

# Costa Rica: Transition to Land Hunger and Potential Instability

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One of the crucial historical conditions contributing to the stability of Costa Rican society has been the existence of a settlement frontier or pioneer fringe to which a surplus population of small farmers could turn for free or cheap land. In some respects similar to the nineteenth century model in the United States, the Costa Rican frontier, called *frente de voltea* served as a safety valve for population pressure and provided a climate of real or imagined opportunity. Equally important, it kept alive the possibility of the family-sized farm, a "kingdom of my own" type of holding that gave the farmer a measure of economic security and, perhaps, a stake in an orderly, democratic political process (Rodriguez Vega, 1977, 93; Salazar et al., 1977, 10).

In recent decades, however, this frontier has disappeared. Settlement has spread to both oceans and to Costa Rica's borders with Nicaragua and Panama. At present, all land is either privately owned or has been set aside for national parks, forest reserves, and other public uses. As a result, for the first time in more than four centuries of post-Columbian history, Costa Ricans have no easy access to new land, and the resulting "land hunger" is cause for concern (*La Nación* 1983, 15A). [end p. 48]

Given that Costa Rica's economy and society are still heavily dependent on agriculture, and conscious of the agrarian root of social crisis and political ferment elsewhere in Central America, the emergence of land hunger casts a disturbing shadow over the country's traditional stability and even its democracy. The question of whether an agrarian people can adjust peacefully to the change from a historical experience of land abundance to the current reality of land scarcity is the underlying concern of this paper. More specifically, the purpose of this paper is threefold: 1) to trace the emergence and identify the causes of land hunger; 2) to stress the actual and potential consequences stemming from the frustrated quest for land by Costa Rica's *campesinos* and 3) to test the hypothesis that land hunger in Costa Rica, as elsewhere in Latin America, is closely related to the growth of *latifundismo* (large land holdings) and to a tacit alliance between the agro-exporters of the latifundia and foreign (primarily United States) capital, technology, and markets.

## Emergence and disappearance of the Frontier

The disappearance of the settlement frontier that prompted the present land hunger in Costa Rica was a gradual and complex process. Historically, the frontier was a vaguely defined zone on the edge of the virgin forests where pioneers cut and burned *abras* (clearings) to provide new land for cultivation. It made its first appearance in the Valle Central, the country's initial focus of settlement and its present core area, and gradually expanded outward. As a rule, the movement of the frontier tended to come in response to growing population [end p. 49] pressure and soil exhaustion associated with the common practice of slash-and-burn agriculture. The small holder with limited resources and "know-how" seldom went to the trouble (or could afford the expense) of refurbishing soil fertility. As productivity declined, the *campesinos* sold their old holdings and cleared new land on the forest fringe (Bozzoli de Wille, 1977, 225).

The rate of the frontier's outward expansion varied greatly through time. Until the middle of the nineteenth century, movement was relatively slow. With a small population, without a significant export crop, and with most of the country still under virgin forest, land had only limited value. While there were some large holders, most people owned only as much land as they could work without hired help. The small family farm predominated, social class distinctions were subdued, and production was primarily for subsistence (Fonseca Corrales, 1981, 289). Then, when coffee was first exported to Europe in 1844, important changes began to appear in Costa Rica--changes that intensified as the country

became Central America's leading coffee producer by the late 1800s. As European markets for coffee expanded and foreign capital and production techniques (mostly English) poured in, land in the Valle Central began to rise in value, the process of property concentration into fewer hands gained impetus, and social class differentiation became clearer. One result of this emerging latifundismo was that many of the former small holders lost all or part of their land and became landless *peones* and minifundistas (small holders) who either worked for wages on the larger coffee farms or moved to the pioneer fringe, thus propelling a more rapid outward expansion of the settlement frontier (Hall, 1976, 47; [end p. 50] Villareal, 1983, 22).

