

The Bases of Social Instability in Venezuela*

By RAYMOND E. CRIST

The influence of geography on politics was seen clearly at the Havana Conference where the most cooperative of the Latin-American countries were those of tropical America, whose products are not competitive with those of the United States. The non-tropical countries fear—and perhaps with justice—the new Good Neighbor policy, because of the United States' proposal, now ostensibly abandoned, for a hemispheric cartel system. Argentine corn and beef have had as their natural outlet industrial Europe. Where will they go in a closed New World economy?

The United States taxpayer may be willing enough to pay for the ploughing-under of corn and cotton at home but might not be so keen on buying shiploads of Argentine or Chilean produce for the sole purpose of presenting a Boston Tea Party in modern dress. But even Latin-American countries whose agricultural products do not compete directly with those of the United States must also solve grave problems before they can ever hope to be significant in the New World family of nations.

Venezuela seems to present more problems and contradictions per square mile than most of the other Latin-American republics. For a very tiny minority of its people, perhaps 10,000 families in all, this country is the kind of El Dorado the Spaniards dreamed about but rarely found. For the rest of the population it is, at best, a land of poverty; more often, extreme want grades down to actual starvation. It is apparent even to the most casual traveler that there is a tremendous gulf between the fabulous wealth of some of the people and the most abject poverty that is the lot of the many. And one cannot but wonder why.

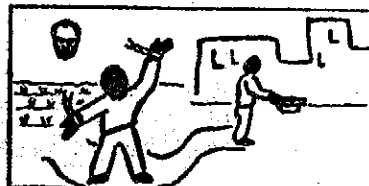
Geography, psychology, history, and economics all have been delicately interwoven to produce the complicated pattern of Venezuelan life. The country is huge—larger and more

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fertile by far than Texas. The great grass plains (the Llanos) of the Orinoco are separated from the tropical rain-forests around shallow Lake Maracaibo by a mountain chain with peaks 15,000 feet high. The country has climatic regions ranging from dense rainforests to tropical deserts, from areas scorched by a tropical sun to those where the people must wear heavy woolen clothes to keep from freezing. Yet with all this wealth and variety of climatic regions there are only a scant 3.5 million persons in a country that should be able to support at a very high standard of living from 15 to 20 millions.

Certain Venezuelan problems rise directly from social and psychological mores common to most Latin countries. For centuries all manual labor was performed by slaves or serfs, so that gradually, in the folk consciousness, work with the hands became tabu, something to be avoided as degrading at all costs. A chauffeur, for instance, could not think of helping a crippled porter with an extra-heavy suitcase because such work is unbecoming to one of his social position. No man will walk if he can ride a burro, even if he could walk twice as fast and be much more comfortable. There seems to be a prejudice against physical exertion of almost any kind. Most Latins shun even a pleasant stroll

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into a gorgeous countryside, and picnicking is out of the question. Even the most beautiful and the most accessible parks practically always are deserted. Furthermore, society is well stratified.

Venezuela, like the other Spanish conquests, was divided up into huge manorial holdings by the Conquistadores, and most of the simple Indians became serfs on these great landed estates. Those who were not bound to the haciendas became either semi-nomadic agriculturalists on free lands or squatters on neglected estates. The manorial system still weighs heavily upon the country. Land is a kind of family heirloom. If the income from an estate enables the owner to live in Caracas or some regional capital in the style to which his family has been accustomed, he gives no thought to the problem of improving the productivity of the soil or raising the standard of living of the farm worker. But even when changing conditions demand new methods, accumulated inertia is too great to overcome. Land concentration acts as a "dead hand," inducing social and economic stagnation. Hundreds of thousands of people are half-starved in the midst of great production potentialities. For centuries this placid manorial calm was broken only occasionally by a sporadic revolution that did nothing to disturb the status quo, even if "successful." The "outs" simply stepped into the shoes of the ousted and all was serene again.

But suddenly the subsoil of Venezuela was found in many places to be saturated with petroleum and the oil companies were quick to stake out great private holdings. They gave steady work to the half-starved subsistence farmers and floating hacienda workers, and they paid much higher wages than the landowners. Then began a large-scale migration from the conucos, or subsistence plots, and the haciendas, to the oil fields and to the big cities. Wages increased, and help was hard to get.

Prosperity and the dependence upon imported food increased at equal tempo. The owners of coffee and cacao haciendas could no longer export without state subventions, which the flood of gold into the country made possible. But the general standard of living remained much the same.

One has only to visit the squalid, malodorous hovels in the country to understand why the people want to leave. The little thatched-roofed hut has walls of wattle-and-daub and a tamped-earth floor. The cooking is done on the floor, in one corner. Wood smoke fills the house most of the time, since there is no chimney. Frequently there is not one stick of furniture. The family sleeps in some dirty hammocks, or huddled together on the floor on dried, untanned cow-hides. Cooking utensils are few; the only "store-bought" article may be large iron or earthen pot. Gourds and old tin cans, carefully treasured, make up the rest of the kitchen equipment. Rudimentary ideas of sanitation have never been heard of; drinking water is never boiled; privies are unknown. Sickness is rampant and the rate of infant mortality shockingly high. In such filth it is remarkable that human beings can live at all.

Small wonder that these people hate the country and at the first opportunity leave for the oil fields or towns, where conditions are indeed bad—85% of the workers' children in Caracas are undernourished—but better than they are in the country. The government cannot stop this rural exodus except by measures more repressive than those that regulated the movement of serfs on manorial holdings during the Middle Ages. How important is the solution of the problem presented by the subsistence farmer is shown by the conclusion of the federal sub-commission which investigated the flight from the farm; "As long as the *campesino* is not offered a reasonable standard of living on the land, all measures to prevent the migration to the cities will fail. The personal conveniences and well-being within reach of the man in the city will mean more to him than the sentimental and patriotic reasons with which he may be

urged to remain in his present miserable condition."

