

MISCELLANEOUS STUDIES
SERIES I NO.1

SOCIAL AND ECONOMIC RESEARCH IN MEXICO

INSTITUTE OF CURRENT WORLD AFFAIRS
MEXICO CITY -- APRIL 1929

SOCIAL AND ECONOMIC RESEARCH IN MEXICO

U

X

(10) The object of this memorandum is: to review briefly the agencies now engaged in making social and economic studies in Mexico; to present some of the major reasons why more studies of this type are not made; and to propose a plan for the encouragement and fomentation of social and economic research in Mexico.

The Present Agencies Engaged in Making
Social and Economic Studies in Mexico

U

X

(19) Private Institutions: The most important of the several scientific societies in Mexico interested in studying the social and economic problems of the country are "The Mexican Geographical and Statistical Society" (La Sociedad Mexicana de Geografía y Estadística) and the "Antonio Alzate Scientific Society" (La Sociedad Científica "Antonio Alzate").

"The Mexican Geographical and Statistical Society" was established in 1833. Thanks to a small grant from the government, this society, under various names, has continued to function almost without interruption down to the present time. During its long life the organization has had many ups and downs and the quality and character of its membership has varied greatly. On occasion the group has counted amongst its numbers some of the most distinguished scholars of Mexico; at other times it is said that the members have been elected more with an eye to their political and social prestige than for any particular scientific interest or capacities which they might have had. As the concrete results of its activity, the society can point to some forty volumes of its proceedings and to one of the best private libraries (especially in the historical field) in Mexico.

"The Antonio Alzate Scientific Society" was founded about 1888 and, although somewhat younger than "The Mexican Geographical and Statistical Society", has also published some forty volumes of proceedings and has built up a very creditable library. On rare occasions the government has made grants in aid to this group, but for the most part the society has depended entirely upon its membership for its support. Although the Antonio Alzate society has been more careful in the selection of its members and is generally considered to be more seriously interested in scientific pursuits, it has not entirely escaped from the blight of dilettantism.

These two societies, and others of similar pattern in Mexico, are really more cultural in their general purpose and outlook than they are scientific. A glance through their published volumes reveals a wide variety of topics treated more or less thoroughly, but hardly ever exhaustively. The major emphasis has been placed upon historical investigations and almost no attempt has been made to study in an organized and directed manner the social and economic problems of modern Mexico. The somewhat superficial and removed character of the work done by these groups is perhaps largely to be accounted for by their lack of funds. They do not have money available for research fellowships, nor do they employ specialists. The papers in their published volumes are voluntary contributions written by the members in their leisure hours.

Recently an attempt has been made to organize a new type of scientific society in Mexico. In the early part of 1928 a number of individuals interested in Mexican economic problems established "The Mexican Institute for Economic Investigations" (Instituto Mexicano de Investigaciones Económicas). Helped by a small subsidy from the Ministry of Public Finance,

this group published two numbers of a review known as the Revista Mexicana de Economía. The articles in the first two numbers of the Revista were of exceptionally high quality. Since the appearance of the last number of the Review in December 1928, however, due partly to a lack of funds and partly to a lack of interest on the part of the members, the Institute has practically ceased to function.

Aside from the so-called scientific societies of the type here illustrated, there are no other private agencies for social and economic research in Mexico. There are no foundations such as the "Guggenheim Foundation" or the "Social Science Research Council" in the United States which give fellowships to promising students; there are no institutions like the "Institute of Economics" or the "Institute for Government Research" with permanent staffs devoted to the investigation of more or less specialized types of economic, social and political problems; there are not even any commercial agencies doing "research" of the type turned out by the American advertising bureaus or by some of the larger corporations such as the Bell Telephone Company.

(The complete absence in Mexico of private institutions or foundations devoted to the study of social and economic problems has been explained by one Mexican writer as follows: "There is not a single example in the history of Mexico of the donation of money by a private citizen for work of a scientific nature. The government is the only institution which, with certain restrictions and deficiencies, has given financial aid to work of this sort. It is true that private citizens, both in the Colonial period and during the period of Independence, have made many contributions to the Catholic Church, but such contributions have always been made for charitable works and never in the interest of anything related to research or

scientific investigation... The rich Mexican is usually an uncultured egoist; he knows nothing of science and would be amazed if he were asked to give financial assistance to work of a scientific character. When Mexicans of this type give money away it is always to the Church and with the sole purpose of assuring by this means the salvation of their souls.")