Later, both latifundismo and the settlement frontier were affected by the development of banana plantations. With American capital, management, and technology, huge blocks of land were organized for production on Costa Rica's Atlantic coast, and a substantial labor force was recruited and imported primarily from Jamaica. The introduction of commercial banana production had both immediate and long-range impacts on the frontier. It transferred large amounts of coastal land from the public domain to private hands, thus removing it from possible settlement by small farmers; it introduced thousands of black Antilleans who eventually became part of Costa Rica's growing body of landless laborers. Above all, almost from the start, labor in the banana zones became highly organized and often radicalized (Barahona, 1980, 129). Eventually their unions exerted a marked influence on both plantation labor and on landless campesinos (Salazar et al., 1977).

Despite these developments in land tenure and use that helped to accelerate the outward push of the frontier, at the start of the twentieth century most of Costa Rica beyond the Valle Central was still largely unsettled. The total population was a mere 200,000, giving the country an overall mathematical density of four persons per square kilometer (Hall, 1982, 83). Land was still abundant for the small farmer who was willing to move to the forest margins.

But between 1900 and the 1960s a variety of developments signaled the end of the agricultural frontier with its abundance of land, and set the stage for the current land hunger. The banana companies and other commercial private enterprises continued to acquire land. More importantly, there was an [end p. 51] unprecedented demographic explosion.

Population doubled from 200,000 to 400,000 during the first two decades of the twentieth century and by 1950 it had climbed to 875,000 (DGEC, 1953). It now stands at over 2,200,000. Costa Rica's rate of natural increase became the highest in the Americas, and as the pressure of people on land rose, the outward expansion of the settlement frontier from the Valle Central became rapid. The rush by farmers to occupy the *tierras baldías* (empty lands) became so headlong that by the 1960s, the settlement frontier or *frente de voltea* ceased to exist.

To make matters worse, the end of the frontier coincided with an intensification of latifundismo with greater importation of foreign capital and technology, and with the expansion of external markets--all of which tended to hasten the displacement of small holders (Villareal, 1983, 15). The chief culprit was the growth and modernization of the country's cattle economy, coupled with some expansion in sugar and rice production. Beginning in the 1950s, and bolstered by heavy imports of American capital, Costa Rica changed from being a net importer to a net exporter of beef. (The product is now third after coffee and bananas among the country's exports.) In the process, many small farmers were squeezed out of existence as older cattle properties added to their holdings and new grazing units were created. Since beef cattle generate lower levels of employment than crops, there was an exodus of landless, unemployed campesinos from all the large grazing regions but especially from Guanacaste (Barahona, 1980, 52). The emigrants either headed for the cities or sought to occupy land elsewhere in the country.

The trend toward larger holdings and the [end p. 52] elimination or fragmentation of small family farms

also has been fueled by the large-scale purchase of land by foreigners. Significantly, retired American military personnel and American businessmen have been especially prominent in land purchases. Precise data on the amount of property acquired by Americans, Iranians, Europeans, and other foreigners are not readily available, but the invasion by foreign capital has become such that many Costa Ricans fear that, unless checked, by the year 2000, more than half of the country's farm land will be held by outsiders. Legislation to discourage foreign ownership of land was being discussed in 1982 (*La Nación* 1982, 2).

If this paper seems to emphasize the growth of latifundismo as a major cause of land hunger in Costa Rica, it is to dispel an invalid perception. Among the myths (such as racial purity, the absence of poverty, and rigid class lines) that cloud the outsider's view of this "Switzerland of Central America" In the 1980s, none is more misleading than the belief that the country is a land of small farmers not plagued by the evils of large land holdings. It may be true that the formative periods of Costa Rican history were characterized by land tenure based on small family holdings, and that many of the real or imagined consequences of this type of tenure may be still in evidence today (Salazar et al., 1977, 10; *La Nación* 1982, 2). But it is also true that the small farm tradition was best developed primarily in the country's core area, the Valle Central, and that even there it remained unmodified only until the mid-nineteenth century. Thereafter, the trend was towards larger holdings. Currently, the bitter truth is that Costa Rican land tenure patterns tend to exhibit some of the same characteristics [end p. 53] *latifundismo*, *minifundismo*, and landlessness campesinos, as other Central American countries. For example, half of Costa Rica's farms occupy less than 2.5 percent of the land (minifundismo) more than half of the land is included in less than three percent of the farms (latifundismo) (DSEC, 1974). In the past, the social and political consequences of this inequitable system of land tenure was mitigated by the presence of a settlement frontier, but this is no longer the case.

