123). Carroll (1970) notes that not all of the peasant activities of this era resorted to violence, however. In the department of Puno in the South, area peasants organized a peasant federation of 1300 unions with 150,000 members who elected three deputies to the National Congress (p. 21).

President Belaunde recognized as the military junta which preceeded him had recognized that repression of the peasant invasions was not a permanent solution to the problem. A redistribution of Peru's land to mollify peasant demands was becoming an economic necessity as well as
a political strategy to bring about the development of Peru that Belaunde had envisioned.

Decline in Per Capita Agricultural Production

The economic reality of the need for agrarian reform in Peru is reflected in the decline of per capita agricultural production (Table 9) which forced Peru to export fewer foodstuffs and to import foodstuffs placing a strain on the country's balance of payments. Many of the foodstuffs which had to be imported were being locally produced and total agricultural output was increasing each year (see Table 9). But the increase in production, especially in grains, was insufficient to meet the demands of the rapidly growing population. Wheat, for example, is one of the basic foodstuffs of the Peruvian diet but is not suited to the Peruvian soils and climate and has had one of the lowest production unit yields in the world (Neil, et al., 1972, pp. 280-281).

From 1962 to 1963 agricultural imports increased from $1.115 million (dollars) to $1.170 million with food and live animals accounting for 69%* of the total agricultural imports (see Table 10). Wheat and other grains accounted for 42%* of the food imports. Agricultural imports increased again from 1963 to 1964 to $1.260 million with food and live animals accounting for 70.2%*. Wheat and other grains accounted for 52.8%* of the food imports in 1964. The trend was toward more and more imports of basic foodstuffs as per capita agricultural production lagged.

Several factors such as unfavorable weather conditions and interruption of production due to peasant strikes and invasions contributed

*Percentages calculated by the author from data in Table 10.
Table 9

Index of Agricultural and Food Production, 1956-1969
(1952-56 = 100)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Agricultural Production</th>
<th>Per Capita Agr. Prod.</th>
<th>Total Food Production</th>
<th>Per Capita Food Prod.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>101</td>
<td>96</td>
<td>99</td>
<td>95</td>
</tr>
<tr>
<td>1957</td>
<td>102</td>
<td>95</td>
<td>102</td>
<td>95</td>
</tr>
<tr>
<td>1958</td>
<td>109</td>
<td>99</td>
<td>109</td>
<td>99</td>
</tr>
<tr>
<td>1959</td>
<td>112</td>
<td>99</td>
<td>111</td>
<td>98</td>
</tr>
<tr>
<td>1960</td>
<td>123</td>
<td>106</td>
<td>121</td>
<td>104</td>
</tr>
<tr>
<td>1961</td>
<td>127</td>
<td>106</td>
<td>123</td>
<td>103</td>
</tr>
<tr>
<td>1962</td>
<td>129</td>
<td>105</td>
<td>124</td>
<td>100</td>
</tr>
<tr>
<td>1963</td>
<td>132</td>
<td>104</td>
<td>126</td>
<td>99</td>
</tr>
<tr>
<td>1964</td>
<td>136</td>
<td>104</td>
<td>133</td>
<td>101</td>
</tr>
<tr>
<td>1965</td>
<td>138</td>
<td>102</td>
<td>137</td>
<td>102</td>
</tr>
<tr>
<td>1966</td>
<td>146</td>
<td>105</td>
<td>148</td>
<td>106</td>
</tr>
<tr>
<td>1967</td>
<td>146</td>
<td>101</td>
<td>152</td>
<td>105</td>
</tr>
<tr>
<td>1968</td>
<td>142</td>
<td>96</td>
<td>144</td>
<td>97</td>
</tr>
<tr>
<td>1969</td>
<td>144</td>
<td>94</td>
<td>151</td>
<td>99</td>
</tr>
</tbody>
</table>

Table 10

Exports and Imports, 1962-1965

<table>
<thead>
<tr>
<th>Peru</th>
<th>Exports-Exportations</th>
<th>Imports-Importations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total merchandise trade</td>
<td>5398</td>
<td>5412</td>
</tr>
<tr>
<td>Agricultural trade</td>
<td>3200</td>
<td>3445</td>
</tr>
<tr>
<td>Food &amp; live animals</td>
<td>1523</td>
<td>2263</td>
</tr>
<tr>
<td>Live animals</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Meat &amp; meat preparations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy products &amp; eggs</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Fish &amp; fish preparations</td>
<td>84</td>
<td>78</td>
</tr>
<tr>
<td>Cereals &amp; cereal prep.</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Fruit &amp; vegetables</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Sugar, etc., &amp; honey</td>
<td>544</td>
<td>649</td>
</tr>
<tr>
<td>Coffee, tea, etc.</td>
<td>243</td>
<td>258</td>
</tr>
<tr>
<td>Feeding-stuff</td>
<td>1024</td>
<td>1261</td>
</tr>
<tr>
<td>Misc. food preparations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beverages &amp; tobacco</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Crude materials</td>
<td>1147</td>
<td>1088</td>
</tr>
<tr>
<td>Animal &amp; vegetable oils</td>
<td>129</td>
<td>94</td>
</tr>
<tr>
<td>Manuf. fert. &amp; insect.</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Wood worked</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Agricultural machinery</td>
<td>77</td>
<td>86</td>
</tr>
</tbody>
</table>

to insufficient agricultural production. Whether or not the land tenure system itself may be identified as a hindrance to increasing agricultural productivity has been feverishly debated. One theory is that large landowners in Latin America are not interested in agricultural productivity since they "hold land more for a status symbol than for profit making" (Swift, 1971, p. 1). By the early 1960's the wealth of the oligarchy in Peru had expanded in two areas which gave the oligarchy a tight control of the Peruvian economy. "First, they dominated the import-export sector of the economy... Second, they had joined with foreign sources to control the flow of capital and credit within Peru (and were prominent on the directorates of banks, credit agencies, and insurance companies)" (Gitlitz, 1971, pp. 460-461). Consequently, the few people who owned the largest percentage of farm area would not be motivated to invest in increasing agricultural production unless perhaps large price increases would inspire them to increase agricultural output (Swift, 1971, p. 1). Other institutional factors of land tenure which inhibit productivity include absentee ownership and restrictions on peasant participation in a market economy. Absentee landlords hired short term managers (hacendados) who "had no incentive to invest in long-term projects, such as building soil fertility, pedigreed flocks, or improved pastures, since they would only benefit someone else" (Strasma, 1976, p. 294). Peasants were denied "fruits of greater yields" by the hacendados who intervened in their participation in the market and blocked their applications for agricultural credit (Strasma, 1976, p. 294).
The continued rise in agricultural imports was becoming problematic for Peru's balance of payments. Increase in agricultural production became critical to stemming the increase in agricultural imports required to feed the increasing population. Policy-makers came to subscribe to the theory that a change in the structure of the land tenure system was necessary to accomplish such an increase in agricultural production. Thus a policy of agrarian reform became an economic necessity.

_Agrarian Reform: Policy Formulation_

Responding to the renewed peasant unrest, recalling the mandate of the previous military junta which had laid the groundwork for agrarian reform legislation, and following the campaign promise of Belaunde and the AP, the government moved quickly to propose agrarian reform legislation to the Congress. The primary author and government spokesman for the Popular Action/Christian Democrat coalition agrarian reform proposal was Edgardo Seoane Corrales, an agriculturalist who had spent many years administering commercial haciendas in the North on the Coast (Patch, 1963, p. 2). Seoane was Belaunde's Vice-Presidential running mate but was described by Patch (1963) as "more farmer than politician" (p. 2).

_Policy Goals_

The administration's agrarian reform policy goals were social and political as well as economic in nature. Clearly the economic goals were to increase agricultural production to meet the needs of the growing population; to cut the need for agricultural imports, especially food; to increase employment; and to bring about a more equitable distribution of income which would increase the peasants' standard of living.
The social goal of the agrarian reform was to integrate the Indian into the Peruvian national life and to narrow the social cleavage between the geographic regions of the Coast and the Sierra. The political goals of the agrarian reform were more subtle. By redistributing land, the traditional power base of the oligarchy would be weakened (Gitlitz, 1971, p. 461) and Belaunde hoped to cash in on the political support of the peasants whom he had courted during the election.

Policy Strategy

The administration's policy strategy was to propose agrarian reform legislation to Congress which would call for expropriation of land beyond a certain minimum size, compensate the landowners for their land and redistribute the land to the numerous peasants who had worked the land. Specifically Edgardo Seoane sought redistribution of all lands including the rich, coastal sugar plantations (Seoane, 1963). Belaunde, however, was less interested in disrupting the coastal sugar estates than in directing the agrarian reform in the Sierra (Belaunde, personal interview, November 8, 1975). Belaunde "wanted a bill that could effectively be applied in the areas of greatest peasant unrest so as to give him time to implement his infrastructure development plans which he saw as the ultimate solution to Peru's land tenure and agricultural production problems" (Petras and LaPorte, 1971, p. 51). Belaunde agreed with to the Beltran Commission under Prado that "any reform should make very effort to avoid the disruption of the productive efficiency of the commercial plantations in the coastal region" (Cohen, 1964, p. 54).
On August 12, 1963, Belaunde submitted a proposal for agrarian reform legislation to Congress which reflected the ideas of his coalition. Within three months several other agrarian reform proposals had been submitted to Congress including one from the Odriistas (UNO) and one from the Apristas (APRA).

The major issues central to each of the legislative proposals included the following:

1) the extent of expropriation;
2) the valuation of, and compensation for, land taken;
3) the procedure for distributing land by zones;
4) the autonomy of executive implementation;
5) exceptions for sugar plantations;
6) special measures for certain recipients of land (Hilliker, 1971, p. 149).

The issues which caused the most debate concerned which land would be subject to expropriation and the form of compensation for expropriated lands. The UNO bill did not specify limits on size of landholdings which could be exempted from expropriation and required that payment for expropriated land be paid in cash. Both the APRA bill and the AP/DC bill proposed expropriation of all land beyond a certain minimal level, but the two bills differed in amount and types of land which would be exempted. The AP/DC bill limited size of coastal sugar estates while the APRA bill exempted all coastal sugar estates from expropriation. "Thus APRA actually became the leading advocate of the traditional landowner's voice in Congress" (Petras and LaPorte, 1971, p. 53). Both the APRA and the AP/DC bill proposed compensation for expropriated lands in types of bonds, but the two bills differed with regard to method of evaluating target lands for expropriation. The AP/DC bill proposed evaluating land according to its record of productivity while the APRA
bill proposed evaluating land according to a complicated formula of tax declarations and outside appraisals (Hilliker, 1971, pp. 151-152).

After many months of testimony and debate the Congress passed a compromise agrarian reform bill in May 1964. Supporters of the strong AP/DC bill, especially Edgardo Seoane, urged President Belaunde to veto the bill which became Agrarian Reform Law 15037.

Agrarian Reform Law 15037: Policy Content

The Agrarian Reform Law 15037 signed into law on May 31, 1964 established the framework and procedures for redistributing Peruvian land. The first paragraph of the law identifies the philosophy and goals of the spirit of the law:

The Agrarian Reform is an integral, non-violent and democratic process, intended to transform the agrarian structure of the country and to facilitate the replacement of the economic and social system of latifundio and minifundio by a just system of property, tenure and land use, which will raise the output and productivity of the land, (a system) complemented by adequate and timely credit, technical assistance and commercialization and distribution of the products in order that the land may constitute, for the man who works it, the basis of his economic stability, foundation of his progressive welfare, and guarantee of his dignity and liberty (Agrarian Reform Law 15037, Article 1).

The process of the agrarian reform involves expropriation of target lands deemed "affectable" by the law, compensation to the landowners for the expropriated property, distribution of the expropriated property to the new landowners, and support systems to assist the new landowners in their agricultural endeavors.

Expropriation

Provisions for expropriation of property under the Agrarian Reform Law are outlined in Table 11. Theoretically most farmlands over 150
### Table 11
An Agrarian Reform Law 15037 (1964):
Expropriation and Compensation

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coastal irrigated farmlands</td>
<td>150</td>
</tr>
<tr>
<td>Coastal occasionally irrigated farmlands</td>
<td>300</td>
</tr>
<tr>
<td>Coastal non-irrigated farmlands</td>
<td>450</td>
</tr>
<tr>
<td>Coastal grazing lands</td>
<td>2,250</td>
</tr>
<tr>
<td>Highlands and jungle irrigated farmlands</td>
<td></td>
</tr>
<tr>
<td>Highlands and jungle non-irrigated farmlands</td>
<td>(Same)</td>
</tr>
</tbody>
</table>

Landholding in excess of maximum:
- By executive regulation according to conditions in various provinces.
- Subject to expropriation according to following progressive scale:
  - (Hectares) | (Per Cent)
  - First 350 | 30
  - Next 500  | 50
  - Next 500  | 70
  - Next 500  | 90
  - Next 500  | 100
- Not subject to expropriation

**Valuation for compensation**

- Valuation of expropriated property - Determined on basis of average of three values: a) capitalized average income declared for tax purposes during five years prior to expropriation; b) value according to potential yield of the land as formulated by the Institute of Agrarian Reform; and c) market value according to valuations of the Technical Body of Appraiser.

**Form of compensation**

- Maximum cash payment (26.82 soles/dollar)
  - For efficiently managed farm, S/200,000; for inefficient owner-operated land, S/100,000; indirectly cultivated land or idle land S/50,000.
<table>
<thead>
<tr>
<th>Terms in payment in bonds</th>
<th>Efficiently managed farm, 6%, 18 yrs; inefficient owner-occupied land, 5%, 20 yrs; idle lands, 4%, 22 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment for expropriated capital equipment</td>
<td>Paid fully in cash.</td>
</tr>
<tr>
<td>Bond issue authorized</td>
<td>S/6 billion, negotiable bonds.</td>
</tr>
<tr>
<td>Bond characteristics</td>
<td>1. Acceptable by government-owned development banks as collateral on loans.</td>
</tr>
<tr>
<td></td>
<td>2. Exchangeable, at nominal value, for shares in trust fund, administered by Industrial Bank for financing new enterprises organized by Bank or ex-landowners. (Note: trust fund never implemented)</td>
</tr>
<tr>
<td>Amortization and interest payments on bonds</td>
<td>Tax exempt annual cash payments.</td>
</tr>
</tbody>
</table>


hectares were subjected to expropriation. The Law contained many loopholes, however, which protected the agro-industrial complexes and the coastal sugar estates from expropriation. Priority target areas for declarations of agrarian reform zones included Puno, Cuzco, Pasco and Junín which had been the scenes of many incidents of peasant unrest.

**Distribution**

Distribution of land was to be carried out in agrarian reform zones which were to be established by the government agencies dealing with agrarian reform. The law included provisions for the cultivation of new lands thereby expanding the total surface area under cultivation as well
as the total area available for distribution. Each peasant family (i.e. one head of household) was eligible to apply to the government for ownership of plots of land up to 15 hectares on the Coast and up to 30 hectares in the Sierra of land upon which they had lived and worked as tenants (Carroll, 1970, p. 22). The family would then make yearly payments to the government for that land, but would receive the deed to the land. Tenant status had to be established before application for land ownership could be made. Migrant workers, therefore, who had no such tenancy established were not eligible to receive land titles. Also, peasants who had been involved in the land invasions in the Sierra were restricted from land ownership.

Agrarian Reform: Implementation

The Agrarian Reform Law 15037 assigned the task of implementation of the policy not to the Ministry of Agriculture, but to the National Agrarian Council which included representatives from virtually all interest groups of the agrarian sector. Composition of the Council includes the Minister of Agriculture plus two delegates from the Ministry and one delegate from each of the following: the Agricultural Bank (Banco de Fomento Agropecuario), the Financial Corporation of the Agrarian Reform (Corporación Financiera de la Reforma Agraria--CORFIRA), the National Office of Cooperative Development (Oficina Nacional de Fomento Cooperativo), the Peruvian Federation of Workers (Confederación de Trabajadores del Perú, CTP), the National Peasants Federation (Federación Nacional de Campesinos, FENCAP), the National Agrarian Society (Sociedad Nacional Agraria, SNA), the Peruvian Livestock Association
(Asociación de Ganaderos del Perú), the Peruvian Senate, and the Peruvian Chamber of Deputies. The Directors of SIPA (Servicio de Investigación y Promoción Agraria) and ONRA (Oficina Nacional de la Reforma Agraria) sat on the Council but did not vote. The Council's responsibilities assigned by the agrarian reform law are "to coordinate policy-making and implementation in the critical fields of agricultural promotion and land reform" (Law 15037, Title XII). In practice this placed the Council in charge of SIPA and IRPA (Institute of Agrarian Reform and Promotion). The composition of the Council with so many representatives from the landowning groups of the agricultural sector "soon became a conservative institution" (Brisk, 1970, p. 125). It also was embodied with enough policy-making authority to replace in effect the Minister of Agriculture as primary agriculture policy-maker.

