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# GROUP 1 (a). AGRICULTURAL POLICY

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## Translated from Spanish

It is part of the general policy of a state that establishes standards and dispositions germane to the economic and social promotion of the agricultural sector to attain harmonious integration with the rest of the economy in order to achieve continuous development and an equitable distribution of income.

In order that this may be achieved, the following objectives of agricultural policy are defined:

1. Resources must be utilized to obtain the greatest production so that, with adequate marketing and distribution, the agricultural sector will be able to obtain a fair income as a basis for continuous economic progress, social well-being, and an indispensable guarantee of human liberty and dignity. Thus, the following procedures are recommended:

(a) Adoption of a process of production without detriment to human and natural resources. (b) Provision for continual research in economic as well as natural agricultural sciences, in order to decide the policy and the technical bases for development of alternative short- or long-range goals. In addition, it is necessary to recognize the urgency of investigating the results of policies adopted by other countries, so as to avoid repetition of errors made in trying to solve similar problems.



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(c) Making of an inventory of the national resources by regions. (d) Establishment of standards and principles which will give greatest zonal development of production, as well as promoting a stimulating and defensible fiscal policy. (e) Planning of agricultural zoning to make the best use of climate, soil, water, and other factors that affect production and marketing. (f) Establishment of educational programmes and marketing mechanisms by which a level of remunerative prices can be assured as a basis for stability and security of production; and facilitating the marketing of agricultural products, preferably by means of co-operative organizations.

2. The resources of the agricultural sector must be integrated to achieve adequate measures of stabilization of regional and national growth, thus to contribute efficiently to development by pursuing the following fundamental goals:

(a) Production of the basic foods at a rate corresponding to the needs of a growing population with improved food standards. (b) Obtaining efficient and competitive production of raw materials for industry by pursuing properly co-ordinated programmes. (c) Aiding production for export by avoiding the uncertainty associated with unduly great fluctuations of prices. This can be done by agreement with countries that import the raw materials. In order to obtain the security of stable market conditions, these devices may constitute the most important method for proper allocation of resources for the development of the economic and social programmes of the countries.

These objectives should be the result of the following methods of promotion:

(a) The widening of facilities for training professional research and extension staffs so as to provide the agricultural community with the technical, economic, and administrative needs of modern agriculture. Preparatory to a process of industrialization, the state should establish or increase the opportunities for workers to learn new skills to alleviate the occupational displacement. An adequate orientation of education is required. There should be facilities and opportunities for every one to make full use of his potentials as a means of increasing the production and income of the agricultural population. (b) Establishment of adequate agricultural production credit. There should be credit facilities for land improvements and for providing as many family-type properties as possible. (c) Indicating the general direction of production as to volume and time for each crop in accordance with

the needs of the country and the possibilities of export. (d) Carrying out of agrarian reform to correct structural defects, accomplish an increase in productivity, give rise to a more equitable distribution of income and resources, and raise the level of living of the farmer. (e) Promoting through the state, projects of collective interest which, because of their nature and magnitude cannot be undertaken by private industry. Such projects are involved in communications, irrigation, drainage, and colonization. (f) Encouraging methods appropriate to the regional development of the industry and of its different services, so as to have better distribution of the population and at the same time raise the level of income of the rural sector. (g) Extending social benefits to the rural population. (h) Assuring the stability of constitutional governments and of their representative institutions so as to safeguard the development plans.

It is necessary to determine priorities for the attainment of established objectives. This is because of the scarcity of basic resources, and also because there may be conflicting situations among the different regional and/or national development projects.

Interchange of viewpoints among group members regarding the particular conditions and needs of their respective countries indicated that priorities vary with the characteristics of each country. Also, certain projects have to be carried out in a simultaneous, yet flexible manner, in order to reach determined goals according to the changes that occur in their social and economic conditions.

Summing up, agricultural policy should be integrated with national plans to assure an orderly production of the food needed by a country; to assure storage control to meet shortages caused by uncontrolled factors; to satisfy the expansion of agricultural industries; to allow for the disposal of surpluses that can be exported at price levels sufficient to motivate development; and to assure understanding and broad support from other sectors of the economy.

With these goals, the agricultural policy of a country, as an integral part of its general policy, would make it possible for agriculture to contribute efficiently to development, to help balance and support a healthy national economy, and to progress toward a better level of living for rural populations.

## GROUP 1 (b). AGRICULTURAL POLICY

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The agricultural developments in three countries with widely different environments were described, viz.:

(a) the virgin lands in Kazakhstan from primitive nomad-type farming to highly mechanized production; (b) the Netherlands—an area of intensive cultivation and dense population; and (c) Peru where institutional and other factors have inhibited development.

*Land Reform* was recognized as a matter of fundamental importance in some countries but its discussion was left to other groups who were known to be concentrating upon it.

*Capital formation.* Domestic capital formation and its allocation between competing interests can be effected in three basic ways:

(a) free competition, with capital formation left to private enterprise and with institutional arrangements which encourage saving;