

Brazil—Study in Frustration

by JAMES L. BUSEY

IT IS OFTEN true that one can only begin to understand a region or country by getting away from it, by comparing it with others. A perspective is gained by hindsight.

After five months of study and observation in Brazil, only a comparison with other Latin American countries makes vividly clear how hopeless the Brazilian situation really is. More than ever after being in Uruguay, Argentina, Chile and Peru—Brazil seems like an ineffective, amorphous mass of ineptitude, frustration and confusion.

Of course there is the notorious inflation, now reaching up to 100 per cent per year; and there is the idiotic and apparently deliberate attempt by her government to scare off every capital investment, foreign or domestic, that might help to develop her untapped resources. This says nothing of the extraordinary failure of Brazilians to even occupy or use the agrarian lands that are open to them. It is startling that millions of Brazilians seem to prefer vegetating in the stinking slums of the cities to laboring, even as illegal squatters, on the vacant agricultural lands of the countryside.

To my questions as to why so much land between the cities was deserted and unused, I received some very silly answers: "Too many rocks." They should tell that to a New England farmer or Peruvian Indian! "Poor soil." Certainly much better than some of the perpendicular plots in the Andes! "Someone might steal the crops." This problem hasn't prevented some use of the land in Chile, Argentina, Uruguay or Peru. The silliest of all: "No interest in agriculture."

Parts of Brazil suffer from the vestiges of feudalism, from *latifundia* and *minifundia* as do other parts of Latin

America. But the Brazilian problem, hard though it may be to believe, goes even deeper.

In Brazil, there are not only huge *fazendas* and the typical Latin American patterns of land monopoly and consequent inadequate land use and misery, and excluded classes. In much of Brazil there are no clear land titles at all! Vast tracts of land remain unused because no one can be sure of his ownership or of any security of return for his labor. What is no one's is anyone's and no one can feel secure from the ravages of powerful political *chefes* or even of gangs of rural bandits who may not only steal the crops, but also drive the farmer and his family from the land and burn their poor buildings.

In 1962 Chile adopted a land reform program which combines compensated expropriation with something very like the required-use provisions of our Homestead Act of 1862. The Argentine Congress is about to consider measures for land value taxation that seem indistinguishable from the proposals of Henry George. Just this week, the Peruvian Congress passed a measure for general land reform. In other Latin American countries similar measures are on the books and being put into effect.

Not so in Brazil. Chaos in land titles is so great that no two authorities agree as to who owns what, how much, or where. For almost the past year, the Brazilian Congress has debated, and gotten nowhere, on the subject of land reform. Misinformation, selfish interest and social blindness have brought Brazilian land reform to a dead center. Meanwhile, an inept government has decreed that it will expropriate all land within ten kilom-

eters of any highway or railway — an arbitrary, meaningless measure that is irrelevant to any Brazilian need.

And Henry George? I am told by academicians who are acquainted with most of the socially conscious people of São Paulo that in that huge city — population 3,800,000 — there are exactly three Georgists.

Brazil has never heard of Henry George. And a huge land, full of won-

derful people, is going down the drain.

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Jamaica Land Tax Receives Approval

A RESOLUTION was passed in Jamaica, W.I. on December 17th recording the satisfaction of the Association of Local Government Authorities to continue the change-over to the unimproved value of land as the basis of assessment of land taxes, and it is hoped that revaluing of land in St. Elizabeth parish can be resumed some time this year (see January HGN). "Every effort is being made to see revaluation start off on the right basis this time, so it will produce worth-while results," wrote Phillip Wallace, director of the Henry George School in Kingston, Jamaica, "In any case, the principle has been paid a great tribute, being re-introduced after it had been suspended and attacked by the leader of the party in power. It's a step in the right direction, no matter how hesitant and uncertain.

"A policy to force those with 100 or more acres of unused, or partially-used lands to develop them along 'approved' lines — or face government acquisition for land-settlement purposes, was announced by the Minister of Agriculture, recently.

"A survey is to be undertaken to determine the amount of unused or underused land on each holding, and

a test would be made to determine the potential of such lands, enabling the authorities to say what kind of crop should be grown on each holding—according to soil-types. 'Fair and adequate' compensation would be paid for lands compulsorily acquired for redistribution to farmers.

"Nothing was said about the inevitable extension of government bureaucracy required by these surveys, or the unnecessary governmental interference and dictation with the farmer's freedom of choice of crops in order to have his development-plan 'approved,' nor was there any hint about who'll bear the cost of the plan.

"As for compensation, what is 'fair and adequate,' and what is the basis of assessment, present market-value, or future expected-value, capitalized? No one seems to know or care," said Mr. Wallace.

"Of course, the *only* remedy is to tax the land at its full market value, whether improved or not, and let self-interest force the owner or user to put it to its best use, encouraging him to do so by exempting all improvements. Or is this solution 'impractical' because it works without government controls?"