The administrative tasks of implementing the agrarian reform were assigned to IRPA which directed the activities of SIPA and ONRA. Administering the financial aspects of the agrarian reform was the responsibility of CONFIRIRA. The duplication of activities of these agencies as well as the lack of inter-agency communication among these agencies alone plagued the agrarian reform policy under Belaunde from the start. In addition, other governmental agencies which had related assignments in the agrarian reform program often interfered with the activities of ONRA and SIPA impeding any progress toward accomplishing the goals of the policy. The following discussion and analyzes the roles of the two government agencies most directly involved with the implementation of the
agrarian reform, ONR A and SIPA, and identifies institutional and administrative obstacles to the implementation of the agrarian reform.

ONR A

The responsibilities of ONR A were concerned with the actual transfer of land to recipients under the agrarian reform law. ONR A was responsible not only for determining which lands should be expropriated and at what cost but also for the colonization of new lands and the distribution of titles to recipients. ONR A was organized on three levels which included the national office in Lima, zonal offices in areas declared agrarian reform zones, and on the local level with offices in the departmental (state) capitals. Local ONR A officials were responsible for gathering information pertaining to target lands for expropriation. Results of this research were forwarded to the Zonal offices and on to the National office in Lima where decisions would be made about which lands would be affected and declared agrarian reform zones. However, before an area could be declared an agrarian reform zone, local legislators had to approve which in effect could and did veto actions of ONR A. In addition, before an area could be declared a reform zone, the President had to sign a supreme decree declaring the designated area an agrarian reform zone. "This increased the opportunities for the landowners to exercise political pressure to undercut ONR A's efforts" (Petras and LaPorte, 1971, p. 39). In effect, ONR A could recommend areas which should be declared agrarian reform zones but had virtually no power to authorize such declarations. Similarly directors of the Agrarian Reform Zones, employed by ONR A, were appointed
by the CNA and responsible to the CNA instead of to ONRA. ONRA did have more authority with the redistribution aspect of the agrarian reform. However, little land actually reached that stage under the Belaunde administration because of the administrative labyrinth which governed the process before land could be redistributed. Figure 4 illustrates the numerous steps of the complicated process involved in the adjudication of the Agrarian Reform Law. Three zonal resolutions had to be obtained before a proposal reached the National Agrarian Council. After the CNA passed the proposal it had to be submitted to the President who would issue a Supreme Decree and send the proposal back to the Agrarian Reform Zone to complete the expropriation.

The actual transfer of land was a complex process which involved numerous government agencies and officials ranging from agricultural researchers on the local level to the President, himself. The Agrarian Reform Law allowed for numerous delays and appeals which hindered implementation of the agrarian reform. The estimated minimum time required to complete expropriation of an area was 13 months. In practice, however, the process of expropriation took a minimum of 16 months depending upon the amount of litigation necessary to complete the process (Petras and LaPorte, 1971, p. 56).

Another bureaucratic bottleneck involved compensation for expropriated lands. While ONRA was responsible for determining the amount of compensation to be paid to the landowners, another agency, CORFIRA, was responsible for the actual financing. Potential beneficiaries of parcels of land could not receive title to the land before the landowners had been compensated by ONRA which had to solicit payments from
Figure 4
Flow Diagram of Land Transfer Process

(continued on next page)
ADJUDICATION

National Agrarian Council issues resolution

ONRA legal counsel issues opinion on case

CORFIRA agrees to financing

Council of Ministers (Cabinet) is consulted

ONRA legal counsel reviews case documents

Zonal directorates review case documents

Legal case documents forwarded to the National Agrarian Council

Supreme Decree issued

Fourth Zonal Resolution

Owners have 15 days to agree to transfer of title

If accepted CORFIRA takes title to the land

Recorded in Public Registry

Zonal directorate submits higher payment request

This route if judicial review is requested by owner

Expropriation ordered

Landowner objects to appraisal amount

Agricultural Finance Bank issues bonds

Landowner submits own appraisal

CORFIRA concurs with resolution

National Agrarian Council issues resolution

Judicial decision issued


Figure 4 (Continued)
CORFIRA which in turn had to request bonds from the Banco Central.

Although ONRA was the government's agrarian reform institute as established by Law 15037, the same law permitted interference with ONRA's purpose and goals on many levels. ONRA officials did much of the land use surveys and background research for recommendations concerning target lands for expropriation, but in effect had very little to say about whether or not those lands would indeed be expropriated. ONRA's decisions could be overridden by the landowners through the CNA as well as through Belaunde himself who was responsible for issuing the final decree which affected lands to be expropriated. The government's agrarian reform institute was in effect powerless to implement the agrarian reform.

Bureaucratic Obstacles to Reform

The process of implementation of the Agrarian Reform Law was made difficult by the requisites of the Law itself. In addition, however, characteristics of the Peruvian bureaucracy in general also contributed obstacles to implementation of the agrarian reform. A study of the Peruvian administration by the Pan American Union in 1966 identified structural weaknesses which rendered the administration incompetent in serving its clientele in a consistent, systematic manner. Structural weaknesses identified by the study include: extreme centralization of functions and responsibilities, lack of technical competence of administrative employees and officials, low pay for public servants, lack of coordination between different sectors, and excessive number of legal norms which cannot be observed or which are ignored (Pan American Union,
Another study of the Peruvian administrative system points out:

The inference suggested by the structural weaknesses of the system is that clienteles can easily obtain rule interpretations and policy administration favorable to their interests. The clienteles can exert influences, i.e., bribery, on the administrative system because it is so weak (Gomez, 1969, p. 52).

Landowners found it quite simple to apply political pressure upon the bureaucracy to hinder the implementation process (Interview, Ministry of Agriculture, October 1974).

Cooperation and coordination among the Ministries and the agrarian reform agencies was poor and in many cases an obvious hindrance to implementation of the policy. Neither the Ministry of Agriculture, the Agrarian Promotion Bank nor the Ministry of Labor and Indian Affairs cooperated with the National Planning Institute, ONRA or SIPA in formulating a plan of objectives concerning the number of families to be relocated annually, the number of hectares to be expropriated annually, the responsibilities which would be designated to the various government agencies or the methods for financing the reform (Petras and LaPorte, 1971, pp. 42-43).

... Frequently, older government agencies worked at cross purposes to ONRA and SIPA. This was especially true of the Ministry of Labor in the settlement of labor disputes, the Dirección de Asuntos Indígenas in respect to the Indian communities and the Dirección de Agua y Irrigación in relation to the distribution of irrigation waters. Cases were confirmed where government employees were openly sympathetic to patron interests over those of the campesinos, making agrarian reform more difficult (Petras and LaPorte, 1971, p. 43).

IRPA should have been responsible for coordinating the efforts of ONRA and SIPA. Instead, both ONRA and SIPA each divided the country into regions of operations which did not coincide with each other except in
the Puno area (see Figure 5). Lack of coordination between the two principal agencies involved with the agrarian reform led to duplication of services in some area and total lack of services to others.

Both ONRA and SIPA employed a large number of personnel in clerical and "paper-shuffling" positions which related to internal operations of the agencies as opposed to technical operations of policy implementation. In 1965 the number of nonprofessional/nontechnician personnel numbered 32.3% in SIPA and 40.4% of the total personnel in ONRA (Petras and LaPorte, 1971, pp. 81, 86). Decision-making in each agency was highly centralized with zonal offices and departmental offices subject to national office approval for all actions and programs.

One critical step in implementing the agrarian reform policy must be to assign technical extension personnel to assist farmers in the reform areas to raise agricultural productivity. The number of agronomists and other agricultural extension workers was extremely low in comparison to the number needed to reach the areas and farmers who needed technical assistance. Furthermore, of the 463 agronomists employed by SIPA in 1965, 152 were employed in Lima (SIPA, 1965, p. 69). The extension services provided by SIPA during the Belaunde administration were minimal at best.

The institutional and bureaucratic obstacles which faced the government officials charged with the task of implementing the agrarian reform were overwhelming. Petras and LaPorte (1971) suggest that neither agency directly involved with the agrarian reform, neither SIPA nor ONRA, "was committed to reform, regardless of high-level obstacles" (p. 72). Interviews conducted in the agrarian reform agencies under the military
indicates zones of SIPA Personnel

indicates zones of ONRA Personnel

Source: Ministry of Agriculture, interview, November 1974; and SIPA, 1967, p. 61.

Figure 5

Overlapping Zones of SIPA and ONRA Personnel, 1967
government challenge this point, however.

Agrarian Reform Results

Policy Outputs

Outputs of the agrarian reform under the Belaunde administration reflect the inadequate commitment of the administration to the agrarian reform policy. The Agrarian Reform Law (Articles 216 and 217) declared that 3% of the annual budget would be allocated to the agrarian reform for a period of 20 years. In 1965 only 60% of the total budget appropriation was allocated falling very short of the total amount of the budget which had been directed by law to finance the agrarian reform.

The process of redistribution of the land was lengthy as discussed earlier. Results of the redistribution of land under the Belaunde administration are reported in Table 12. In approximately 3 1/2 years of agrarian reform only 353,304 hectares were redistributed to 11,163 families. Under the Agrarian Reform Law 15037, at least 1,697,900 hectares were subject to expropriation and 1,092,420 landless or land-short families were qualified to receive land. Thus only 18.9% of the land subject to expropriation was actually redistributed to only 1% of the eligible families under the Belaunde administration. In addition to families which received title transfers, approximately 55,000 families were awarded provisional certificates of occupancy rights. These were issued to families which had occupied the lands earlier but the certificates were not permanent titles. Belaunde often referred to the "thousands of peasant families" which had received land under his administration (Belaunde, personal interview, November 1975) when in
Table 12
Agrarian Reform Policy Outputs 1968

<table>
<thead>
<tr>
<th>Geographic Region</th>
<th>Costa</th>
<th>Sierra</th>
<th>Selva</th>
<th>National Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land declared expropriable under Law 15037 (hectares)</td>
<td>121,000</td>
<td>145,000</td>
<td>1,431,900</td>
<td>1,697,900</td>
</tr>
<tr>
<td>Percent of land expropriable under Law 15037</td>
<td>37.6</td>
<td>2.6</td>
<td>46.4</td>
<td>18.9</td>
</tr>
<tr>
<td>Land expropriated or bought by government under Law 15037 (hectares)</td>
<td>4,186</td>
<td>397,963</td>
<td>25,347</td>
<td>427,496</td>
</tr>
<tr>
<td>Number of Beneficiaries (Families)</td>
<td>400</td>
<td>10,094</td>
<td>849</td>
<td>11,343</td>
</tr>
</tbody>
</table>

Source: Petras and LaPorte, p. 93.
fact, only a small percentage of those "thousands" had actually received titles to the lands. Only 45.3% of the land that was declared expropriable by the Agrarian Reform Law 15037 was actually acquired by the government, and only 44.4% of the land acquired by the government was acquired by the government through the expropriation process. Over half of the land acquired by the government was sold to the government at more-than-favorable market prices (Petras and LaPorte, pp. 92-93). Less than 1% of the total land required to implement the agrarian reform was actually acquired by the government.

Policy Outcomes

Measuring the policy outcomes of any policy is difficult because of the time lag which occurs between implementation of the policy and the actual effect of the policy. Resultant policy outcomes may have been affected by intervening variables or extraneous factors which may or may not be identifiable in the process. Specific outcomes which are of interest include factors relating to agricultural productivity and factors which show change in income distribution. Since the number of families affected by the agrarian reform under the Belaunde administration was few, changes in indicators of income distribution are likely to be insignificant. Changes in factors relating to agricultural productivity are less likely to be directly attributable to the agrarian reform under Belaunde than to other economic pressures of the time, once again due to the low level of actual adjudication. However, some trends may be identified which will be significant to the discussion of the continuation of the agrarian reform under the military government.
During the period of time of the Belaunde administration, total agricultural production and total food production continued to increase (see Table 9). Both per capita food production and per capita agricultural production, however, fell to low levels which had not been experienced since the early Prado administration in the mid-1950's. Agricultural imports continued to climb with food accounting for a larger percentage of the total agricultural imports each year (see Table 10). By 1968 virtually no positive impact of the agrarian reform could be measured with regard to the critical need to improve the agricultural productivity in Peru.

Summary

Agrarian reform became an issue area of concern to the Peruvian government in the late 1950's when President Prado established the Commission for Agrarian Reform and Housing in response to a need to increase agricultural production and a need to stem rural-to-urban migration which was threatening Lima and other coastal cities. At the same time rumblings of peasant invasions in the Sierra were beginning to emerge. By the time President Prado's Commission had designed a program of agrarian reform in 1960 peasant unrest was becoming epidemic. The Peruvian military was dispatched to the highlands to repress peasant activities.

By the time of the 1962 election peasant mobilization was a political as well as an economic problem. When no clear-cut victor emerged from the elections, the military intervened and established a military government which decreed a framework for an agrarian reform
policy. In 1963 Fernando Belaunde was elected President under the watchful eye of the military which gave explicit instructions to the new President to reform the agrarian sector. Agricultural production was not keeping pace with the increasing agricultural population such that agricultural imports had to be increased placing a strain on the nation's balance of payments. Peasant mobilization continued in the Sierra with hundreds of peasant invasions. Policy-makers saw agrarian reform as the resolution to problems in the agricultural sector.

Agrarian Reform Law 15037 was signed into law on May 31, 1964 calling for a transformation of the agrarian structure of the country to raise agricultural productivity and output. Belaunde's agrarian reform law, however, never got off the ground. Plagued from the start by compromises in Congress, by the time the law was passed it had many loopholes in it which allowed many properties to go unaffected. The agricultural bureaucracy established to implement the law included many offices with duplicate responsibilities and the adjudications process itself was so complicated that implementation of the law was close to impossible.

Only an insignificant amount of land was redistributed under the Belaunde agrarian reform policy and few families actually benefitted from the policy. Any results of the agrarian reform policy under Belaunde are likely to be inconclusive. When the military intervened in 1968 no positive impact could be assessed from the civilian government's agrarian reform policy.
CHAPTER IV

AGRARIAN REFORM 1968-1975: THE VELASCO YEARS

Evolution of the Peruvian Military as a Modernizing Reformer

The Peruvian military has been quite active in Peruvian domestic politics throughout the Twentieth Century. Military coups d'etat overthrew civilian governments in 1912, 1919, 1930, 1962 and 1968 placing the military in the position of direct rule of the country for 29 of the past 78 years. In addition, several unsuccessful coup attempts as well as shifts within the power structure of the ruling juntas have occurred in this period of time. The military has been a very powerful veto group acting to ensure elections or to prevent elections, to ensure policy choices of a civilian government or to prevent policy choices of a civilian government. In virtually every civilian government in the past 78 years military officers have held Cabinet-level posts at one time or another—especially in times of crisis when the civilian government turns to the military not only for assistance but also to ward off a potential coup d'etat.

The Peruvian military has been prompted to intervene in domestic politics by a variety of political and economic factors. In 1930 following a severe slump in nearly all Peru's principal exports, Peru faced an economic crisis which involved increased unemployment, a decline in the value of the sol and emergency loans from local and foreign companies. A military junta overthrew President Leguía and accused him of having
put the country at the mercy of foreign capitalists whose vast monopolies had acquired a stranglehold" (Marett, 1969, p. 146). In 1948 the military intervened following several months of political in-fighting in the Peruvian Congress and the Administration between APRA and anti-APRA forces which paralyzed governmental operations. The historical enmity of the military for APRA no doubt motivated the military takeover in October 1948 which placed General Odría in power and subsequently drove APRA underground. Odría ruled until 1956 when Manuel Prado became President through constitutionally-held elections. President Prado courted and won the support of the Apristas whose political re-emergence prompted military intervention in the elections of 1962. The military junta which governed in 1962 laid the groundwork for the election of Fernando Belaunde (or at least the defeat of the APRA candidate, Haya de la Torre). Following the political pattern, when Belaunde's government faced financial crisis, Belaunde appointed a General (Francisco Morales Bermúdez) as Finance Minister and increased military involvement in his government in an advisory capacity. Belaunde was unsuccessful, however, in warding off the military coup d'état which ousted his government following the financial crises and scandals during his administration and the renewed possibility of Aprista success in the impending Presidential election.