In retrospect, the dislocation brought on by the end of the frontier in Costa Rica was aggravated by a variety of other developments and conditions. The most serious of these has been a major economic crisis and unprecedented inflation brought on in part by a huge national debt. Costa Rica's reputation as a stable democracy, its seemingly sound economy, and the rising world prices for coffee in 1976-1977 made it easy for the country to borrow heavily. Some of the borrowed money was invested in the development of an infrastructure that has or may aid in economic development, but more went into social programs, consumerism, and the employment of a huge and inefficient government bureaucracy estimated at twenty percent of the total labor force. Costa Rica acquired the highest per capita debt in the world. When forced to default on its debt payments in 1982, the country's currency (the ₡) underwent devastating devaluation. For years pegged at 8.6 to the United States dollar, the ₡ reached a low of 63 to the dollar on the open market at one time in 1982. The resulting inflation plunged the [end p. 54] country into a major depression. For example, using 1975 as a base year with an index of 100, prices rose to 158 in 1980, 261 in 1981, and reached 316 by March, 1982 (Seligson, 1983, 401).

Also associated with both the current economic crisis and the longer-standing agrarian problem created by land hunger are: 1) the failure of industry to absorb the expanding labor force, especially the large number of people pouring into the cities from the countryside; and 2) the inability of the government's agrarian program to satisfy the ~~~mQ~~~i~Q~~~ demands and needs for land. The high hopes of the 1960s that somehow the growth of manufacturing would take up the slack created in part by the end of the settlement frontier have been only partially realized. Industry provided employment for 11.7 percent of the work force in 1963, 15.9 percent in 1973 and an estimated 16.5 percent in 1982 (MEIC, 1981-82). Despite a slight increase in the role of manufacturing, the bulk of Costa Rica's laborers rely directly or indirectly on agriculture for a living.

The agrarian reform program has been only slightly less disappointing. Faced with the dislocation brought on by the end of the frontier, Costa Rica's leaders moved to allay unrest. In 1961, they passed

the Land and Colonization Law that outlawed spontaneous colonization (squatting) and provided for the establishment of the Instituto de Tierras y Colonización (ITCO) to deal with land redistribution areas which were still in the public domain. This [end p. 55] explains the emphasis on colonization in the titles of both the law and of ITCO.

The 1961 law and subsequent legislation set in motion an "innovative" program that by 1983 had given away about 800,000 hectares of land to 22,000 farm families. However, this legislation was not enough to solve the agrarian unrest. According to the program director, J. Salazar N., the more land that was given away the greater was the "explosion in expectation and demand for more land" (La Nación 1983, 15A). An "emergency program" of land reform is in place to deal with the current agrarian turmoil. The conclusion is inescapable that after more than twenty years of existence, the land reform law has made only a modest impact on the country's agrarian crisis. ITCO's name was changed recently to Instituto de Desarrollo Agrario (IDA) in recognition of the fact that there is no more virgin land for colonization. But the name change has not lessened land hunger among Costa Rican campesinos nor has it reversed the trend to greater latifundismo and minifundismo (Villareal, 1983, 29).

Some of the reasons for the limited achievements of land reform in Costa Rica are comparable to those elsewhere in Central America. First, the land made available for reform was of low quality and suffered from remoteness and inadequate social services. Second, the campesinos lacked the resources to set up operations on his own land without going heavily into debt. Third, and most important, has been the opposition of the large landholders whose political clout is considerable even in democratic Costa Rica (Barahona, 1980, 441).