The life of the farmer who grows a cash crop is not an easy one, either. Take the case of the cotton growers of the State of Portuguesa, who for the most part cultivate some three or four acres of land. They do not have even the mobility of the *conuqueros*, or subsistence farmers. They do not work for themselves, but for the storekeeper who tides them over the slack season, at a high rate of interest to be sure, and for the owner of the cotton gin to whom the raw cotton is usually sold. For every acre cultivated the average return to the farmer is about 60 cents a month.

But the owners of the cotton gins make money. In one district of Portuguesa 12,000 quintals of cotton are ginned each year by two gins, each of which, on the average, nets its owner, annually, five times its original cost. Growers cannot avoid this robbery by having their cotton ginned in another state because of state taxes of two Bolivares a kilo on all unginced cotton crossing the state line. Cultivators of small plots of cane are at the mercy of the sugar mill owner, and the grower of coffee is at the mercy of the owner of the huller.

These handicaps to progress are neither physical nor technological, but social, imposed by selfish human beings bent upon exploiting their economically weaker fellows. As long as such conditions continue to exist, it will do little good for the orators of the country's Department of Agriculture to broadcast about the idyllic virtues of rural life to the farmers of Venezuela.

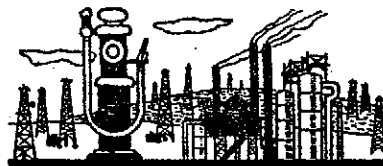
Flour, imported in large amounts, hurdles a tariff wall which increases its value 260%. The state, mercantilist of the new school, has usurped the place of Spain, but it is doubtful if the general standard of living is much higher than during colonial times. Yet the Great Wall of Vene-

zuela was not designed to stimulate wheat production, which now covers some 15% of the demand. If the duty were lowered the savings effected would in all probability not be passed on to the consumer—this was the case with every one of the 167 articles affected by the reciprocal trade agreement, as was found in a detailed private survey—but would be pocketed by those who are profiting most at present, the importers and retailers.

Potatoes, too, are imported in huge quantities, although the country could most certainly produce enough for the home market were it not for the usual social and economic bars to progress: the manorial system which makes unavailable for use much good cultivable land; the lack of a credit system which would facilitate both short and long term loans to farmers; ignorance and conservatism. Most farmers are bound by tradition, and the Venezuelan is no exception. It is hard for him to see the advantage of using fertilizer or of trying anything new in the selection of seeds.

Nor do the importers want to see their lucrative business destroyed. They complain that the government is importing diseased potatoes, and that in selling potatoes from the government-sponsored colonies direct to the stores it is interfering with private initiative. When the government did try to help increase the per acre yield by importing and distributing selected seed potatoes to cultivators, in amounts which varied as the size of the farm or hacienda, many big land-holders shamelessly sold their allotment in the Caracas market.

Almost nothing is done industrially in those fields in which the country, with greatest chance of success, could attempt to achieve self-sufficiency. Certainly in a cattle country the leather industry might flourish, yet most of the hides (cow, goat, alligator, and deer) are exported as raw materials and imported as manufactured goods at much higher prices. Yet at least 200,000 kgs. of leather goods could be used at home each year, regularly. If at least enough hides were tanned in the country for the domestic market, it



would mean the beginning of an industry that would absorb some of the surplus rural population. A stock company with part state and part private funds could be organized to run the national leather and shoe business. Once the Venezuelan could buy a good cheap shoe he would soon discontinue wearing the *alpargata*, or native sandal, one of the poorest excuses for a foot protector ever made.

High taxes on idle money resting in strong boxes and effective laws against the emigration of capital would do a lot toward pumping life-blood into national industries, as has been proved in the recent history of Mexico, Chile, Argentina, and Brazil. In a short time wealthy Venezuelans would give up the idea that the only chic investment for idle money is in town houses.

In some quarters it is complained that the oil companies are sucking the life-blood out of the country, but this is certainly an overstatement.

The companies are merely tapping a great natural resource to produce wealth, which the Venezuelans look upon as income, instead of regarding it as capital that could be used in the creation of new wealth. In the same way Spain spent the gold from the New World to import foreign luxuries, instead of using it to start industries of her own. If the oil companies pull out of Venezuela that may prove to be a black day for the country. From then on even the possibility of capital accumulation on a large scale will be remote.

A country cannot long exist without food, either home-grown or imported. If present trends continue Venezuela will ultimately be just a few oil fields, three or four large cities, and between them a vacuum, a veritable desert. If there is no market for the oil the economy of the country will collapse like a house of cards. The few rich will still be able to eat imported food, but the unemployed will face starvation, and

the lowly subsistence farmer will have neighbors in droves. Contradictions in other phases of Venezuelan life could be pointed out, but perhaps enough has been said to show that this country without a middle class is socially and economically very unstable. *El Dorado a la Venezolana* is merely a gold leaf facade behind which thousands of people vegetate in misery.

The United States is feverishly trying, amidst a world at war, to create solidarity in the New World; under the circumstances there is every reason why it should press the effort. But there is weighty reason also why realities should be faced. A country as definitely unstable as the Venezuela of 1941 cannot but be a weak unit in a united front of New World nations. New World solidarity would be headed for a cropper if Venezuela became a link in the chain of Western Hemisphere nations. The tensile strength of its gold-foil show of prosperity is practically nil.