The military's decision to intervene in 1968 was prompted not only by the economic environment of the time and the growing distrust that the military officer's held for civilian politicians, but also by institutional factors which also influenced the role of the military in domestic politics: 1) the attitudes and social origins of the
military officers, themselves; and 2) the high level of education required for military officers which involved technical training at the CAEM, the Institute of Advanced Military Studies, as well as technical and military instruction of the officers at U.S. military installations.

Victor Villanueva (1972), a noted scholar of the Peruvian military, has summarized characteristic attitudes of the Peruvian military as follows:

The officers' feeling of superiority has been fortified by a number of mechanisms: the weakness of civilian institutions; the social isolation which leads officers to believe that the world ends at the barrack gates; the dislike for civilians that is injected into the soldier from the day he enters the service; the uniform which separates him from other social groups and which confers him perogatives unaccessible to others; the private code which allows him on many occasions to elude civilian justice even when his crimes do not fall under military jurisdiction; the possession of a monopoly in the use of violence which makes him authoritarian; . . . in short, the presence of so many norms that are alien to civilian institutions make the officer identify his interests with those of the nation and make him feel superior (pp. 171-172).

García (1974) comments, "While these attitudes may exist in military institutions that do not directly intervene in politics, the fact that Peruvian officers are so traditionally accustomed to ruling makes it quite plausible that in Peru these attitudes have lowered the threshold of intervention" (p. 32).

Of the military junta in 1968, ten of the fifteen members were provincials with only two having been born in the Coastal region (Rouquie, 1973, p. 52). Because of this provincial background—especially in the army—the armed forces were keenly aware of the socio-economic gap which existed in Peru between the Coastal areas and the interior. The development orientation of the military stressed the
need for incorporating the people and the resources of the Sierra into the mainstream of the Peruvian economy. It had been Belaunde's cry for "the winning of the interior" which had gained him the support of the military in the early 1960's since the military officers were personally familiar with the problems which existed there. Research on the social origins of the Peruvian military officers indicates that the social and economic background of the officers ranges from lower middle class to upper class, but that few of the officers come from the extreme ends of the range (Garcia, 1974; Whyte and Flores, 1964). Institutional requirements such as a minimum height requirement and the required entrance exam which necessitates the equivalent of a secondary education to pass preclude lower class individuals (especially Indians) from gaining entrance to the officer corps in most cases. However, it appears that the heterogeneous background of the Peruvian officers has influenced its perception of the social and economic needs of parts of the country beyond the Coast, and did indeed prompt the military to intervene in 1968.

The second institutional factor which prompted military intervention in Peru in 1968 was the high level of education of the military officers in subjects other than military warfare, at the CAEM (Center for Advanced Military Studies), Peru's equivalent to the National War College in the United States. The CAEM was established under President Odria in 1952 to provide advanced education for military officers regarding national defense. "The Peruvian military officer is, on average, one of the most highly schooled in the world" (Astíz and García, 1972, p. 67). The education of the Peruvian officer begins
long before studies at the CAEM are even considered. The Peruvian military officer is required to complete five years of formal studies at the Military Academy before he may attain the rank of Second Lieutenant. Rank of Captain may be obtained only after completion of two other technical courses in the Specialization School. At this point competition for further training, hence advanced rank, becomes more difficult. Officers compete for slots in the Superior School of War, the School of Intelligence, various programs of training abroad, and lastly, the CAEM (Astíz and García, 1972, pp. 672-680). "Graduation with distinction from the two-year course of instruction at the CAEM is now virtually a prerequisite for higher rank" (Welch and Smith, 1974, p. 157). Table 13 illustrates the relationship between attendance at the CAEM and promotion to General.

Table 13
Attendance at the CAEM and Promotion to General (1952-1962)

<table>
<thead>
<tr>
<th>Colonels who attended CAEM</th>
<th>Promoted to General (69.4%)</th>
<th>Not Promoted to General (30.6%)</th>
<th>Total (100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colonels who did not attend the CAEM</td>
<td>27 (29.3%)</td>
<td>65 (70.7%)</td>
<td>92 (100%)</td>
</tr>
<tr>
<td>Total</td>
<td>111 (52.1%)</td>
<td>102 (47.9%)</td>
<td>213 (100%)</td>
</tr>
</tbody>
</table>

Source: Calculated by the author from research presented by Garcia, 1974, p. 55.

The curriculum at the CAEM is an important consideration in understanding the evolution of the developmental mentality of the modern-day
Peruvian military (see Villanueva, 1969). Courses taught by military and civilian professors include a wide range of social science topics from the fields of political science, macro- and micro-economics and sociology. The first part of the CAEM instruction resembles a course in International Relations dealing with national attributes and international power distribution. In fact, the text used in the early 1960's was the 1953 edition of *Foundations of National Power* by Harold and Margaret Sprout. Instruction in economics included study of capitalist development which even included the Paul Samuelson textbook popular in American universities. The theories and ideas studied at the CAEM were applied to the Peruvian national situation. Dominant themes of developmental concerns for Peru which were instilled in officer training programs may be summarized as follows:

1) the perception that Peru is enmeshed in a fundamental and protracted social crisis brought on by the persistent inequalities in the distribution of wealth and status in the country, and by Peru's situation of dependency on the industrialized countries of the world;

2) the realization that this crisis threatens their institutions as well as the (economic) system in Peru;

3) the conclusion that the state must take an activist role in overcoming this crisis; and

4) that, as a consequence of the manifest failure of civilian politicians, it is both proper and necessary that the military should accept a primary political role in the modernization process (Welch and Smith, 1974, p. 157; see also Astiz and Garcia, 1972, p. 676; Einaudi and Stepan, 1971, pp. 21-29; and Einaudi, 1974, pp. 74-78).

The Peruvian military responded to the political and economic crises of 1968 by assuming that primary governing role. It may be important to note that of the nineteen members of Velasco's Cabinet formed just after the coup, thirteen were graduates of the CAEM including the Prime Minister and the chief of the Council of Presidential
Advisers (COAP), the executive, policy-formulating group (Einaudi, 1973, p. 75). Velasco himself, however, was not a graduate of the CAEM.

The result of the military ascent to the executive office in 1968 was a revolutionary government whose initial declarations promised no less than a complete restructuring of the political, social and economic ways of life for all Peruvians. The remainder of this chapter identifies the corporatist nature of the military government and analyzes in detail its agrarian reform policy which is one example of the military government's attempt at significant reform.

Agrarian Reform Policy Environment: The Peruvian Military in the Executive Role of the Policy Process

When Fernando Belaunde was overthrown on the night of October 2, 1968, Peru was seemingly on the road to economic recovery. The military coup, however, was an institutional effort which had been in the planning stages for many months—since April according to Zimmerman's (1974) reports of Velasco's plans (p. 36). The new military government "vowed to destroy the traditional political system dominated by special interests and to replace it with one open equally to the influence of all citizens, a 'social democracy of full participation'" (Lowenthal, 1975, p. 9).

The concept of a "social democracy of full participation" under the military government did not involve political organization and representation through the traditional political parties or interest groups. The military government upon taking over the executive role "systematically undercut almost all organizations politically influential in Peru before 1968 except the church and, of course, the armed forces"
In its quest for control the military disbanded the legislature; disallowed powerful, well-organized groups such as the National Agrarian Society (landowners); and threatened the operations of political parties. "Participation" was to be understood purely in economic terms. Malloy (1974) suggest that this ideological stance aimed at undermining the power of the oligarchy which had controlled Peru's economy was designed to "restructure the economy so that previously excluded groups (could) effectively control the decisions that directly affect their destiny" (p. 61). The military's social democracy would have all people participating in the economic restructuring of the Peruvian system; but this participation would be a corporatist effort ("neither capitalist, nor communist") directed by the military, not voted upon by the people in any "democratic" sense.

The first task of the military government was to legitimize the revolutionary junta's governing command beyond the initial authority of the coup. A ruling military junta enjoys a certain amount of legitimacy following the coup based solely upon the ability to oust the previous government successfully. Support for the coup must be transferred to support for the military government, however, since legitimacy of the ruling junta as chief executive depends upon compliance with the decisions of the new government by the citizenry. The life of any government depends upon the agreement of society (whether expressed or understood) to accept the authority of its decisions and policies. "A claim to legitimacy is not sufficient; effective channels and means must also be available and action must be undertaken (by the new government) for the confirmation and maintenance of that claim" (van Doorn, 1975, p. 3;
see also Harrises-Jenkins and van Doorn, 1976; Feit, 1973; and Stepan, 1971).

The Peruvian military in its search for legitimacy sought the support of the masses, the working class, the urban proletariat and the support of the bureaucracy without which the military would be crippled in its attempt to implement its vast programs of reform. The military government waged an all-encompassing rhetorical campaign under the banner of Tupac Amaru (the Indian leader who heroically fought the Spanish conquistadors) for "Peru for the Peruvians," reminiscent of the nationalistic themes of the Belaunde administration. But rhetoric alone would not effect the dramatic changes in the Peruvian way of life that the military envisioned. Words would have to be turned into action.

Policy Formulation Under the Military Government

When military leadership becomes governmental leadership, structural or organizational characteristics of the military are transferred to the governmental apparatus. Characteristics of the discipline, hierarchy and centralized command of the Peruvian military established decision-making patterns of the military government. Public policy formulation under the Peruvian military government clearly takes place at the top level of the governmental organization.

The primary policy-formulating group is the Comite de Asesoramiento de la Presidencia, COAP (the Presidential Advisory Committee), which is a 15 member committee made up of military officers with the rank of Colonel or higher. COAP is responsible for assimilating information on the various areas of reform which concern the military government and for overseeing the drafts of legislation proposed by the various
ministries in order to present a coherent policy idea to the President and members of the military junta for their decision. Virtually no piece of legislation by-passes the COAP's scrutiny before reaching the desk of the President (Interview, Ministry of Agriculture, November 1974). Once the particular regime goal has been announced and a general policy formulated, the policy is put into effect in the form of a decree/law issued by the President.

Policy Goals of the Military Government

The first act of the ruling military junta under President Juan Velasco was the proclamation of the "First Statute of the Revolutionary Government" which presented the military rationale for setting up a military government and identified the policy goals of the new government. A translation of the text of the initial proclamation issued on October 3, 1968 is as follows:

The Armed Forces of Peru duly heeding the desire of the citizenry and conscious of the immediate necessity of putting an end to economic chaos, to administrative immorality and improvisation, to the surrender of our natural resources of wealth and their exploitation for the benefit of privileged groups, as well as to the loss of principle of authority and (the government's) inability to achieve the urgent structural reforms demanded for the well-being of the Peruvian people and the development of the country, assume responsibility for the direction of the state with the purpose of moving it ahead definitively toward the achievement of the national objective.

The Revolutionary Government of the Armed Forces has for its principal goal the attainment of the following objectives:

a. to transform the structure of the state making it more dynamic and effective for better government action;

b. to promote higher standards of living, compatible with the dignity of the human person, for the less favored sector of the population, carrying out the transformation of the economic, social and cultural structures of the country;

c. to impress upon the acts of the government an independent national purpose in the firm defense of national sovereignty and dignity;
d. to improve the moral fiber of the country in all the fields of national activities and to re-establish fully the principle of authority, respect for the law, and the rule of justice;

e. to promote union, harmony, and integration of Peruvians, strengthening the national consciousness (translation appears in Sigmund, 1970, pp. 204-205).

With these objectives in mind, the military government embarked upon a sweeping set of reforms which would touch virtually every segment of Peruvian society and dramatically affect the economic structure of the country by expanding and fortifying the role of the state in every area of economic activity. The sum total of these declarations was to create a corporate state which involved citizen participation on a large scale, but one which was clearly controlled and directed from the top.

Policy Contents: Major Pieces of Decree-Legislation of the Military Government

The political and economic system which the Velasco government envisioned was that of a corporatist state--neither capitalist nor communist--which would catapult Peru's lagging modernization through a series of structural and economic reforms. The economic reforms which the military government promised came rapidly. In less than two and a half years the government had decreed major pieces of legislation covering nearly every facet of the Peruvian economy: petroleum, mining, fishing, industry and agriculture. The military government immediately cancelled the agreement signed with the International Petroleum Company which had caused such a stir under the Belaunde administration. IPC was expropriated and Petroperu, the state petroleum company, was granted a monopoly of petroleum refining. Chronologically the major economic reforms are as follows:
In January of 1969, the government announced the "Peruvianization" of the banking industry, creating a national bank and setting strict regulations regarding the amount of foreign holdings in any bank (Quijano, 1971, pp. 26-27). All foreign currency was to be held in state banks and 4/5 of all the posts in all banks were to be held by Peruvians.

On June 24, 1969, President Velasco announced a sweeping agrarian reform law. He declared the intention of the government to expropriate all large haciendas by 1975 to bring social justice to the peasants of Peru. The Agrarian Reform Law under the military government translated the revolutionary rhetoric of the regime into a concrete policy aimed at redistributing land to over 500,000 families. An analysis of this law follows later in this chapter.

In April of 1970 a mining reform law decreed exclusive rights to refine metals and the right to gradual assumption of all marketing rights to Mineroperu, the state mining enterprise.

In July 1970 the Velasco government decreed the General Industrial Law which established worker participation in company ownership and management. This law greatly expanded the worker's role in his company beyond that of laborer to part owner, in essence, to share not only the workload but also the profits. The law provided for incentives to industrialists to reinvest their profits and established an "Industrial Community," a legal entity to represent a company's workers, similar to a union but designed by the military government to follow the participation guidelines of the new political order. The intention of the Industrial Law was clear: to stimulate worker involvement in the economic system of Peru and in so doing, undermine the necessity for foreign capital in the industrial sector (see also Hunt, 1975, pp. 302-349; and Knights, 1975, pp. 350-401).

After the law regulating the fishing industry was announced in March 1971 virtually no segment of the Peruvian economy lay untouched by reform. By 1975 most of the utilities had been nationalized as well as the telephone companies and the railway system. Many of the multi-national corporations such as IPC, Cerro de Pasco (mining) and W. R. Grace (mining) had been expropriated.

In addition to the economic reforms above, two important social reforms should be mentioned. First, on June 24, 1971, a decree-law established SINAMOS, the National System to Support Social Mobilization. SINAMOS was designed to be a government feedback system--a system of interest aggregation and articulation designed to replace political parties and to control political participation. With offices on the regional (ORAMS), zonal (OZAMS) and national (ONAMS) level, SINAMOS was
designed to be the link between the government and its people. SINAMOS was a strong attempt to fortify the legitimacy of the military government by attempting to mobilize support among the lower sectors of the general population against opposition from the right and as an alternative to organization (APRA and the unions) on the left. (For more detail see Woy-Hazleton, 1978.)

Second, on March 24, 1972, the government decreed an extensive educational reform which provided for bilingual education for the Indians for the first time. This was an important step toward integrating the Indians of the highlands who speak Aymara and Quechua into the mainstream of Peruvian life. The law greatly expanded the existing educational structure and adopted new measures such as mandatory vocational training for 15-year-olds.

All of the reform laws outlined above were decree-laws issued by President Velasco in the name of the Revolutionary Military Government. Each law was in direct response to the nationalistic policy goals of the military as announced in the initial proclamation of the junta. Areas of reform which were not approached by the military as might have been expected included taxation and urban problems (Lowenthal, 1975, p. 17).

Policy Implementation Under the Military Government

The task of successful implementation of the public policies of the military is critical to the sustained legitimacy of the military government. Linking the government's policies to their intended clientele requires the creation of a working relationship between the military
government and the bureaucracy, in essence, a civil-military alliance, upon which the legitimacy of the military is predicated. If the military government is unsuccessful in creating a harmonious working relationship with the bureaucracy, the policies and programs of the military government are doomed to failure. "Maintenance of order calls for a flow of policy decisions that can be executed through the orders, rules, routines and procedures, formal and informal, on which the bureaucratic order is founded" (Feit, 1973, p. 11). Without the manpower and the background knowledge of implementation procedures the military government would be crippled in its attempt at such massive reforms.