Government Institutions: Departments in the various divisions of the Mexican federal government from time to time make investigations of a social and economic character. The most important of these departments are: the Department of National Statistics, the Ministry of Agriculture and the Interior, the Ministry of Industry Commerce and Labor, and the Ministry of Education.

The Departamento de la Estadística Nacional was established in 1923. As the name indicates, the purpose of this bureau is to gather statistical information and data on all phases of Mexican life. The department has been greatly hampered in its work by the inability of the government to give it adequate funds, by the lack of training on the part of its employees, and by the unsatisfactory nature of the sources from which its primary data are gathered. The best statistics now being published by the department are those relating to foreign commerce and trade. Some vital statistics have been gathered, but only for the Federal District. The tables which have been published covering such matters as crime, divorce, labor, and industry have been inadequate and oftentimes inaccurate. And yet, despite these and other shortcomings (such, for example, as the fact that the department is always from one to six months behind in its publications) the Department of National Statistics represents one of the best sources of information in Mexico for the study of social and economic problems.

Two departments in the Ministry of Agriculture -- the Dirección

General de Agricultura y Ganadería and the Dirección de Estudios Geográficos y Climatológicos -- have in the past few years made contributions of an important, albeit, limited nature in the economic field.

The "Division of Agriculture and Livestock" publishes each month a mimeographed bulletin containing crop statistics and occasionally an article reviewing briefly the present status and future outlook of some special phase of the agricultural industry in Mexico. Here again, however, the value of the statistical data published is considerably less than might be desired due to the doubtful character of the primary sources and to the fact that publication is delayed anywhere from two months to two years.

The "Division of Geographical and Climatological Studies" has published a series of political, climatological, and physiographic maps of Mexico. It also issues monthly weather maps and reports. As far as they go, these maps are very useful; but up to the present time not a single map of a social or economic character has been made.

The "Ministry of Industry Commerce and Labor" occasionally makes (and sometimes publishes) investigations of the type here discussed. Regular bulletins are issued relating to the oil and mining industries and, although for the most part the articles in these bulletins are given over to technical and engineering subjects, there is an occasional article of more general economic interest. The greatest value of these bulletins lies in the very excellent oil and mining statistics which are printed therein with a fair degree of regularity.

The "Department of Labor" has made public a few studies relating to such matters as strikes, wages, standard of living, and unemployment. Unfortunately, however, there are reasons for believing that most of these studies have been "made to order" for political purposes. In any case the studies are of the most fragmentary nature and any generalizations which

they contain are of doubtful accuracy.

The "Ministry of Education" has published several valuable monographs and books in the field of Mexican anthropology and archaeology. Although some of these books, as well as a few of those which have been issued bearing directly on the educational advances made during the last few years, have been written partly with a view to their value as advertisements for the Mexican nation (and hence are likely to be more decorative than informative), they, nevertheless, contain materials of great value. The educational statistics issued annually by the "Ministry of Education" are the best published by any department of the government.

In addition to the departments listed above, other governmental agencies from time to time publish materials of more or less value. The "Department of Special Taxes" in the "Ministry of Public Finance", for example, gets out statistics on various industries; the "Department of Public Health" issues data in its field; the "Ministry of Foreign Relations" publishes monographs on all sorts of subjects (curiously enough, in recent years this Ministry has specialized in literary bibliographies); the "National Agrarian Commission" makes reports from time to time on the distribution of land under the agrarian laws, etc. etc.

From this brief review it should be evident that, with possibly one or two exceptions, the departments of the Federal Government in Mexico are not concerned with social and economic research in the sense of scientifically objective and reasonably complete investigations. Some departments are publishing fairly satisfactory primary source materials which might be used as the basis for research, but anything comparable to the studies issued by the United States Department of Labor, of Commerce, or of Agriculture, simply does not exist in Mexico at the present time.

The National University. The National University of Mexico was organized in 1910 by bringing together under a single controlling Council the previously independent schools of Mining, Medicine, Law, Chemical Sciences, and Dentistry. To these schools, which became separate departments or faculties in the University, have been added other departments, such as Fine Arts and Philosophy and Letters.