The inability of land reform to solve the agrarian crisis is also connected with traditional perceptions of land still held by many Costa Ricans and too deeply rooted [end p. 56] agricultural practices of the small farmers. Among the more disturbing of these views are that : 1) every Costa Rican has a right to own and work land; 2) all forested land is adequate for farming, and therefore, there is still an abundance of land available; and 3) if the government does not provide land, land should be taken with the use of violence (Barahona, 1980, 440). Also significant are the agricultural practices that the campesinos developed over hundreds of years of land abundance on the forest frontier. The most common practice is slash and burn agriculture, an extensive form of farming that requires relatively large quantities of land to be viable. In order to maintain adequate yields, production must be shifted from one plot to another every few years. Addicted to this practice, campesinos have never acquired the skills or will to practice intensive agriculture on small holdings and to rebuild soil fertility. Thus, farms of fifteen hectares proved too small in Coto Sur, the chief area for agrarian reform.

### **Consequences and Conclusions**

Among the *actual* consequences stemming from land hunger and related conditions in Costa Rica are the aforementioned country to town movement, and the growing unemployment in the city and the countryside. Even more disturbing is the continuation of land conflicts. Often organized and directed by Marxists and other radical elements from banana worker unions, the *campesinos* began to invade and occupy private and public lands as early as the 1950s. This phenomenon, called "squatting," or *campesinismo* in Costa Rica, became so widespread that it threatened the orderly rule of law. Violent clashes between [end p. 57] the *precaristas* on the one hand and private landowners and civil authorities on the other became common. *Precarismo* became especially acute on underutilized plantation holdings outside the Valle Central. Among these, for example, were United Fruit Company lands in the Coto Sur area near the Costa Rican border with Panama. Here, hundreds of *precaristas* were jailed, the houses they had erected and the crops they had planted were destroyed, and their families were evicted by the civil authorities. But all these measures failed to quell the unrest, *precarismo* continued, and the agrarian problem grew worse. By October 1983, Costa Rica's leading newspaper observed that the discrepancy between the supply of land and the demand for it by campesino groups was enough to "generate a series

of conflicts which, in recent months--and fueled by political groups--are reaching a critical stage" (La Nación.1. 1983, 15A).

Costa Rica's land hunger looms even more disturbing given the paucity or absence of resources other than soils. For instance, dreams of finding oil in Talamanca have not been realized. Moreover, even soil resources are limited. Due to rugged topography, poor drainage, and other environmental limitations, only a comparatively small percentage of the country's total area is suitable for farming. According to some authorities, no more than one-fourth of the country's soils are adequate for intensive crop production, and a fourth more can be used for extensive farming and grazing. The remaining fifty percent is best suited for forest cover (Zumbado, 1977, 159). The Costa Ricans are learning the hard way--and some are still not convinced--that not all land covered by forests is good for cropping.

The *potential* consequences of Costa [end p. 58] Rica's growing land hunger may have to be inferred from the unhappy experience of its neighbors. Elsewhere in Central America there is no more explosive force than that generated by the quest for land. It is the driving force in the region's raging ideological debate and a major cause of the region's instability. Communications across the rigid class lines that separate the large landholders from the minifundistas and landless campesinos are breaking down, and adding to the confusion is a peculiarly international dimension. The record suggests that in Costa Rica and elsewhere in Central America there is a close connection between the commercial export agriculture of the latifundia and foreign, primarily American, technology, capital, and markets. Moreover, in some instances the large landholders are foreign (again, primarily American) corporations. This heavy involvement by the American private sector further complicates United States policy in the region. This policy seems to be caught between a fear of political instability and leftist penetration on the one hand, and a genuine desire to correct the inequalities of latifundismo and land hunger on the other.

Regardless of American policy, in El Salvador, Guatemala, and Nicaragua conflict over land already has resulted in widespread violence. In traditionally stable Costa Rica, such conflict fueled by land hunger may very well be only a matter of time. It is already clear that the abundance of land and the family sized farm that have been the principal props of Costa Rican political stability and democracy are gone or in decline. Increasing numbers of both rural peons and urban poor are being marginalized. The use of violence to seize land is established. Capping this turmoil is the [end p. 59] spillover into Costa Rica of political refugees and political terrorism from Nearby Nicaragua and El Salvador.

#### **Note**

This is an interpretive essay stemming from a broader study in preparation entitled "Costa Rica: End of the Open Lands Settlement Frontier."

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