When the civilian administration of Fernando Belaunde was ousted in the military coup of 1968, the military government replaced all Cabinet Ministers with military officers at the rank of General. Below the rank of Minister, however, many civilians retained or were appointed to upper level posts. Cleaves and Scurrah (1974) report that in 1974, among the ranks of ministerial advisers, vice-ministers and agency directors, there were 69 civilians and 35 military officers (p. 14). Middle level and lower level posts were almost all held by civilians whose tenure was recognized under the civil service system. Younger military officers with training or expertise in particular areas could request assignments to particular agencies. Such assignments were not numerous, however. A more detailed examination of policy implementation under the military government follows in the analysis of the agrarian reform under the military government.
Agrarian Reform: Policy Formulation

The drafting of the Agrarian Reform Law involved extensive research efforts of the staff of COAP in coordination with the Minister of Agriculture (Ministry of Agriculture, personal interview, October 1974). One man who has played a significant role in the agrarian reform process throughout the military government is a civilian engineer, Benjamin Samanez, who was a personal friend of the Minister of Agriculture, General Jose Benavides. Benavides and Samanéz were largely responsible for the drafting of the Agrarian Reform legislation which was then scrutinized by the advisory staff to the President, COAP (Ministry of Agriculture, personal interview, October 1974).

Policy Goals

The agrarian reform policy goals of the military government echoed the policy goals espoused by the previous civilian government, but with even more reform fervor. Press releases accompanying the text of the Agrarian Reform Law 17716 indicated that this law represented the military's sincere efforts "to achieve a realignment of Peruvian society, and therefore, to alter the structure of economic, political and social power in our country" (El Peruano, June 25, 1969). Similar to the policy goals of the civilian government, the military government's policy goals were political, economic and social in nature.

Politically, the agrarian reform policy goals sought to regulate and to limit the rights to private ownership of agricultural lands, thereby attacking the traditional power base of the landed oligarchy. Economically the military government's agrarian reform goals sought to increase land use efficiency, to increase cultivatable land suitable
for farming, to increase agricultural production, to increase the use of agricultural technology in farming, to redistribute national income to increase the peasants' quality of life, to expand governmental responsibility for providing adequate marketing facilities, and to increase technical assistance and credit to cooperatives. Overall the agrarian reform process was to complement industrialization in a developmental program for a corporate state. Socially the goals of the agrarian reform policy sought the elimination of the latifundia-minifundia land tenure pattern, the establishment of several types of cooperatives which would manage the agricultural sector, the integration of the Indian into the mainstream of Peruvian national life and the expansion of governmental social services to the rural areas.

Agrarian Reform Law 17716: Policy Contents

The Agrarian Reform Law 17716 signed into law by Executive Decree on June 24, 1969, echoed the spirit of the 1964 Law 15037 promising an end to the latifundia-minifundia system with a guarantee of social and economic justice to the campesinos who worked the land. While the rhetoric of the law was the same, the contents of the new Agrarian Reform Law were quite different. Many of the structural loopholes which had hindered implementation of the 1964 law were closed and many of the principles of the 1964 law were expanded to increase the magnitude of the agrarian reform. Pitfalls of the 1964 law had been recognized and prompted significant changes in the 1969 Law.
Expropriation

The maximum retainable amount of land was limited to 150 hectares of irrigated coastal land or its agricultural equivalent in the highlands and the jungle. All farms were subject to this limit in the 1969 Law including the agro-industrial complexes of the sugar estates on the Northern Coast. The classification of lands subject to affectation was also expanded (see Table 14). For example, lands owned jointly by spouses would be treated as a single ownership (Article 21). Corporations and partnerships with limited liability were prohibited from holding rural land and were required to transfer their holdings or convert to partnerships with unlimited liability (Article 22). The 1969 Law also added definitive provisions concerning lands reserved for urban growth which were not to be affected. No such provision had appeared in the 1964 Law.

Compensation

Compensation for expropriated land under the 1969 Law differed from that of the 1964 Law. First, valuation for compensation would be based on the self-assessed values for taxes filed in 1968. Second, compensation would still be made in cash and in bond, but the maximum cash payment was lower and bond characteristics differed. The 1969 Law also included a provision similar to the industrial investment provision of the 1964 Law which was never implemented under the Belaunde administration. Bonds paid in compensation for expropriated land could be converted to cash for 100% of the face value to supply half of the capital necessary to finance a "duly qualified industrial enterprise" if the
<table>
<thead>
<tr>
<th>Classification of Land Holding</th>
<th>1969 Agrarian Reform Law</th>
<th>1964 Agrarian Reform Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. State lands (rural)</td>
<td>Subject in their entirety to the Agrarian Reform except for those holdings used directly by gov't agencies in carrying out their functions (Art. 12°).</td>
<td>Same as 1969 Law (Art. 9°).</td>
</tr>
<tr>
<td>2. Lands of quasi-public entities</td>
<td>Affectable in their entirety except for part dedicated to objectives of teaching, Agr. Development and research (Art. 13).</td>
<td>Similar to the 1969 Law except it was all subject to the general limitations on directly worked property (Art. 11°).</td>
</tr>
<tr>
<td>4. Abandoned lands</td>
<td>Incorporated into the public domain (Art. 8°).</td>
<td>No specific provision, but treated as affectable under the &quot;idle or uncultivated&quot; classifications (Art. 14°).</td>
</tr>
<tr>
<td>5. Unreclaimed lands</td>
<td>Incorporated into the public domain, except for those that are part of irrigation projects (Art. 193°).</td>
<td>No specific provision, but treated as affectable under the &quot;idle or uncultivated&quot; classifications (Art. 14°).</td>
</tr>
<tr>
<td>Classification of Land Holding</td>
<td>1969 Agrarian Reform Law</td>
<td>1964 Agrarian Reform Law</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>7. Church lands</td>
<td>No special provisions, i.e., they fall under the general provisions on privately owned land.</td>
<td>Affected in their entirety except for those areas used exclusively for teaching, social welfare, scientific research and &quot;means of livelihood&quot; (Art. 15°).</td>
</tr>
<tr>
<td>8. Lands worked by feudatories and renters in areas that do not exceed three family farm units.</td>
<td>Affectable completely. Additionally, if the area worked by feudatories is insufficient for transferring to all the feudatories of the holding, areas equivalent to the family farm unit, all holdings of the owners shall be affected to the extent necessary to provide such equivalent, even if the non-affectable minimum is reduced (Art. 17°).</td>
<td>Affectable completely (Art. 16). However, there is no special provision for feudatories.</td>
</tr>
<tr>
<td>9. Lands worked by renters of areas that exceed three family farm units.</td>
<td>Affectable in their entirety in favor of the renter if he qualifies as a beneficiary under the Agrarian Reform Law up to non-affectable minimum (Art. 19°).</td>
<td>Not affected unless they exceed the non-affectable minimum (Art. 16°).</td>
</tr>
<tr>
<td>10. Jointly owned lands (includes both joint tenancy and tenancy in common)</td>
<td>Joint ownerships existing 3 yrs prior to the declaration of the Zone, and those created within the previous 3 yrs, if not simultaneously created from a common title source, will be totally affected (Art. 21).</td>
<td>No special provision regarding affectation. Not treated as a single ownership unit (Art. 25°) (i.e., multiple exemption from affectation according to the share of each owner).</td>
</tr>
<tr>
<td>Classification of Land Holding</td>
<td>1969 Agrarian Reform Law</td>
<td>1964 Agrarian Reform Law</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>11. Corporations and partnerships with limited liability.</td>
<td>They are prohibited from holding rural land. They have 6 months to transfer their holdings or convert themselves into unlimited liability partnerships (Art. 22°).</td>
<td>They were permitted to hold rural land and the size of ownership is determined by the proportion of shares owned by each shareholder in determining the minimum non-affectable (Art. 25°).</td>
</tr>
<tr>
<td>12. Other bodies corporate</td>
<td>If one person (including relatives within the 4th degree of consanguinity or 2nd degree of affinity) owns or has legal control over 40% of the shares or interest in the company, he will be considered the owner of all rural lands for affectation purposes (Art. 23°).</td>
<td>The size of the ownership units is based on the proportion of shares owned by each shareholder or co-owner in the company in determining the minimum non-affectable (Art. 25°).</td>
</tr>
<tr>
<td>13. Separate and Community Property of Spouses</td>
<td>Considered as one single holding (Art. 24°).</td>
<td>No special provisions. Therefore, property held under separate property agreements were considered as separate from the community property and not considered as one holding.</td>
</tr>
<tr>
<td>Classification of Land Holding</td>
<td>1969 Agrarian Reform Law</td>
<td>1964 Agrarian Reform Law</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>15. Lands of Peasant Communities</td>
<td>Land allotted to community members prior to the Constitution of 1920 are subject to the rules of affectation established in this Law for the benefit of the community (Art. 119°).</td>
<td>Same as 1969 Law (Art. 130°).</td>
</tr>
<tr>
<td>16. Sugar and Tea Agricultural-Industrial complexes</td>
<td>The entire economic complex is subject to affectation (Art. 37°).</td>
<td>Lands owned by industrial processors of sugar cane are exempted from expropriation up to the amount indispensable for maintaining the efficient operation of the processing plants (Art. 38°, 39° and 43°).</td>
</tr>
<tr>
<td>17. Livestock and permanent plantations and machines</td>
<td>Not subject to affectation unless falling within the scope of Art. 37.</td>
<td>Not subject to affectation.</td>
</tr>
<tr>
<td>18. Lands directly worked by the owner</td>
<td>Arts. 28-36 allow certain minimums that are non-affectable (See No 22 below).</td>
<td>Arts. 29° and 30° provided a progressive scale for determining land subject to affectation on the coast; (subject to amplification by Art. 31°). Sierra lands were covered by Supreme Decree (Art. 32°); (subject to amplification by Art. 34°).</td>
</tr>
<tr>
<td>Classification of Land Holding</td>
<td>1969 Agrarian Reform Law</td>
<td>1964 Agrarian Reform Law</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>19. Areas reserved for urban growth</td>
<td>The Ministry of Agric. shall exempt them from affectation (Art. 42°).</td>
<td>No similar provision.</td>
</tr>
<tr>
<td>20. Lands held in adverse possession by individual peasants or by peasant communities</td>
<td>The affectable minimum of the owner is reduced even if outside the Zone, if the land has been occupied 5 yrs. (Art. 45°).</td>
<td>No similar provision.</td>
</tr>
<tr>
<td>21. Holdings where unlawful labor conditions exist</td>
<td>The affectable minimum of the owner is reduced even if outside the Zone (Art. 45°).</td>
<td>No similar provision.</td>
</tr>
</tbody>
</table>

bondholder could supply the other half of the necessary capital (Article 181°).

Distribution

The qualifications for beneficiary status under the 1969 Law are similar to the 1964 Law. A campesino head of household (at least 18 years of age) who does not own enough land to support a family farm may petition for ownership of land on which he works or neighboring property (Article 84°). The General Administration for the Agrarian Reform and Rural Settlement (DGRAAR) is responsible for determining the minimum family farm size depending upon the topography of the land (Article 79°). Annual payments are to be made by the campesinos to the DGRAAR over a twenty year period (Article 83°).

Agrarian Reform: Policy Implementation

Policy Strategy

Unlike the civilian government which had to struggle with an opposition Congress to enact legislation for agrarian reform in 1964, the military government in 1969 unilaterally decreed the Agrarian Reform Law 17716 on June 24, 1969 under no restrictions and without civilian recourse to such actions. The military government's agrarian reform policy strategy attempted to resolve the bureaucratic obstacles to reform under the previous civilian government by streamlining the agrarian reform process, accelerating implementation efforts, and initiating a comprehensive development plan for the agrarian sector. Emphasis was placed on actual redistribution of Peruvian lands to restructure the land tenure pattern which the previous civilian government had not accomplished.
First, the administrative organizations which were responsible for the implementation and financing of the agrarian reform were to be reorganized and centralized within the Ministry of Agriculture. The powerful National Agrarian Council which had directed the agrarian reform under the Belaunde administration was disbanded. This action was truly significant in that landowner interests which had been heavily represented on the Council lost the political power they had commanded under the administration of the National Agrarian Council. IRPA and its agencies, ONRA and SIPA, were reorganized to form the Dirección General de la Reforma Agraria y Asentamiento Rural (DGRAAR). The DGRAAR, an agency of the Ministry of Agriculture, would be responsible for the implementation of the agrarian reform under the military government.

Second, the process of adjudication of land was to be reorganized to speed up the actual redistribution of land. Appeals to the National Agrarian Council which had blocked most of the implementation efforts under the Belaunde administration no longer existed which greatly facilitated the agrarian reform process.

Third, to demonstrate the serious intent of the military government in reforming the rural sector, nine of the largest and most productive agro-industrial sugar complexes in the Coastal region would be the first properties affected under the new law. Other primary target areas for affectation would be the highland areas which had experienced peasant unrest.

Fourth, in its efforts to restructure the land tenure pattern and to improve agricultural production the military government placed emphasis on creating a system of cooperatives to organize the
agricultural sector. Three types of land tenure arrangements would be permitted: 1) a limited form of private-ownership, 2) peasant communities, and 3) cooperatives. The Agrarian Reform Law 17716, however, strongly encouraged the development of cooperatives by offering larger amounts of credit and technical aid as incentives to the campesinos to organize their land acquisitions in that manner. Several types of cooperatives were developed to accommodate the needs and circumstances of the different geographic areas. The purpose of creating the cooperatives was twofold: 1) to organize the small landholdings of individual beneficiaries of the agrarian reform into larger units of social property which would be more efficient and productive, and 2) to redistribute the profits generated by the cooperative to all members of the cooperative which is more likely to improve the income of the small farmer (Bourque and Palmer, 1975, pp. 186-188).

The cooperatives were designed to be "local units of participation" reflecting the military government's goal of a "social democracy of full participation." Theoretically, decisions made in the operation of the cooperatives would affect the larger society as a whole. "The military government's control of these cooperatives, however, never allowed the decision-making on a local level be as great a determining factor on the national level as theorized. Basic policies continue to be determined by the governing apparatus at the center, and all actions at the local or regional levels must be taken in light of these determinations" (Bourque and Palmer, 1975, p. 187). The types of cooperative established by the military government include: Agricultural Production Cooperatives, Communal Cooperatives, Agrarian Social Interest Societies (SAIS),
Integral Rural Settlement Projects (PIAR), and Integral Development Projects (PID).

A SAIS included the land from expropriated haciendas and the adjacent peasant communities and combined the hacienda workers and technicians with the comuneros of the peasant communities. Similarly, the PIARs combined all enterprises within a geographic area to redistribute the profits among all members of that geographic area. The SAIS and the PIAR were transitional stages of cooperative development toward the classification of Agricultural Production Cooperative in which the land, the means of production, the livestock, etc., are all collectively owned. Still another cooperative unit established by the military government was the PID which combines both agricultural and industrial enterprises within a geographic area (Bourque and Palmer, 1975, pp. 188-189).

Agricultural unions were not eliminated under the military government, but a new political association created by the military government virtually replaced their usefulness. Decree Law 19400 (May 9, 1972) created the National Agrarian Confederation (CNA) which was responsible for representing the interest of the agricultural sector. "This meant that all other peasant federations and associations lost government recognition as legitimate representative of peasant interests before government agencies" (Bourque and Palmer, 1975, p. 191).

Administrative Organizations

The principal administrative organizations directly involved with the implementation of the agrarian reform under the military government were: the Ministry of Agriculture, the DGRAAR and the Zonal Offices of the Agrarian Reform. The structures and functions of these organizations
as well as the coordination between and among these organizations provide background for analysis of the implementation of the agrarian reform.

The Ministry of Agriculture is formally assigned the task of implementation of the agrarian reform policy by the Decree Law 17716 "in harmony with the economic and social development plans of the government" (Article 148°). The Ministry of Agriculture is responsible for proposing to the Executive Power the declaration of Agrarian Reform Zones, approving and financing affectation plans and granting ownership titles to beneficiaries (Article 148°). The Ministry of Agriculture is authorized by DL 17716 to delegate its responsibility for the implementation of the agrarian reform to the DGRAAR whose Director General will be accountable to the Director Superior of the Ministry of Agriculture (Article 148°).