Except for a few general courses given in the School of Law, until recently no provision has been made in the National University for the teaching of such subjects as sociology, economics, political science, and anthropology. In the last year or so two attempts have been made to turn attention to these subjects by organizing a Department of Social Sciences under the jurisdiction of the Law School. Due to the lack of funds and the lack of interest on the part of the students, both of these attempts were failures. Within the last two months a new effort in this direction has been made. The Rector of the University has announced the organization of a four-year course in economics, designed primarily to train students for service in the various branches of the federal government.

What success this new department will achieve remains to be seen. At the present time, however, it is still true that the University of Mexico has neither the equipment in teachers and buildings nor funds for carrying on economic and social research as this is understood in the graduate schools of the United States, Germany, or France.

Why More Economic and Social Studies Are Not Made in Mexico

The difficulties in the way of carrying on economic and social research in Mexico may be conveniently summarized under the following heads: the dearth of trained investigators; and the lack of opportunities and facilities for study.

The Mexican student who would devote himself to the study of the economic and social problems of his country finds himself in a most difficult position. As matters now stand, not only is it almost impossible in Mexico to obtain adequate training and preparation in these fields, but, even if such training could be obtained, the chances for finding employment are, to say the least, restricted. Unless the individual has a private independent income, he must work in one of three places: in some department of the government; in the government schools (including the National University); or, in the offices of some business or industrial concern. Let us consider these three possibilities in the order named.

In order to do carefully planned and efficient work of any sort, one must at least be assured of security of tenure and freedom to devote one's energies wholeheartedly to the task in hand. Neither of these prerequisites for scientific investigation and research are to be found in the service of the Mexican government. With every change in administration there is a corresponding change in the personnel of the government departments. Mexico has no civil service and the "spoils system" is the accepted method of procedure. This means that any given individual's job is assured only so long as his friends are in power. The result of this system is that no employee of the government ever feels safe; and inevitably each individual -- from the heads of the departments down to the stenographers -- in an effort to hold on to his job as long as possible, must, to a greater or less degree, become a politician and dissipate his energies in petty schemes and plots.

A few concrete cases will serve to illustrate the point. One of the few promising young economists in Mexico has in the course of the last three years held three different government jobs: First, he was a teacher in one of the government schools -- this job he lost when for political

reasons the head of the school was changed; second, he was appointed head of an important division in the Department of National Statistics only (and again for political reasons) to lose this position just as he was in the midst of an important study of the standard of living in Mexico; finally, he was called by the Ministry of Public Finance to organize an economics library. One calls to mind the case of another capable man who in the last three years has been successively Professor of History in one of the state schools, entomologist in charge of a government campaign against locusts, and specialist in the Department of National Statistics. And so it goes.

The position of the serious investigator or research worker in the schools is even worse than in the administrative departments of the government. Here a man must be not only a politician but, as one Mexican has put it, "an apostle and a martyr." In the National Preparatory School or in the University, for example, in order to receive a salary of around \$300.00 a month an instructor is required to teach at least four hours each day and from three to five different subjects. Obviously, under these conditions specialization is impossible and research out of the question.

Coming to the third possibility -- employment in the offices of some business or industrial concern -- the outlook for the Mexican economist or sociologist is almost hopeless. In the first place, there are in Mexico at the present time very few concerns either large enough or interested enough to use the services of men of this type. In the second place, the few large industries which do exist (such as oil, mining, etc.) are practically all in the hands of foreigners. When these companies find it necessary to make any social or economic investigations they almost invariably call in their own nationals for this purpose.

Finding a place which will assure him a reasonable amount of economic

security and freedom from political interference is not the only difficulty with which the Mexican student is confronted. One of the most formidable obstacles in the way of social and economic investigation in Mexico is the almost complete lack of what might be called the "tools" of research. The failure of the government departments to supply reliable primary materials (especially of a statistical nature) has already been noted. The deficient library facilities might be offered as another illustration of the same point.

There are, to be sure, a number of libraries in Mexico City, both public and private. With the exception of the recently established economics library in the Ministry of Public Finance, however, it would be hard to find more inconvenient or disorderly places in which to work. In the public libraries the books are poorly catalogued, the buildings (usually old churches) are badly lighted and damp, and there is no system by which books may be taken out of the library even for a limited time. A most interesting commentary on this whole situation is the fact that the University of Texas and the University of California are reputed to have collections of books relating to Mexico far superior to anything to be found in Mexico itself.