The Dirección General de la Reforma Agraria y Asentamiento Rural (DGRAAR) is the principal administrative organization directly involved in the agrarian reform process. The DGRAAR is held accountable to the Ministry of Agriculture but is independently responsible for affecting, acquiring, expropriating and distributing land holdings. The organizational functions of the DGRAAR as specified by Law 17716 are:

1) to receive, administer and render account for funds assigned to it for agrarian reform purposes;
2) to evaluate the amount of annual income to it and elaborate an annual investment plan based thereon;
3) to judge the efficacy of rural settlement projects carried out by the State or by private entities;
4) to appear in, settle or abandon all class of proceedings in exercise of its rights;
5) to impose fines authorized for it by the Law;
6) to comply with and obligate compliance with Resolutions of the Ministry of Agriculture and of the Agrarian Tribunal;
7) to grant allotment contracts;
8) to enter into acquisition contracts;
9) to register allottees and owners (Articles 149° and 150°).
The DGRAAR is also responsible for formulating a development plan with the assistance of the Sectoral Officer of Planning for the Agrarian Reform Zones (Article 92°) and for providing technical assistance and credit to land reform beneficiaries (Article 94°). In addition, reorganization of the agrarian reform administration assigned tasks to the DGRAAR not previously included in IRPA under the Belaunde administration. The agency responsible for indigenous affairs was moved from the Ministry of Labor to the DGRAAR which reflected the government's concern for the societal integration of the Indian through the agrarian reform process. Also, the responsibility for financing the agrarian reform was assigned to the DGRAAR rather than to the Agrarian Reform Finance Corporation (CORFIRA) which operated under the Belaunde administration. Under DL 15037 three percent of the annual budget of the State was to be allotted to agrarian reform. Under DL 17716 no specific amount was allocated solely to the agrarian reform.

The Zonal Offices of Agrarian Reform are responsible for implementation of the agrarian reform once an area has been declared an agrarian reform zone. The Agrarian Reform Zones under DL 17716 follow closely the SIPA Zones under the Belaunde administration (see Figure 5). The Zonal Director is responsible for coordinating the actions of the various agencies of the Ministry of Agriculture and the DGRAAR which operate in his Zone. He is responsible to the Director Superior of the Ministry of Agriculture but is, in effect, a "Minister of Agriculture" in his own zone (Article 152°). The "Article 151° Committee" which is chaired by the Minister of Agriculture and includes the General Manager of the Agricultural Development Bank, the Director of the DGRAAR, the Director
of the Agricultural Promotion Administration and the Director of the Waters and Irrigation Administration is responsible for coordinating the activities of the various administrative agencies of the Ministry of Agriculture and the Agricultural Development Bank within the Agrarian Reform Zones "for the best execution of the Agrarian Reform" (Article 151°).

The judicial organizations involved in the agrarian reform are the Land Courts or Land Judges and the Agrarian Tribunal. The Land Judges are proposed by the Agrarian Tribunal and selected by the President (Article 164°). One Land Judge presides in each area of the agrarian reform or each agrarian zone and settles all matters dealing with the agrarian reform appeals system as well as agricultural law (Article 155°). The Agrarian Tribunal is housed in Lima and is composed of three Court Commissioners who are chosen by the President but subject to approval of the Council of Ministers (Article 156°). The Agrarian Tribunal resolves all conflicts concerning agrarian reform legislations, the Water Law, unreclaimed land disposition and jungle land disposition. Rulings by the Agrarian Tribunal are final with no possible appeal (Article 154°).

Land Transfer Process

The declaration of an Agrarian Reform Zone was greatly simplified by DL 17716. The DGRAAR is responsible for determining agrarian reform zones which are then established by Supreme Decree (Article 44°). Under the Agrarian Reform Law 15037 an area could not be declared an agrarian reform zone unless first approved by the National Agrarian Council. Similarly, the process of affectation of land holdings was streamlined by the DL 17716. The steps involved in the affectation process are as
follows: (Article 50°)

1) Zonal Administration notifies owners of declaration of Agrarian Reform Zone and initiates affectation procedures;
2) owners present sworn statements as to holdings, present titles and topographical plans or are charged for the cost of obtaining such information;
3) zonal office studies affectation plan;
4) on-site inspection of area to be affected by Zonal administration;
5) owners notified of re-adjusted plan for affectation;
6) owners have 15 days to respond to affectation plan;
7) Zonal Administration issues final plan;
8) owners have 10 days to appeal to DGRAAR concerning errors in the plan;
9) DGRAAR resolves appeal;
10) Executive Power approves affectation plan and issues a Supreme Decree which is to be published in the Official Newspaper;
11) owners must transfer property voluntarily within 15 days from notification of declaration of Agrarian Reform Zone (Article 52°).

Owners may not appeal decisions concerning declaration of their lands as Agrarian Reform Zones. Appeals may be made, however, concerning the valuation of the property for compensation. The owner may appeal to the Land Judge and if given an unfavorable ruling may appeal to the Agrarian Tribunal. The decision of the Agrarian Tribunal, however, is final.

Under the 1964 Agrarian Reform Law appeals concerning the valuation of property were resolved by the National Agrarian Council which usually ruled in favor of the landowner.

Resolving the Bureaucratic Obstacles to Reform

The reorganization of the agricultural bureaucracy was intended to be a giant leap toward removing many of the stumbling blocks which had hindered implementation of the agrarian reform under the civilian government. Sometimes the reorganization was simply a matter of changing titles of offices or agencies without changing the efficiency or productivity of those agencies. However, the centralization of the implementation
administration under the Ministry of Agriculture, specifically the DGRAAR, did provide a clear-cut pattern of authority on the national level which had been divided between IRPA, ONRA and SIPA under the previous civilian administration. Attempts were made to remove the problem of duplication of services which had plagued the previous administration.

The elimination of institutional constraints also affected the ability of the agricultural bureaucracy to implement the agrarian reform. Under the Belaunde administration landowner interests easily applied pressure to the government to stall or ignore implementation of the agrarian reform. Landowner interests were not a concern to the military and could no longer impede the implementation process. Within the agricultural bureaucracy of the civilian government the failure of action on the part of the administrators was sometimes interpreted as disinterest on the part of the bureaucracy to implement the agrarian reform policy. Several high-level bureaucrats of the Ministry of Agriculture and the DGRAAR indicated in interviews, however, that failure to implement the agrarian reform under the civilian government was more likely attributable to institutional and budgetary constraints rather than to a lack of interest on the part of agrarian reform administrators (Ministry of Agriculture and the DGRAAR, personal interview, October and November 1974). This point is significant because a high number of employees of the agrarian reform bureaucracy were retained by the military government. The Director of Personnel of the DGRAAR estimated that at least 80% of the employees of ONRA and SIPA were subsequently hired by the DGRAAR (DGRAAR, personal interview, November 1974). The fact that the military government was able to act so swiftly in implementing the agrarian reform
policy according to one high-level bureaucrat was the result of the agrarian reform administrators being "unleashed" to do the job they had set out to do under the previous civilian government (DGRAAR, personal interview, November 1974).

Centralization of the agrarian reform bureaucracy was not designed in theory to require the administration of the agrarian reform to be located in Lima. While the military government talked of centralization of the administration they also promised a "ruralization" of the implementation forces which would be located in the Agrarian Reform Zones and would provide technical assistance to the agrarian reform beneficiaries. Much of the decision-making concerning the agrarian reform zones was still done in Lima, but a greater effort was made by the military government to include input from the various zones in decisions which concerned the particular zone (Ministry of Agriculture, personal interview, October 1974).

One of the critical problems facing the agrarian reform bureaucracy was the lack of qualified technical personnel to implement the agrarian reform policy. The military government, therefore, announced on July 21, 1970, the creation of the National Center of Training and Research for the Agrarian Reform (CENCIRA) which was designed to investigate the technical, economic and social aspects of the process of the agrarian reform and to train the administrators and the beneficiaries of the agrarian reform in subjects required for the implementation of the agrarian reform (DL 18348, Article 1°). CENCIRA was divided into two offices or administrations: 1) the Training Administration which included the Department of Law and Agrarian Legislation, the Department of
Cooperatives and Peasant Organizations, the Department of Economic Planning, the Department of Social Sciences and the Department of Agricultural Technology and Animal Husbandry; and 2) the Research Administration which includes the Department of Training Research, the Department of Research of the Agrarian Reform Process and the CENCIRA Library.

CENCIRA was charged with training both the administrators who would be implementing the agrarian reform policy and the beneficiaries of the agrarian reform policy. The Research Administration immediately undertook a study of the actual training levels of the personnel involved with the implementation of the agrarian reform. Questionnaires were distributed to 4062 administrators, technicians and specialists who were working with the agrarian reform in the Agrarian Reform Zones to determine the levels of education and expertise of the people directly involved. Results of the 1805 questionnaires which were returned are reported as follows.

1. Distribution of personnel. The distribution of personnel in the Agrarian Zones reflects the military government's policy strategy to place emphasis on the areas including the northern coastal sugar estates and the highland areas which experienced pronounced peasant unrest (Table 15).

2. Age. The distribution of age groups of the personnel in the Agrarian Reform Zones indicates a large percentage of young bureaucrats and technicians working the agrarian reform. Nearly 50% of the respondents were 30 years old or younger and 62.7% were younger than 36 years of age.

3. Birthplace. At least 50% of the Agrarian Reform personnel of each Zone indicated that they are natives of that respective Zone. The highest percentage (72.2%) occurs in Zone II and the lowest percentage (46.1%) occurs in Zone V.

4. Education. Completion of secondary education was reported by 88.1% of the total number of respondents. The most frequent course of secondary education reported was the basic course (57%). Only 28.0% indicated that they had completed secondary education with technical or agricultural studies.

Half of the personnel who responded to the questionnaire reported that they had pursued studies following high school
Table 15
Distribution of Personnel in the Agrarian Zones (1972)
(CENCIRA Study)

<table>
<thead>
<tr>
<th>Location</th>
<th>Number of Personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone I Piura, Túcubes</td>
<td>415</td>
</tr>
<tr>
<td>Zone II Lambayeque; parts of</td>
<td></td>
</tr>
<tr>
<td>Amazonas, Cajamarca</td>
<td>163</td>
</tr>
<tr>
<td>Zone III La Libertad; parts of</td>
<td></td>
</tr>
<tr>
<td>Cajamarca, Ancash, Huánuco</td>
<td>125</td>
</tr>
<tr>
<td>Zone IV Lima and parts of Ancash</td>
<td>298</td>
</tr>
<tr>
<td>Zone V Ica; parts of Huancavelica</td>
<td></td>
</tr>
<tr>
<td>Ayacucho, Arequipa</td>
<td>158</td>
</tr>
<tr>
<td>Zone VI Arequipa; part of Moquegua</td>
<td>80</td>
</tr>
<tr>
<td>Zone VII Tacna; part of Moquegua</td>
<td>41</td>
</tr>
<tr>
<td>Zone VIII Loreto; parts of San Martín</td>
<td>85</td>
</tr>
<tr>
<td>Zone IX San Martín, parts of Loreto</td>
<td>139</td>
</tr>
<tr>
<td>Zone X Pasco, Junin; parts of Huánuco,</td>
<td></td>
</tr>
<tr>
<td>Huancavelica</td>
<td>153</td>
</tr>
<tr>
<td>Zone XI Cuzco and Madre de Dios; parts</td>
<td></td>
</tr>
<tr>
<td>of Puno</td>
<td>70</td>
</tr>
<tr>
<td>Zone XII Puno</td>
<td>78</td>
</tr>
<tr>
<td>Total</td>
<td>1805</td>
</tr>
</tbody>
</table>

Source: CENCIRA, 1972, Cuadro N° 4.
with 40% having obtained a higher degree. The result is that "the incidence of bureaucrats without titles (higher degree) is very high (54%)" (CENCIRA, 1972, p. 64). In addition, 65% of the total number of respondents reported no area of specialization. "(This) percentage calls attention to the urgent necessity of implementing a strategy of training as part of the personnel policy of the (agricultural) sector" (CENCIRA, 1972, p. 25).

5. Language training. Sixty-five percent of the respondents reported that they speak only Spanish. Only 35% of the respondents reported that they speak Quechua, Aymara, English or another language in addition to Spanish. In the highland zones where Quechua is predominantly spoken language only 41% indicated that they could speak Quechua in Zone XII (Puno), 63% in Zone XI (Cuzco) and 49% in Zone X (Pasco/Junín).

6. Work experience. The increase in the number of personnel assigned to the agrarian reform zones reflected the relatively high number of technicians and bureaucrats who reported no previous experience in agrarian reform before their present positions and the high number of personnel with three years or less job experience. Less than three years job experience was reported by 30% of the technicians and bureaucrats involved in the agrarian reform in the Zones. Less than six years work experience in the profession was reported by an additional 51% which demonstrates a large number of young bureaucrats and technicians in the Zones.

Experience in agrarian reform prior to present position was reported by 46% of the respondents while 54% reported no direct experience with the agrarian reform prior to present position. Of those with previous experience, 56% reported not more than two years, while 44% reported two-seven years experience. "It is interesting to note that of the total number of technicians and bureaucrats who reported prior work experience, the majority indicated that the Ministry of Agriculture was the place of earlier employment. . . . This would indicate a tendency of mobility to the interior of the sector which would be very positive (especially) when previous experience would be used to develop new techniques" (CENCIRA, 1972, p. 86) in the Agrarian Zones.
The results of the study of personnel in the Agrarian Reform Zones illustrate two important points. First, the emphasis of implementing the agrarian reform in the areas of the coastal sugar estates and in the areas of peasant unrest are reflected in the number of personnel assigned to those areas. Of the total personnel studied 32% were located in Zones I and II in the northern coastal areas. Another significant percentage (8.5%) were assigned to the areas of Pasco/Junín which had been the scene of violent peasant unrest in the early 1960's.

Second, conclusions drawn from the study of the agrarian reform personnel in the Zones confirmed the need for training programs to raise the level of expertise of the bureaucrats and technicians responsible for implementation of the agrarian reform. A large number of the personnel in the Zones were young and inexperienced which led the military government to the conclusion that training programs for the agrarian reform personnel was a critical step toward successful implementation of the agrarian reform policy. The task of designing and administering such training programs was assigned to CENCIRA.

Objectives of the training courses of CENCIRA were:

a) to make the direct participants in the distinct phases of the Agrarian Reform, whoever they may be, more aware of the significance of and the goals of said reform, within the context of global change of Peruvian Society;

b) to provide knowledge about the system and methods required to implement the distinct stages of the process of the Agrarian Reform not only to the bureaucrats but also to the directors of peasant organizations and agricultural workers; and

c) to improve the training background of the administrative personnel of the Agricultural Sector (CENCIRA, 1973, p. 11).

Training courses were to be coordinated with SINAMOS and would be given at various locations in the Zones. It is interesting to note that in
the objectives for the "Sub-Program" of training for bureaucrats and technicians an additional objective is noted: "to promote the change in attitude with respect to the social restructure" (CENCIRA, 1973, p. 14).

Training courses were organized in three classifications: 1) courses of long duration (6 months), 2) courses of medium duration (2-4 months), and 3) courses of short duration (less than 2 months). The basic themes of the courses offered to administrative personnel included: Agrarian Reform and Development, Agricultural Development Planning, Agro-technical Training, Industrial Training, Cooperatives and Peasant Organizations, Commercialization, Peasant Society and Culture, Administration and Management. A total of 11,540 individuals participated in 322 training sessions (participants in more than one course counted more than once). Such an extensive training effort reflected the priority of the military government concerning implementation of the Agrarian Reform.

One of the critical problems of the Agrarian Reform under the civilian government was the lack of trained personnel to implement the Agrarian Reform policy. Many of the SIPA personnel remained in the Zones and either participated in or helped to direct the training programs of CENCIRA. These training programs also helped attract new personnel to the agricultural bureaucracy and specifically to the Zones (CENCIRA, personal interview, November 1974). The activities of CENCIRA are a significant attempt by the military government to resolve one of the principal bureaucratic obstacles to reform.

Agrarian Reform: Policy Results

To evaluate the military government's success in meeting the goals of the agrarian reform policy the following discussion examines the
policy outputs and policy outcomes of the agrarian reform. Policy outputs reflect the commitment of resources to the agrarian reform and identify the extent to which land was actually redistributed. Policy outcomes reflect the changes in social and economic indicators which signify the impact of the agrarian reform policy on the agricultural sector and the Peruvian national economy.

Policy Outputs

The military government began the implementation of its Agrarian Reform policy quickly by expropriating nine of the most productive sugar haciendas in the northern coastal area. Strasma (1976) describes the initiation of the government's action as follows:

. . . Moving quickly to prevent sabotage or loss of production, senior officers flew to nine major sugar plantations and refineries in the coastal valley north of Lima. In two days, the operations were completely under government control, including their bank accounts, and a basic point had been made: no one, however distinguished his name, was exempt from these measures of social reform, and promulgation of a law. By seizing the plantations, the new government had carried agrarian reform to the very heartland of APRA, the party which had so long advocated land reform--for others, but not for the sugar mills and cane fields--since they were the sources of the old union leaders' own livelihood, as well as their political power (p. 303).

Four of the nine plantations expropriated were foreign owned. W. R. Grace and Co. (U.S.) owned two and the Gildemeisters (Germany) owned two. A total of 379,790 hectares were expropriated in those properties alone which accounted for 59% of the total area in sugar cane in Peru.

In January of 1970 the military government began adjudicating lands in the interior of the country and began to establish two principal types of cooperatives: CAPs (Agrarian Production Cooperatives) and SAISes (Agrarian Social Interest Societies). CAPs differ from SAISes in
most CAPs include only one ex-hacienda; they are usually geographically integral units. The individual worker is a member of the CAP. In contrast, the SAIS is frequently geographically disjoint. The SAIS is to comprise not only at least one ex-hacienda but also contiguous poorer peasant communities. The members of the SAIS are not individuals but each peasant community as a unit, plus a Service Cooperative (CS) which includes all the ex-haciendas (McClintock, 1977, p. 18).

In March 1970 four SAISes were established in the Department of Puno benefitting a total of 387 families of the area. Also in March 3,016 families of the Central Sierra who had worked for the Cerro de Pasco Corporation were integrated with 16 Peasant Communities to form the Tupac Amaru SAIS which covered a total of 243,117 hectares. In addition to other agró-industrial CAPs which were established in 1970 in Piura, Trujillo and Chiclayo, several CAPs were established in the Department of Cuzco and around the Arequipa area. By December 1973 58.7% of the CAPs which had been established were located in the northern Coastal region or around Lima and 18.8% of the CAPs established were located in or near areas which had experienced intense peasant unrest. By 1974 of the total number of SAISes which had been established 38.2% were located in the Zones which had experienced peasant unrest. The concentration of cooperative development efforts in these two regions of the country illustrates the priority of the military government to deal with the coastal sugar plantations and the areas in the Sierra which had been the setting for peasant unrest (Revista del Ministerio de Agricultura, 1974, pp. 30-31).

In addition to swift action in expropriating land for redistribution the military government increased the budget for the Ministry of Agriculture by over 900% from 0.64% of the total budget in 1968 under
Belaunde to 5.7% in 1969 under Velasco (Table 16). The Ministry of Agriculture's 1973-74 budget was even higher at 7.4% of the total budget allocations to the various ministries. Budgetary allocations within the Ministry of Agriculture indicate that a large percentage of the allocation has gone directly to the DGRAAR and the Agrarian Zones (Table 17). For the first two years of the military government an average of 50% of the Ministry of Agriculture's budget was directed to the DGRAAR and the Agrarian Zones. In 1970 the bulk of that appropriation went to the DGRAAR to pay for the administrative costs of valuating land, expropriating land and verifying claims for potential beneficiaries. After 1971 the largest proportion of the agrarian reform budget was allocated to the Agrarian Reform Zones to finance the redistribution of land. The target date for "complete" redistribution of land was set for 1975. By 1974 the percentage of the Ministry of Agriculture's budget which was allocated directly to the DGRAAR and the Agrarian Zones had fallen to 27% of the total Ministry's budget. As the administrative and compensatory stages of the agrarian reform process were nearing completion less money was directed to the DGRAAR and to the Agrarian Zones. The Agrarian Reform process was still a top priority to the military government which was evidenced in 1974 when the Ministry of Agriculture was split into the Ministry of the Agrarian Reform and the Ministry of Food. Elevating the DGRAAR to Ministry level was a strategic move on the part of the military government to keep the Agrarian Reform highly visible to the agricultural sector.

From an organizational point of view the division of the Ministry of Agriculture went unnoticed by the scores of administrators and
Table 16
Ministry Budget Allocations as Percent of Total Budget

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interior</td>
<td>12.89</td>
<td>14.00</td>
<td>11.62</td>
<td>9.34</td>
</tr>
<tr>
<td>Relaciones Exterior</td>
<td>0.84</td>
<td>0.79</td>
<td>0.93</td>
<td>0.66</td>
</tr>
<tr>
<td>Justicia y Culto</td>
<td>1.83</td>
<td>1.49</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trabajo y Comunidades</td>
<td>0.54</td>
<td>0.31</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td>Educacion Publica</td>
<td>28.77</td>
<td>24.45</td>
<td>22.97</td>
<td>18.53</td>
</tr>
<tr>
<td>Hacienda y Comercio</td>
<td>13.92</td>
<td>2.92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guerra</td>
<td>7.84</td>
<td>9.41</td>
<td>7.87</td>
<td>6.14</td>
</tr>
<tr>
<td>Marina</td>
<td>4.17</td>
<td>5.19</td>
<td>4.14</td>
<td>3.63</td>
</tr>
<tr>
<td>Aeronautica</td>
<td>3.88</td>
<td>5.44</td>
<td>4.23</td>
<td>4.00</td>
</tr>
<tr>
<td>Fomento y Obras Publicas</td>
<td>14.01</td>
<td>6.91</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salud Publica y Asistencia Social</td>
<td>5.20</td>
<td>4.68</td>
<td>5.24</td>
<td>5.40</td>
</tr>
<tr>
<td>Agricultura</td>
<td>3.83</td>
<td>0.64</td>
<td>5.70</td>
<td>7.40</td>
</tr>
<tr>
<td>Industria y Comercia</td>
<td></td>
<td></td>
<td>0.23</td>
<td>1.07</td>
</tr>
<tr>
<td>Economia y Finanzas</td>
<td></td>
<td>21.68</td>
<td>24.38</td>
<td>26.65</td>
</tr>
<tr>
<td>Energia y Minas</td>
<td></td>
<td>2.16</td>
<td>4.83</td>
<td></td>
</tr>
<tr>
<td>Transportes y Comunicaciones</td>
<td></td>
<td></td>
<td>6.56</td>
<td>4.24</td>
</tr>
<tr>
<td>Vivienda</td>
<td></td>
<td></td>
<td>1.43</td>
<td>1.20</td>
</tr>
<tr>
<td>Pesqueria</td>
<td></td>
<td></td>
<td></td>
<td>1.02</td>
</tr>
<tr>
<td>Trabajo</td>
<td></td>
<td></td>
<td>0.30</td>
<td></td>
</tr>
<tr>
<td>SINAMOS</td>
<td></td>
<td></td>
<td></td>
<td>2.70</td>
</tr>
<tr>
<td>Total Budget</td>
<td>100.00*</td>
<td>100.00*</td>
<td>100.00*</td>
<td>100.00*</td>
</tr>
</tbody>
</table>

*Totals are slightly less than 100% due to mathematical rounding.

Source: Percentages calculated from budgetary information supplied to the author by the National Planning Institute.
### Table 17

Agrarian Reform Budget Allocations in Soles
(Sol = $38.80)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Ministry of Agriculture Budget</th>
<th>Agrarian Reform DGRAAR</th>
<th>Agrarian Reform Zones</th>
<th>Agrarian Reform as Percent of Total Ministry of Agriculture Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1969</td>
<td>1,758,416.9</td>
<td>256,712.0</td>
<td>586,732.0</td>
<td>47.9</td>
</tr>
<tr>
<td>1970</td>
<td>3,115,472.7</td>
<td>779,033.4</td>
<td>865,785.3</td>
<td>52.8</td>
</tr>
<tr>
<td>1971-72</td>
<td>7,491,109.7</td>
<td>234,848.6</td>
<td>2,676,338.1</td>
<td>38.9</td>
</tr>
<tr>
<td>1973-74</td>
<td>10,818,756.0</td>
<td>114,565.0</td>
<td>2,804,820.6</td>
<td>27.0</td>
</tr>
</tbody>
</table>

bureaucrats who worked there. Immediately following the announcement of the two new ministries the only personnel changes occurred at the top level including the Minister and several of his immediate Directors. No changes occurred in the middle and lower level personnel in the offices of the DGRAAR. As was expected the Director of the DGRAAR, Benjamin Samanez, became the Minister of the Agrarian Reform Ministry.

The redistribution of land under the military government surpassed the projection of what President Belaunde thought would ever be possible (Belaunde, personal interview, November 8, 1975). By 1977, 7,115,492 hectares had been redistributed to 320,557 families (Table 18). In 1973 approximately 275 peasant communities and production cooperatives had received land allocations (van de Wetering, 1973, p. 6). By 1977, 1417 cooperatives were in operation and most had received titles to their properties (Table 18). In the mind of the military government the redistribution of land is complete with the exception of the possibility of new lands being distributed as they are developed--especially in the Selva. The problem of those who remain landless will be discussed under policy outcomes.

Policy Outcomes

When the military government began such swift action toward implementation of the agrarian reform many people in the agricultural sector feared that output would decline and cripple the already suffering agricultural economy. The Peruvian Agrarian Reform, however, is one example of a wide-sweeping agrarian reform program which did not have immediate adverse effects on agricultural production. Both agricultural production and food production increased each year following the slump
Table 18

Land Redistribution Under the Agrarian Reform 1968-1977

<table>
<thead>
<tr>
<th>Type of Production Unit Receiving Land</th>
<th>Number of Production Units</th>
<th>Total Number of Hectares</th>
<th>Number of Family Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td>73,224</td>
<td>11,028</td>
<td></td>
</tr>
<tr>
<td>CAPs</td>
<td>464</td>
<td>1,994,176</td>
<td>100,366</td>
</tr>
<tr>
<td>Peasant Groups</td>
<td>490</td>
<td>1,092,353</td>
<td>31,512</td>
</tr>
<tr>
<td>Peasant Communities</td>
<td>206</td>
<td>502,945</td>
<td>61,192</td>
</tr>
<tr>
<td>SAIS</td>
<td>57</td>
<td>2,592,217</td>
<td>59,764</td>
</tr>
<tr>
<td>Total 1968-1976</td>
<td>1217</td>
<td>6,254,915</td>
<td>263,864</td>
</tr>
<tr>
<td>Total by 1977</td>
<td>1417</td>
<td>7,115,492</td>
<td>320,557</td>
</tr>
</tbody>
</table>

experienced during the year of the military coup in 1968 (Table 19). Both per capita agricultural production and per capita food production increased in the early years of the military's agrarian reform policy but began to wane in 1972 (Table 19). Both experienced a slight decline for three years but increased in 1975 and continued to increase in 1976 which would indicate that the original goal of increased per capita agricultural production is being met under the military government's agrarian reform policy.

Changes in crop production, especially changes in yield are significant in evaluating the impact of the agrarian reform policy of the military government. Table 20 identifies the number of hectares under production, the number of metric tons produced and the production yield from 1961-65 to 1976 for the following crops: wheat, barley, maize, rice, sugar cane, potatoes, cassava and seed cotton.

While the total area under cultivation of crops varied for each crop it is significant to note that the total production of nearly every crop increased from 1967 to 1976. Of even greater significance is the fact that the production yield increased for every crop studied except barley. An increase in production yield and an increase in total production are critical steps toward achieving the goals of greater agricultural independence in feeding the population. The military government's agrarian reform policy did not have an adverse affect at all on the principal crops needed for food and for export. Increase in production output perhaps should not be overstated, however. John Strasma (1976) found that

... in Peru, reported output also rose in part because the rustling done by the Indian communities declined when they
Table 19
Index of Agricultural and Food Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Agricultural Production</th>
<th>Per Capita Agricultural Production</th>
<th>Total Food Production</th>
<th>Per Capita Food Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961-65</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>1966</td>
<td>107</td>
<td>98</td>
<td>110</td>
<td>101</td>
</tr>
<tr>
<td>1967</td>
<td>108</td>
<td>96</td>
<td>114</td>
<td>102</td>
</tr>
<tr>
<td>1968</td>
<td>102</td>
<td>89</td>
<td>105</td>
<td>91</td>
</tr>
<tr>
<td>1969</td>
<td>110</td>
<td>92</td>
<td>116</td>
<td>97</td>
</tr>
<tr>
<td>1970</td>
<td>119</td>
<td>97</td>
<td>126</td>
<td>103</td>
</tr>
<tr>
<td>1971</td>
<td>120</td>
<td>96</td>
<td>129</td>
<td>102</td>
</tr>
<tr>
<td>1972</td>
<td>119</td>
<td>92</td>
<td>130</td>
<td>100</td>
</tr>
<tr>
<td>1973</td>
<td>125</td>
<td>93</td>
<td>135</td>
<td>101</td>
</tr>
<tr>
<td>1974</td>
<td>124</td>
<td>90</td>
<td>136</td>
<td>99</td>
</tr>
<tr>
<td>1975</td>
<td>129</td>
<td>91</td>
<td>143</td>
<td>101</td>
</tr>
<tr>
<td>1976</td>
<td>135</td>
<td>93</td>
<td>149</td>
<td>102</td>
</tr>
</tbody>
</table>

Source: FAO Production Yearbook, 1976, Tables 5, 7, 4 and 6 respectively.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>153</td>
<td>151</td>
<td>136</td>
<td>139</td>
<td>136</td>
<td>139</td>
<td>138</td>
<td>145</td>
<td>154</td>
<td>137</td>
<td>140</td>
</tr>
<tr>
<td>prod.</td>
<td>150</td>
<td>141</td>
<td>113</td>
<td>127</td>
<td>125</td>
<td>122</td>
<td>140</td>
<td>149</td>
<td>157</td>
<td>143</td>
<td>148</td>
</tr>
<tr>
<td>yield</td>
<td>9.8</td>
<td>9.3</td>
<td>8.3</td>
<td>9.1</td>
<td>9.2</td>
<td>8.8</td>
<td>10.1</td>
<td>10.2</td>
<td>7.6</td>
<td>10.4</td>
<td>10.6</td>
</tr>
<tr>
<td>Barley</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>180</td>
<td>185</td>
<td>173</td>
<td>182</td>
<td>186</td>
<td>183</td>
<td>183</td>
<td>185</td>
<td>187</td>
<td>187</td>
<td>185</td>
</tr>
<tr>
<td>prod.</td>
<td>185</td>
<td>172</td>
<td>146</td>
<td>164</td>
<td>170</td>
<td>159</td>
<td>160</td>
<td>165</td>
<td>168</td>
<td>168</td>
<td>165</td>
</tr>
<tr>
<td>yield</td>
<td>10.3</td>
<td>9.3</td>
<td>8.4</td>
<td>9.0</td>
<td>9.1</td>
<td>8.7</td>
<td>8.7</td>
<td>8.9</td>
<td>9.0</td>
<td>9.0</td>
<td>8.9</td>
</tr>
<tr>
<td>Maize</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>337</td>
<td>362</td>
<td>316</td>
<td>368</td>
<td>382</td>
<td>374</td>
<td>301</td>
<td>423</td>
<td>320</td>
<td>370</td>
<td>400</td>
</tr>
<tr>
<td>prod.</td>
<td>490</td>
<td>591</td>
<td>533</td>
<td>590</td>
<td>615</td>
<td>616</td>
<td>589</td>
<td>590</td>
<td>572</td>
<td>625</td>
<td>670</td>
</tr>
<tr>
<td>yield</td>
<td>14.5</td>
<td>16.3</td>
<td>16.8</td>
<td>16.0</td>
<td>16.1</td>
<td>16.5</td>
<td>19.6</td>
<td>18.2</td>
<td>14.7</td>
<td>16.9</td>
<td>16.7</td>
</tr>
<tr>
<td>Rice</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>80</td>
<td>107</td>
<td>76</td>
<td>110</td>
<td>140</td>
<td>147</td>
<td>105</td>
<td>103</td>
<td>89</td>
<td>116</td>
<td>129</td>
</tr>
<tr>
<td>prod.</td>
<td>324</td>
<td>461</td>
<td>286</td>
<td>444</td>
<td>587</td>
<td>591</td>
<td>436</td>
<td>427</td>
<td>361</td>
<td>537</td>
<td>570</td>
</tr>
<tr>
<td>yield</td>
<td>40.7</td>
<td>43.2</td>
<td>37.7</td>
<td>40.5</td>
<td>41.8</td>
<td>40.1</td>
<td>41.6</td>
<td>41.6</td>
<td>40.7</td>
<td>46.3</td>
<td>44.2</td>
</tr>
<tr>
<td>Sugar cane</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>55</td>
<td>59</td>
<td>61</td>
<td>54</td>
<td>57</td>
<td>56</td>
<td>56</td>
<td>51</td>
<td>54</td>
<td>57</td>
<td>57</td>
</tr>
<tr>
<td>prod.</td>
<td>7955</td>
<td>8433</td>
<td>7737</td>
<td>6898</td>
<td>9068</td>
<td>8778</td>
<td>8700</td>
<td>8743</td>
<td>9179</td>
<td>9000</td>
<td>8950</td>
</tr>
<tr>
<td>yield</td>
<td>1448</td>
<td>1432</td>
<td>1267</td>
<td>1279</td>
<td>1416</td>
<td>1557</td>
<td>1554</td>
<td>1714</td>
<td>1689</td>
<td>1557</td>
<td>1579</td>
</tr>
</tbody>
</table>
Table 20 (Continued)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Potatoes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>256</td>
<td>272</td>
<td>262</td>
<td>.</td>
<td>304</td>
<td>289</td>
<td>286</td>
<td>263</td>
<td>277</td>
<td>280</td>
<td>280</td>
</tr>
<tr>
<td>prod.</td>
<td>1487</td>
<td>1712</td>
<td>1592</td>
<td>1856</td>
<td>1896</td>
<td>1880</td>
<td>1712</td>
<td>1880</td>
<td>1940</td>
<td>1870</td>
<td>1930</td>
</tr>
<tr>
<td>yield</td>
<td>58</td>
<td>63</td>
<td>61</td>
<td>61</td>
<td>65.7</td>
<td>65.7</td>
<td>65.1</td>
<td>68.0</td>
<td>69.3</td>
<td>66.8</td>
<td>64.3</td>
</tr>
<tr>
<td><strong>Sweet potatoes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>14</td>
<td>13</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>prod.</td>
<td>148</td>
<td>150</td>
<td>145</td>
<td>156</td>
<td>178</td>
<td>168</td>
<td>173</td>
<td>179</td>
<td>178</td>
<td>185</td>
<td>190</td>
</tr>
<tr>
<td>yield</td>
<td>120</td>
<td>122</td>
<td>122</td>
<td>121</td>
<td>130</td>
<td>124</td>
<td>137</td>
<td>145</td>
<td>142</td>
<td>132</td>
<td>134</td>
</tr>
<tr>
<td><strong>Cassava</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>43</td>
<td>42</td>
<td>37</td>
<td>38</td>
<td>39</td>
<td>39</td>
<td>36</td>
<td>37</td>
<td>37</td>
<td>38</td>
<td>39</td>
</tr>
<tr>
<td>prod.</td>
<td>436</td>
<td>507</td>
<td>399</td>
<td>450</td>
<td>498</td>
<td>482</td>
<td>479</td>
<td>482</td>
<td>480</td>
<td>470</td>
<td>475</td>
</tr>
<tr>
<td>yield</td>
<td>102</td>
<td>122</td>
<td>107</td>
<td>119</td>
<td>129</td>
<td>134</td>
<td>129</td>
<td>130</td>
<td>124</td>
<td>124</td>
<td>123</td>
</tr>
<tr>
<td><strong>Seed cotton</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>area</td>
<td>248</td>
<td>181</td>
<td>166</td>
<td>169</td>
<td>144</td>
<td>136</td>
<td>129</td>
<td>148</td>
<td>142</td>
<td>113</td>
<td>115</td>
</tr>
<tr>
<td>prod.</td>
<td>383</td>
<td>264</td>
<td>286</td>
<td>255</td>
<td>248</td>
<td>233</td>
<td>185</td>
<td>204</td>
<td>240</td>
<td>180</td>
<td>208</td>
</tr>
<tr>
<td>yield</td>
<td>15.5</td>
<td>14.6</td>
<td>17.1</td>
<td>15.1</td>
<td>17.2</td>
<td>17.1</td>
<td>14.3</td>
<td>13.9</td>
<td>16.9</td>
<td>15.9</td>
<td>18.1</td>
</tr>
</tbody>
</table>