A Proposal for the Encouragement of Social and Economic Research in Mexico

Before considering the details of any plan or suggestion for the encouragement of social and economic research in Mexico it would perhaps be advisable to give a little more definite content of meaning to the term "research." Phrases like "scientific investigation", "scientific research", etc. are, in this latter day, when science has come to be a symbol to conjure with, used to cover scholarly efforts of all sorts and degrees of social usefulness. In the United States, for example, both money and time are lavishly spent in the name of science for ends which, to say the least, are

somewhat removed from the fundamental problems of existence. In the opinion of the present writer, however, Mexico at the present time has no need for investigators of the esoteric or collectors of the recondite. The "academic" type of research -- the pursuit of knowledge for its own sake -- may be indulged in by those nations that can afford it, but there is no place in Mexico for such decorative luxuries. Mexico is struggling to make a number of urgently needed economic and social adjustments. Success in making these adjustments will inevitably depend upon a careful study of local conditions correlated with a clear understanding and critical use of the experience of other nations. When one speaks of research in Mexico, therefore, one means research of a very practical and useful type: research which has a definite bearing upon concrete social and economic problems; in a word -- research which can be put to work.

Let us illustrate this point with a few concrete cases.

For the last three hundred years and more Mexico has been trying to solve the problem of the distribution of land. The revolution of 1910-21, it is now clearly recognized, was predominantly an agrarian revolution. The battlecry of the masses was Tierra y Libertad (Land and Liberty). The people rose up in arms and demanded land and the revolutionary leaders pledged themselves to give them land. So far so good. But the redistribution of the lands of a country is not a simple matter. Who shall have land? How shall it be distributed? How much land do the "people" need? How shall the present owners of the land be dispossessed?.. These and countless other problems had to be solved before the promise of Tierra y Libertad could be fulfilled. How has this whole question been dealt with?

Since 1915 under the head of agrarian legislation Mexico has promulgated 8 laws, 20 decrees, 7 regulations, 11 edicts, and 67 circulars -- and still the agrarian question is not settled. Why? Because Mexico

unfortunately has followed the good democratic dogma of -- "when in doubt pass a law, and if this law doesn't work then pass another law, and if this law etc. etc." To this day it is extremely doubtful if anyone in Mexico has a clear and comprehensive grasp of what the fundamental issues in the agrarian problem are. And the simple reason is that no one has ever made a thorough study of the basic geographical, cultural, political, and economic factors involved. (It is a significant and an ironical fact that only three monographs which can pretend to be at all scientific have been published on the agrarian problem in Mexico -- and all three of these have been written by American students!)

For another illustration, let us take the matter of irrigation. Much of the land in Mexico, especially in the northern part of the country, is arid. Why not irrigate this land and put it under cultivation? Why not, indeed! And so the Mexican government under General Calles launched into an extensive irrigation program. In 1926-27 over 14,500,000 pesos were spent in the construction of dams and canals; in 1928 20,000,000 pesos more was set aside for the same purpose.

Did anyone ask the question: Can a country whose total yearly budget is only 280,000,000 pesos afford to invest 20,000,000 pesos a year in irrigation projects -- enterprises which at best will not begin to bring returns to the government for a number of years? Were careful studies made to determine whether after all it would not be better, conditions being what they are at the present time in Mexico, for the government to spend any money that might be available for the building up of the agricultural resources of the country in agricultural education, in the purchase and distribution on easy terms of modern agricultural machinery, or in the encouragement and fomentation of tropical agriculture? Did anyone count the cost of colonizing the irrigation projects once the water

was made available, or even ask where the colonists were to come from? If such studies as these were made before the irrigation program was started, they have been kept a profound secret. If such studies had been made perhaps Mexico would not be in the position in which it now finds itself: after spending millions of pesos the present administration discovers that it cannot carry to completion the irrigation projects which have been started; work has been greatly curtailed or completely stopped and the half completed dams and canals remain as monuments to another grand but futile gesture.