Note: area indicated in thousand hectares; production indicated in metric tons; yield indicated by 100 kilograms per hectare.

Source: Data for 1961-65 from FAO Production Yearbook 1971, Tables 14, 16, 19, 26, 30, 31, 32, 50, respectively; data for 1973 from FAO Production Yearbook 1973, Tables 13, 15, 16, 14, 75, 25, 26, 27, 52 respectively; data for 1974-76 from FAO Production Yearbook 1976, Tables 10, 12, 13, 11, 58, 19, 20, 21, 36 respectively.
became part owners instead of aggrieved neighbors of a ranch which had been carved out of their ancestral lands. Some of the reform beneficiaries, formerly employees of the ranches, admit candidly that they habitually understated actual production in reports to the former absentee owners, to cover their own thefts (p. 309).

In any case, production output and production yield did in fact increase under the agrarian reform under the military government in spite of the fear that output, at least in the short-run, would decrease.

Reducing the Peruvian dependence upon imports for agricultural products and food was of primary concern to the military government in its implementation of the agrarian reform. In 1968 Peru imported $32,230,000 more in food and animals than it exported (Table 21). Food and live animals accounted for 19.0% of the total imports in 1968 but only 11.5% of the total exports.* By 1970 Peru was beginning to export more food and live animals as well as total agricultural products than was necessary to import. Exports of food and live animals fell below imports from 1971-74 but again surpassed exports in 1975. From all indications Peru has been able to increase the food supply for its population with the desired consequence of decreasing the need for agricultural imports which was so pronounced in the early-to-mid 1960's.

In addition to the military government's goals to increase agricultural production and to reduce the number of agricultural imports needed to feed the population, another goal of the agrarian reform was to improve the standard of living and the employment opportunities for the peasants and workers in the agricultural sector. While statistical reports on income distribution are incomplete and fragmentary at best,

*Percentages calculated from Table 21.
### Table 21

**Peruvian Imports and Exports**  
($\text{Thousand}$)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Merchandise Trade</strong></td>
<td>816909</td>
<td>818874</td>
<td>629796</td>
<td>600825</td>
<td>621763</td>
<td>752645</td>
<td>814700</td>
<td>1018549</td>
<td>1530798</td>
<td>2554000</td>
</tr>
<tr>
<td><strong>Agricult Products, Total</strong></td>
<td>151843</td>
<td>142687</td>
<td>141680</td>
<td>138057</td>
<td>125526</td>
<td>135698</td>
<td>168704</td>
<td>222005</td>
<td>279790</td>
<td>326435</td>
</tr>
<tr>
<td><strong>Food and Animals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Live Animals</td>
<td>18092</td>
<td>17660</td>
<td>11700</td>
<td>20008</td>
<td>24201</td>
<td>16262</td>
<td>13146</td>
<td>17213</td>
<td>6753</td>
<td>8146</td>
</tr>
<tr>
<td>Meat and Meat Pre.</td>
<td>11879</td>
<td>13382</td>
<td>12162</td>
<td>9288</td>
<td>13007</td>
<td>11092</td>
<td>10771</td>
<td>13346</td>
<td>14954</td>
<td>16460</td>
</tr>
<tr>
<td>Dairy Products, Eggs</td>
<td>17800</td>
<td>18314</td>
<td>19859</td>
<td>17497</td>
<td>11985</td>
<td>19043</td>
<td>35475</td>
<td>26964</td>
<td>32718</td>
<td>40262</td>
</tr>
<tr>
<td>Cereals and Prep.</td>
<td>53209</td>
<td>53123</td>
<td>67373</td>
<td>64589</td>
<td>43668</td>
<td>59435</td>
<td>56737</td>
<td>116324</td>
<td>155630</td>
<td>190628</td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
<td>7361</td>
<td>10590</td>
<td>4572</td>
<td>3884</td>
<td>7256</td>
<td>4835</td>
<td>4422</td>
<td>6754</td>
<td>3166</td>
<td>3671</td>
</tr>
<tr>
<td>Sugar &amp; Honey</td>
<td>364</td>
<td>337</td>
<td>46</td>
<td>71</td>
<td>67</td>
<td>40</td>
<td>169</td>
<td>169</td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>Coffee, Tea, Cocoa</td>
<td>3429</td>
<td>2243</td>
<td>1536</td>
<td>2036</td>
<td>2376</td>
<td>3593</td>
<td>4120</td>
<td>3298</td>
<td>4474</td>
<td>4297</td>
</tr>
<tr>
<td>Feeding Stuffs</td>
<td>185</td>
<td>364</td>
<td>1113</td>
<td>1617</td>
<td>2396</td>
<td>2770</td>
<td>233</td>
<td>86</td>
<td>70</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Food</td>
<td>5906</td>
<td>3241</td>
<td>2740</td>
<td>2143</td>
<td>2240</td>
<td>3332</td>
<td>3291</td>
<td>3276</td>
<td>3993</td>
<td>1</td>
</tr>
</tbody>
</table>
### Table 21 (Continued)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Merchandise Trade</td>
<td>764359</td>
<td>757040</td>
<td>866054</td>
<td>865631</td>
<td>1047858</td>
<td>892740</td>
<td>953200</td>
<td>1049521</td>
<td>1520560</td>
<td>1262000</td>
</tr>
<tr>
<td>Food and Agr Products</td>
<td>173436</td>
<td>152435</td>
<td>164580</td>
<td>148117</td>
<td>177472</td>
<td>161928</td>
<td>189588</td>
<td>247596</td>
<td>307276</td>
<td>410641</td>
</tr>
<tr>
<td>Food and Animals</td>
<td>78192</td>
<td>87024</td>
<td>99426</td>
<td>72181</td>
<td>114797</td>
<td>110188</td>
<td>130187</td>
<td>169335</td>
<td>198512</td>
<td>324805</td>
</tr>
<tr>
<td>Live Animals</td>
<td>250</td>
<td>185</td>
<td>120</td>
<td>159</td>
<td>247</td>
<td>189</td>
<td>120</td>
<td>265</td>
<td>199</td>
<td>196</td>
</tr>
<tr>
<td>Meat and Meat Prep.</td>
<td>257</td>
<td>180</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy Products, Eggs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cereals and Prep.</td>
<td>192</td>
<td>204</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
<td>1360</td>
<td>2577</td>
<td>758</td>
<td>1884</td>
<td>2900</td>
<td>3256</td>
<td>4089</td>
<td>3496</td>
<td>2313</td>
<td>2561</td>
</tr>
<tr>
<td>Sugar &amp; Honey</td>
<td>47074</td>
<td>53720</td>
<td>62734</td>
<td>39328</td>
<td>66245</td>
<td>70680</td>
<td>78556</td>
<td>88034</td>
<td>155981</td>
<td>271300</td>
</tr>
<tr>
<td>Coffee, Tea, Cocoa</td>
<td>28609</td>
<td>29856</td>
<td>35814</td>
<td>30472</td>
<td>44996</td>
<td>35459</td>
<td>46848</td>
<td>64340</td>
<td>34900</td>
<td>47267</td>
</tr>
<tr>
<td>Feeding Stuff</td>
<td>701</td>
<td>468</td>
<td>100</td>
<td>243</td>
<td>58</td>
<td>65</td>
<td>90</td>
<td>2470</td>
<td>2500</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Food</td>
<td>6</td>
<td>14</td>
<td>1</td>
<td>26</td>
<td>7</td>
<td>9</td>
<td>165</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: FAO Trade Yearbook 1976, Table 153.
a couple of case studies do report increased income for peasant farmers. Douglas Horton (1972) studied changes in income for employees of a sugar hacienda and found that income increased 34.3% for technicians, 27.7% for white-collar workers and 65% for full-time laborers over a three-year period from 1969-1972. In a similar study Colin Harding (1974) reports that in 1972 workers of the sugar cooperatives of Tuman and Pucala received 100% wage increases (p. 16). These cases are isolated and cannot be used to interpret an increase in the general welfare of the agricultural population.

In fact, data on the economically active population in the agricultural sector indicates that while the actual number of economically active population in the agricultural sector increased from 1,680,000 in 1965 to 1,867,000 in 1976, the percentage of the economically active population in agriculture as compared to the total economically active population declined from 48.7% in 1965 to 40.3% in 1976 (Table 22). Thus the total number of agricultural opportunities for agricultural employment increased but not sufficiently to keep up with the increased population in the agricultural sector.

This factor leads to one of the most dramatic problems of the agrarian reform policy at this time. The military government has completed the redistribution of land to the extent that was initially proposed by DL 17716. However, only 320,000 families of the goal of 650,000 families have received land leaving over 300,000 land-short or landless families having not benefitted at all from the agrarian reform policy. Harding (1974) argues that one of the most important consequences of the agrarian reform policy "has been to unleash class
Table 22
Economically Active Population

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>Total Agriculture Population</th>
<th>Economically Active Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>1965</td>
<td>11,440</td>
<td>5567</td>
<td>3453</td>
</tr>
<tr>
<td>1970</td>
<td>13,248</td>
<td>5939</td>
<td>3851</td>
</tr>
<tr>
<td>1975</td>
<td>15,326</td>
<td>6645</td>
<td>4472</td>
</tr>
<tr>
<td>1976</td>
<td>15,777</td>
<td>6842</td>
<td>4632</td>
</tr>
</tbody>
</table>

Source: FAO Production Yearbook 1976, Table 3.

Conflicts which have long been latent in many areas of rural Peru (p. 2). With such a large number of landless families remaining after implementation of the agrarian reform, a whole new system of "landed" and "landless" appears to be emerging. Temporary laborers who suffered under the previous land tenure system continue to suffer from poor wages and absence of benefits under the newly organized cooperatives which have sociologically replaced the hacendados. Consequently, while the agrarian reform policy of the military government successfully redistributed a significant amount of Peruvian land and successfully established a cooperative system of agricultural production which did not adversely affect agricultural output, the result has been to create a new system of land tenure which has characteristics of the one which was to have been eradicated. Peasant unrest as it was in the early 1960's has been eliminated. However, if Harding's thesis is correct, a new wave of peasant unrest is likely to emerge.
Summary

When a military coup d'état led by General Juan Velasco Alvarado overthrew the civilian government of President Fernando Belaunde Terry in October of 1968, the military government which followed embarked upon a series of political, social and economic reforms which radically changed Peruvian national life. One of the reform priorities of the military government was an Agrarian Reform which was initiated soon after the coup. Decree Law 17716 on June 29, 1969, established the framework for an extensive agrarian reform which would attempt to restructure the land tenure system to try to achieve a more equitable distribution of land among Peru's population, to reorganize the agricultural bureaucracy, to initiate social reforms to improve the well-being of Peru's peasant population, and ultimately to improve the production performance of the agricultural sector.

Implementation of the military government's agrarian reform policy was swift with nine of the most productive sugar haciendas being expropriated within days of the announcement of the policy. Similar actions followed in the Sierra and in less than one year land was being redistributed to resident workers of the land. The entire adjudication process was streamlined by Decree Law 17716 which resolved many of the implementation problems experienced by the previous civilian government under Agrarian Reform Law 15037. The agricultural bureaucracy was reorganized and large budgetary commitments were made to the agrarian reform to facilitate its implementation. Family beneficiaries of the agrarian reform policy were organized into several forms of cooperatives which were declared to be the optimum form of agricultural organization.
Agricultural unions were disbanded and replaced by the political operations of the cooperatives which were to aggregate and articulate the interests of the members of the government through SINAMOS, the government's newly-created organization for political participation.

The military government was more successful in meeting some of the agrarian reform policy goals than in others. In terms of actual redistribution of land, almost all of the land which was affected was indeed redistributed. However, nearly half of the rural families in Peru remain to be landless or land-short following the reform. Thus it appears a new social structure with characteristics of the landed vs. landless tenure system reminiscent of the latifundia/minifundia system has evolved on a smaller scale.

In sum, the structural changes promised by the military government in its agrarian reform policy have been accomplished. The agricultural bureaucracy was reorganized and land was redistributed on a wide scale. Politically the goals of the agrarian reform have been met to some extent by neutralizing the power of the oligarchy in the agricultural sector and rechanneling the activities of agricultural unions such as those of APRA through the cooperative system. Economically the agrarian reform did not have adverse effects upon agricultural production as is often feared with agrarian reform at least in the short run. Agricultural production continued to increase but still has not been able to keep pace with the climbing population, hence the goal of increasing per capita agricultural production has not been met. Similarly, although agricultural exports have increased since 1969, agricultural imports
have continued to increase to meet the food requirements of feeding
the Peruvian population.
"One of the major debates about the consequences of military intervention concerns the ability of the military to serve as effective agents and brokers of social change and modernization in their respective societies" (Kourvetaris and Dobratz, 1976, p. 91). This study is an individual attempt to help fill the gap in the knowledge concerning the consequences of military intervention and subsequent military rule by comparing the impact of a civilian government on the policy process to the impact of a military government on the policy process.