And so one could go on illustrating in the field of labor problems, oil, mining, railroads, the public debt, taxation, etc. etc. the thesis under discussion. Mexico cannot afford to make blunders; her financial resources are too limited and her problems are too pressing to permit the luxury of costly error. The present writer does not labor under the illusion that any country can or will at all times, or even most of the time, make its policies and attempt to settle its problems on the basis of cold facts and figures. Human nature and politics being what they are, social prevision founded on research and investigation will not for many years to come, and perhaps never, carry as much weight in affairs of state as other more subtle and less tangible considerations. But this in no way affects the fundamental, matter-of-fact principle that such labor of prevision, injected wherever possible into the determination of any given government's policies, will insure a better chance of success than the age old method of "muddling through."

"The Institute of Current World Affairs" has been established in the belief that there is a place and a need in the world for an institution

which would :

- (a) collect information and acquire knowledge about the significant phases and trends in the life of the various nations and political areas;
- (b) organize and correlate this information and knowledge; and then
- (c) put this information and knowledge to work by making it available to and significant for the leaders of social, political, and industrial thought and action.

Obviously an organization undertaking to function in the manner here indicated will not find ready to hand a technique or method of procedure which will fit equally well any and all of the various natural areas of the world. Realizing this, the Directors of the Institute of Current World Affairs has followed the policy of allowing the first men placed in the foreign field a very considerable amount of freedom and latitude -- the assumption being that it would be better to let the norms of procedure for the Institute grow out of the actual work and experimentation in the field rather than to seek to impose methods and processes by a ready made a priori theory imposed from above.

For the past two years the writer of this memorandum has been attempting to work out a plan of procedure for the Institute in Mexico, and during this time certain rather definite notions have gradually been formulated. These notions may be briefly stated as follows:

- (1) (a) The program of the Institute of Current World Affairs presupposes on the part of its representatives primarily a labor of organization, synthesis, and interpretation. The function of the representative of the Institute in any given area is to see the picture as a whole and problems in their inter-relations, rather than to become enmeshed in the details and bogged down in the minutiae of any specific problem. Practically, this means that the

foreign associate of the Institute must forswear "research", in the sense of a thorough and exhaustive study of any given subject, and depend upon other agencies and individuals for work of this type.

(b) As the foregoing pages of this memorandum show, however, almost no research of a social and economic character is being carried on in Mexico at the present time. In other words, there are no agencies engaged in supplying the raw materials for a labor of organization, synthesis and interpretation. It is impossible to construct a composite picture of Mexico if there are no "pieces" to put together.

(c) It would appear, therefore, that as part of its work in Mexico the Institute of Current World Affairs itself might very appropriately undertake to encourage and foment social and economic studies of a basic character. In this way the Institute would not only help to insure its own efficient functioning but, also, make a distinct and valuable contribution to the solution of the many complicated problems which confront the Mexican nation.

To state the whole matter in more positive and formal terms:

It is hereby proposed that the Institute of Current World Affairs set up in Mexico an organization which will serve as a center and focal point for the investigation and study of social and economic problems.

Specifically, it is suggested that this organization be constituted in the following manner:

With the present representative of the Institute of Current World Affairs in Mexico there shall be associated at least one competent full time investigator and such stenographic and clerical assistance as may be necessary. This will form the permanent working organization. In addition to this permanent staff, provision shall be made for a restricted number of graduate students or

instructors to act as fellowship assistants, and for such expert help as might be needed from time to time in the investigation of any specific problem. In all cases Mexicans should be used whenever practical.

For purposes of general supervision a committee shall be created consisting of a representative of the organization providing the necessary funds, the present American Ambassador to Mexico, an official of the Institute of Current World Affairs, and one or more Mexicans.

A suitable house for residence and office purposes and the appropriate furnishings and equipment shall be secured.

The cost of a set-up, such as here suggested, would be determined by the character of the work undertaken and the number of people employed. A very creditable showing could be made with \$30,000 to \$50,000 a year. There need be no commitment as to the number of years such work should be continued, but if continued for five years or so there should be a willingness to consider capitalizing the annual grant and thus putting the work on a permanent basis. In any case, it will probably be desirable to start the work in Mexico with a relatively small outlay of funds and then, as the value of the undertaking is demonstrated, to gradually expand the activity in such ways as may prove to be desirable and useful.

It is understood that the greatest care should be exercised in the selection of subjects for study. Generally speaking, no investigation should be undertaken without the approval of the advisory board and without reasonable assurance in advance that the completed investigation will have a definite bearing upon some problem of immediate and pressing interest.