Following military intervention in Peru in October 1968 which overthrew the civilian President Fernando Belaunde, a new breed of military government in Latin America was established by the ruling military junta. The military government under the leadership of General Juan Velasco which resulted designed a new political order to direct broad and nationalistic reforms for the masses. Velasco's military government is a clear-cut example of Perlmutter's (1969) "ruler-type of praetorian military government" characterized by a conviction of the need for military rule to resolve political, social and economic difficulties brought about by the civilian government (pp. 392-403). The Peruvian case also supports Finer (1962) and Abrahamsson's (1972) propositions concerning the professionalization of the military. As the Peruvian
military became more "professionalized" through studies at the CAEM, studies at other Specialized Schools and Studies at U.S. Military Installations, the officer corps lost confidence in civilian rule and came to see military rule as a functional imperative for national security.

The focus of this study has dealt with the policy consequences of a "ruler-type of praetorian military government" as Perlmutter characterized it, in comparison to the policy consequences of a civilian government. A specific policy which had been an important issue area to both the civilian government of Fernando Belaunde (1963-1968) and the military government of Juan Velasco (1968-1975) was chosen for the comparison: agrarian reform. Both governments had initiated programs of agrarian reform; therefore, by comparing the agrarian reform policy process in detail under each government, it may be possible to discern some of the consequences of military intervention and to discern whether or not a military government may have the ability to serve as "an effective agent and broker of social change."

How was the behavior of the military different from its civilian counterparts in the role of governing executive? What was the impact of the change from a civilian government to a military government upon public policy and the policy process? The following discussion of the Peruvian military's role in the agrarian reform process indicates how this study tends to support and/or to refute the various hypotheses constructed in Chapter I to assess the impact of a military government on the policy process.
Discussion of Hypotheses

Policy Goals

Hypothesis 1 - Policy goals of a military government (as opposed to a civilian government) are more likely to equate national development with national security and to promote stable internal security through control of political participation.

The military government in Peru was more sensitive to the issue of national security than the civilian government. Whereas the very nature of the political system under the democratically-elected civilian government would not impose control upon political participation, the military government was quick to disband the legislature, to prevent political parties from operating, to outlaw union activities and to redesign channels of political participation which would be subject to government controls through SINAMOS.

The agrarian reform was one aspect of national development which the military saw as a requisite for national security following the disruptive era of peasant invasions. In addition to the control framework of SINAMOS, the military government established other control mechanisms in the agrarian sector which included the creation of the Confederacion Nacional Agraria (CNA) as the official organization of agrarian interests and the development of a system of cooperatives to organize agricultural workers. The authoritarian rule of the military government which eliminated the variety of participation channels for the general population may have worked to the advantage of some previously excluded groups, however. As Henry Dietz (1977) points out "the suspension of the electoral process in Peru permits the energies of the (campesinos) to be concentrated upon a single bureaucratic target, rather
than dispersed in search for candidates and parties who are most willing to listen to problems and to promise solutions" (p. 74).

Hypothesis 2 - Policy goals of a military government are more likely to include social reform only if social reform is perceived to be a requisite to economic reform.

The military government in Peru initiated many social reforms which were not always tied to economic reform. Under the military government Quechua was declared to be an official language in addition to Spanish which led the way to expanding educational opportunities for a large percentage of the population in the agrarian sector whose native tongue is Quechua. This act alone was a step forward in the military government's march to increase participation of all Peruvians in all aspects of national life.

The social reforms in the agricultural sector were tied to economic reforms such as the cooperativization of agriculture; these social reforms were vastly different, however, from the pseudo-reforms sought by the civilian government in projects of economic infrastructure. A complete restructuring of social organization was brought about by the cooperativization of agriculture designed to redistribute the profits of the agricultural sector and to increase the social welfare of the campesinos (Bourque and Palmer, 1975, and Collier, 1975).

Policy Formulation

Hypothesis 3 - Policy formulation under a military government will follow decision-making patterns of the military organization and will include civilian input only when deemed necessary by the military. All legislative functions are likely to be carried out by the military as opposed to the legislative branch which operates under a civilian government.
Hypothesis 2 - Policy goals of a military government are more likely to include social reform only if social reform is perceived to be a requisite to economic reform.

The military government in Peru initiated many social reforms which were not always tied to economic reform. Under the military government Quechua was declared to be an official language in addition to Spanish which led the way to expanding educational opportunities for a large percentage of the population in the agrarian sector whose native tongue is Quechua. This act alone was a step forward in the military government's march to increase participation of all Peruvians in all aspects of national life.

The social reforms in the agricultural sector were tied to economic reforms such as the cooperativization of agriculture; these social reforms were vastly different, however, from the pseudo-reforms sought by the civilian government in projects of economic infrastructure. A complete restructuring of social organization was brought about by the cooperativization of agriculture designed to redistribute the profits of the agricultural sector and to increase the social welfare of the campesinos (Bourque and Palmer, 1975, and Collier, 1975).

Policy Formulation

Hypothesis 3 - Policy formulation under a military government will follow decision-making patterns of the military organization and will include civilian input only when deemed necessary by the military. All legislative functions are likely to be carried out by the military as opposed to the legislative branch which operates under a civilian government.
The Peruvian military government disbanded the Peruvian legislature and employed no group of civilians to function in any legislative fashion. Decision-making concerning agrarian reform policy formulation on the national level involved a select group of military officers. Only when technical information was needed was there a request for civilian input on the level of decision-making concerning the formulation of national policy. Following the military coup d'etat many of the ranking advisers of the Belaunde administration fled the country for fear of reprisals. These people were not available for consultation in policy-making decisions nor were they consulted outside the country. Any civilian input to the decision-making in policy formulation of the military government, therefore, involved civilians who had not participated in the high-levels of decision-making in the civilian government.

Policy Implementation

Hypothesis 4 - The policy plan or strategy of a military government will pursue policy goals which attempt to establish legitimacy of military rule, whereas the policy plan or strategy of a civilian government will pursue policy goals which attempt to maintain the legitimacy of its rule established by popular elections.

The agrarian reform policy strategy reflects the military government's attempt to recruit new support for the legitimacy of the government by mobilizing the lower strata of Peruvian society. Policies of the military government were anti-oligarchic with emphasis placed on an actual redistribution of the land which the civilian government had promised and not delivered.

Hypothesis 5 - Policy implementation under the military government will depend upon the creation (formal or informal) of a military/bureaucratic alliance.
The independence of a military government from civilian institutions is virtually impossible. The success of the implementation of the agrarian reform in Peru is attributable to the ambition under which the military government sought to implement the policy, but would not have been impossible if the military government had not been able to create an alliance with the existing bureaucracy. The formal organization, routines and manpower of the bureaucracy were critical in the successful implementation of the agrarian reform. Civilian input on this level was vital. Once the decision was made by the military government to implement such a vast program of agrarian reform, the military government was reliant upon the workings of the bureaucracy to carry the policy to its intended clientele.

The number of administrators from ONRA and SIPA of the civilian government who were hired by the DGRAAR of the military government illustrates the reliance of the military government upon civilians for bureaucratic expertise at least at the policy implementation stage.

Policy Results: Outputs and Outcomes

Hypothesis 6 - The military government with a developmental ideology is likely to outperform its civilian counterparts in national development if: a) the military government can establish and maintain a secure level of political legitimacy; and b) the military government can successfully create an operable military/bureaucratic alliance to implement its development ideology.

The military government was overwhelmingly more successful in dealing with the agrarian reform than its civilian predecessor. The legitimacy of the military government has been maintained for nearly 10 years and a successful alliance with the civilian bureaucracy allowed the military government to see its agrarian reform policy implemented to near completion.
Virtually all land which was deemed affectable by Decree Law 17716 has been redistributed and over 300,000 families have benefitted from the agrarian reform. The agricultural sector has been restructured to achieve a more equitable distribution of land through an agrarian reform without adverse affect to agricultural output. The agrarian reform policy goals of the civilian government of Fernando Belaunde were half as ambitious and were never accomplished. What accounts for the difference?

First, the military government of General Velasco had a greater commitment to the idea of agrarian reform than did the civilian government of President Belaunde. Belaunde had been more interested in projects of economic infrastructure than in agrarian reform and had committed his administration to agrarian reform largely because of his coalition with the Christian Democrats. Belaunde was cognizant of the problems of peasant unrest but did not perceive them to be a threat to national security as the military government.

Second, the agrarian reform policy under President Belaunde was plagued with compromise after compromise which led to legislation which was fraught with structural inadequacies and hindrances to an actual reform of the agricultural sector. The Agrarian Reform Law 15037 was laden with loopholes which permitted the landowners to escape affectation of their properties. The process of adjudication was so intricate that it involved nearly two years before the property could be redistributed. In four years of reform only 11,343 families received titles to land of approximately 500,000 families who were eligible. Most of those families received titles to land they already worked rather than new allocations.
Decree Law 17716 under the military government in 1969 was not subject to legislative compromises. It eliminated the loopholes which had protected so many landowners from affectation of their property and declared that nearly all land would be subject to affectation and subsequent redistribution. The administrative process was streamlined with the numerous agrarian reform agencies of the civilian government all coordinated under the Ministry of Agriculture in the military government. The process of adjudication was likewise streamlined and redistribution of land began only months after the declaration of the new law so that the military government redistributed over 7 million hectares to over 300,000 families between 1968-1977.

The military government under General Velasco dramatically outperformed the civilian government of President Belaunde with regard to successful implementation of the agrarian reform. From that standpoint the Peruvian military proved that it could be an "effective agent of social change." The policy goals of the two governments were nearly the same. The policy strategies and policy results, however, differed dramatically. The military government was able to implement its reformist policies only after radically altering the political, social and economic systems in Peru. Could another civilian government other than that of President Belaunde have accomplished the same result? Given the nature of the political system under a freely-elected democratic government it is unlikely that a civilian government could have accomplished such wide-sweeping reforms. The compromise agrarian reform bill under the Belaunde administration exemplifies what can happen to reform legislation when factions from across the political spectrum compete to
design legislation which must pass by a significant majority of the legislature. The Peruvian military was able to accomplish the successful implementation of the agrarian reform because the Velasco government was able to establish and maintain a basis of legitimacy for a corporatist state under military rule and was able to create an alliance with the Peruvian bureaucracy to implement the reform.

**Peru Since Velasco**

On August 29, 1975 General Velasco was ousted in a quiet palace coup and replaced by General Francisco Morales Bermudez who had served as Economic Minister under the Belaunde Administration and in the early Velasco administration. Velasco in his seven year tenure in office had compiled a remarkable list of reforms affecting virtually every segment of Peruvian national life. However, following Velasco's failing health and a decline in several national economic indicators members of the ruling military junta shifted the Presidency to Morales "to eliminate personality cults and deviations that our institutions have suffered" *(Economist, September 6, 1975).*

The economic woes which were plaguing Peru's national health were not entirely the fault of Peru's policies. Declining prices in the world market for Peru's metals accompanied by the virtual disappearance of the anchovete which crippled Peru's fishmeal industry drastically affected Peru's exports. Meanwhile, worldwide inflation pushed the prices of Peru's imports up so that a serious balance of payments problem developed. In 1975 Peru imported $2.3 billion which exports totaled only $1.13 billion. Other crises occurred when the exploration for oil in the
Amazon for which a $900 million pipeline was being constructed did not uncover any significant amount of oil. Strikes and general public unrest began to occur and between 1976 and 1978 a "state of emergency" has been declared numerous times in various areas to control public uprisings. The military government faced a financial crisis which threatened the continuity of its reform programs.

In June 1977 the military government announced a series of austerity measures which sliced government spending, eliminated food subsidies, and increased gasoline costs to consumers by 50%. "These measures (were) taken to promote Peru's credit-worthiness in other countries. Peru is dependent on outside help and needs $250 million this year (1977) to cover its balance of payments deficit" (Neue Zürcher Zeitung, June 14, 1977). In addition the military government devalued the sol in stages. In November 1977 the military government negotiated a loan of $105 million from the International Monetary Fund to help stabilize the balance of payments problem. The loan from the IMF was dependent upon the military government's agreement to maintain severe austerity measures.

Meanwhile the agrarian reform policy of the military government was reaching a completion of the redistribution phase and the development of social and economic support systems was to be the military government's next implementation strategy in the agrarian sector. In the most recent national development plan announced by the military government under General Morales, Plan Túpac Amaru, the military government identified the policy goals for this phase of the agrarian reform to include a significant expansion of the agricultural area of the economy by means of:
a) a global policy of irrigation works . . .

b) the recovery of lands by means of drainage and other works of conservation of soils and waters

c) the utilization of modern technology in agriculture for the purpose of intensifying the use of land

d) the increase of the areas under farming and livestock raising use in the regions of higher and lower jungle by means of the execution of global projects that contemplate at the same time forest, fishing and wild game uses

e) the enactment of the General Law of Agricultural Credit

f) the establishment of mechanisms that permit the suitable supply of inputs, equipment, machinery and spare parts for agriculture in rational terms of quality and prices (pp. 39-40).

The financial crisis which grips Peru today has stifled the ability of the military government to meet the above policy goals. With imports being tightly controlled and severe austerity measures imposed throughout the country the development of adequate social and economic support systems through increased agricultural extension personnel and increased technological assistance in the sector is not possible.

Where does the agricultural sector stand today after almost nine years of agrarian reform? The agricultural sector has been transformed from the latifundia/minifundia land tenure system of the early 1960's into a system of land tenure which encompasses individual family-size farms and collections of family-size farms into cooperatives. Agricultural production has been maintained and in some cases increased to begin to alleviate the problem of food imports to feed the population. The agricultural sector, too, however, has been affected by declining world prices for Peru's exports and the overall ill-health of the Peruvian economy has brought to a standstill the technological development of the sector.

Whether or not the standard of living has been increased for the population of the rural sector is still a matter of debate. Some studies
indicate that wages and salaries for workers in the agricultural sector have improved, but the annual inflation which has ranged between 28-44% in the last few years has undercut the buying power of any increases in income. There is still the problem of the hundreds of thousands of Peruvians who were left out of the benefits of the reform, also.

What, then, did the military government accomplish in the agricultural sector that the civilian government did not or could not? The military government did not eradicate the age-old problem of the "haves" versus the "have-nots" but it did redistribute Peruvians lands so that the land tenure system in which less than 2% of the population held over 80% of the land under the civilian government was eliminated. Social reforms were initiated under the military government to raise the quality of life for the Peruvian campesinos and to integrate them into the mainstream of Peruvian national life.

One of the most significant findings of this study is that in order for this professionalized military government to implement its public policies, the military leaders had to rely on actions of civilian administrators. Even though decisions were made at the top and always by military officers, the policies were carried to intended clientele by civilian administrators. The conclusion of this study, therefore, is that the impact of a military government on public policy in Peru occurred at the beginning stages in the policy process. The establishment of policy goals and the formulation of policy strategies was largely done by the Peruvian military officers with input from civilians only in advisory capacities. Policies were decreed by the military government and implementation strategies were formulated by the military government, but the
actual implementation of the agrarian reform policy was assigned by the military government to the civilian bureaucracy.

In addition it should be noted that the military government was able to accomplish its policy goals with respect to the agrarian reform only after a systematic transformation of the political, social and economic systems of Peru to a corporatist system directed by the military government. From a functional point of view, it is evident that the military government was able to accomplish agrarian reform policy goals which the civilian government could not accomplish. From an ideological point of view, however, such accomplishment was facilitated by the removal of the democratic process from the political system. Which type of government governs best? The answer depends upon the values and the priorities of the people of the nation.
LIST OF REFERENCES


Astiz, Carlos A. & García, José Z. The Peruvian military: achievement orientation, training, and political tendencies. The Western Political Quarterly, 1972, XXV(4), 667-685.


Malloy, James M. Authoritarianism, corporatism and mobilization in Peru. Review of Politics, January 1974, 36, 52-84.


Perlmutter, Amos. The Praetorian state and the praetorian army - toward a taxonomy of civil-military relations in developing polities. Comparative Politics, 1969, 1, 382-404.


Weaver, Jerry L. Role expectations of Latin American bureaucrats. *Journal of Comparative Administration*, 1972, 4, 133-166.


Peruvian Documents


Decreto Ley 15037, May 21, 1964 (Reforma Agraria).

Decreto Ley 17716, June 24, 1969 (Reforma Agraria).


Periodicals

Economist
El Comercio
El Peruano
La Prensa
Latin America
Latin American Political Report
Neue Zürcher Zeitung
Oiga
Peruvian Times