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ARTICLES

Peru

Population Explosion and Development Policy

by Dr Jürgen Westphalen, Hamburg *

Perú can in many respects be regarded as typical for South-American development countries, and particularly for the countries of the west coast with their relatively high proportion of Indians, that is for Colombia, Ecuador, Bolivia and Northern Chile. To begin with, an attempt has been made to illustrate some of the important features of Peru which characterise it as a developing country. This procedure should make it possible to see to what extent the results of the following investigation may be generalised and at the same time to indicate at least in outline the economic and social background against which present development trends and political endeavours are progressing.

Peru as Developing Country

Peru is clearly divided into three natural economic regions: There is first of all the narrow coastal strip — the "Costa", then the mountainous part of the Andes — the "Sierra", and thirdly the lowlands to the east of the Andes Range — the "Selva".

Table 1
The Three Main Regions of Peru (1961)

Zone/Land	Area (in 1000 square miles)	Population (in 1,000)	Population density (inhabitants per square mile)
Costa	56	3,896	69.5
Sierra	130	5,170	39.0
Selva	314	841	2.7
Peru	500	9,907	11.2

The sparsely populated Selva, handicapped as it is in its exchange of goods with the coastal region by the Andean mountain range, has up to the present been of minor importance for Peru's

* In the course of an extended trip to South America the author spent about seven months in Peru where he had an opportunity of making a thorough study of that country's economic and population problems. Some of the results of his inquiry into the population trends prevailing in Peru are summarised in the following.

economy. Between Costa and Sierra there exist in this respect also appreciable differences. In the Costa, barely 40 p.c. of Peru's total population produce 80 p.c. of the country's output, whereas in the Sierra more than 50 p.c. of the country's inhabitants contribute a mere 18 p.c. Among the most important production activities in the Costa must be mentioned fishing and the processing of fish as well as several other processing industries and also a for the most part highly developed and export-orientated agriculture, which concentrates largely on the production of sugar and cotton. In the Sierra some mining takes place in relatively small areas, but apart from this, the main activity is farming with outmoded production methods and on uneconomic "Mini-fundios".

Table 2
Peru's Principal Export Products in 1965
(in percentages of total exports)

Product	%	Product	%
Fish production	28.0	Iron Ore	7.0
Copper	18.2	Silver	5.9
Cotton	13.1	Sugar	5.6

Source: Cuentas Nacionales del Perú, 1950-1965, published by the Banco Central de la Reserva del Perú, Lima 1966, page 52 seq.

The three regions participated in the strong economic growth of recent years up to varying degrees, and these discrepancies led to a highly unequal income distribution. The Peruvian Planning Board—the Instituto Nacional de Planificación—has established¹ that the workers, employees and smaller businessmen, who in Peru constitute 90 p.c. of all the people living from the fruits of their labour, receive only 45 p.c. of the total revenue.

In spite of its great dependence on exports, the Peruvian economy is relatively little affected by the price and demand situation on the inter-

¹ Población y Desarrollo, published by the Instituto Nacional de Planificación, Lima 1966; page 23.

national raw material markets, Peru already has a greatly diversified export capacity, to which fishing, fish processing, mining and farming contribute.

The above-mentioned few facts, to which others will be added in the course of this article, already characterise Peru as a country whose development by Latin American standards has been average; for some time now it has witnessed a relatively strong economic growth but with regional as well as personal discrepancies.

Main Trends in Population Development

Two main features have for the past two decades dominated population trends in Peru: firstly, an acceleration in the growth rate, and, secondly, regional shifts in the population distribution, which is tantamount to an above-average rate of growth in the urban population. The two trends will now be studied a little more closely. The investigation will be based particularly on the results of the two population statistics which have been made in Peru since the beginning of this century, i.e. the fifth census of the year 1940 and the sixth census of 1961. In many respects the quality of the available statistical data for Peru still leaves much to be desired, yet provided these data are used with discrimination, they are quite sufficient to quantify with a fair measure of accuracy not only the population explosion but also the growing urbanisation.

Accelerated Population Growth

Peru's population is stated to have been 4.8 mn in 1920, 6.7 mn in 1940 and roughly 10 mn in 1960. In the period from 1940 to 1961 the average annual growth rate amounted to 1.9 p.c. and in the period from 1950 to 1961 already to 2.7 p.c. For the present decade the annual growth is estimated to average 3.1 p.c. Table 3 will show how since 1940 the population growth rate in Peru first approached and then, in most recent times, even surpassed the growth rate for the whole of Latin America.

Table 3
Population Average Annual Growth Rate
(in %)

Period	Peru	Latin America
1940-1961	1.9	2.2
1950-1961	2.7	2.8
1961-1970	3.1	2.9

Source: Población y Desarrollo, published by the Instituto Nacional de Planificación, Lima 1966, page 27.

As has probably been the case in all the other developing countries, the big population increase in Peru has by no means been due to a rise in the birth rate, but exclusively to a decrease in the mortality rate, brought about by improvements in hygiene and medical care. In the period from 1950 to 1960 the birth rate has even slightly de-

clined, from 4.8 to 4.5 p.c., but the mortality rate showed during the same time an appreciably steeper decline, from 2.6 to only 1.5 p.c. The decline of the mortality rate also reflects itself in a remarkable increase in the life span. The average expectation of life at birth was for men 33.7 years in the 1940 to 1950 period (34.8 years for women), 45.6 (48) years between 1950 and 1960 and in 1961 51.9 years (53.7 years for women)².

It is to be expected that the Peruvian population will continue to grow in the years to come at a faster pace than the rate for the whole of Latin America. Peru's population index for 1980 is 246 (1950 = 100), i.e. higher than that of all the other Latin American countries. If this forecast proves to be correct, Peru's population should increase within no more than thirty years by almost 150 p.c.; the corresponding index for the entire population of Latin America is only 194³. To judge by these statistical data, it would seem certain that the population explosion in Peru has not yet reached its peak.

Rural Exodus

The number of people living in towns is increasing very much faster even than Peru's total population. The official Peruvian statistics describe as town any settlement which is the seat of a departmental, provincial or district administration and/or which possesses certain town features, such as streets, squares, water and electricity supply and a drainage system⁴. This very wide definition makes it inevitable that many a settlement figures as a town, although its inhabitants live for the most part on agriculture.

Table 4
Population Growth In Peruvian Towns

Town	Number of Inhabitants		Increase	
	1940	1961	absolute	in %
Lima	520,528	1,428,000	907,472	174.3
Callao	81,268	212,300	131,032	161.2
Arequipa	80,947	162,195	81,248	100.4
Trujillo	36,958	104,198	67,240	181.9
Chiclayo	31,539	90,726	59,187	187.7
Piura	36,445	81,405	44,960	123.4
Cuzco	40,657	81,057	40,400	99.4
Chimbote	4,243	66,783	62,540	1,474.0

Source: W. D. Harris, H. A. Hossé and others: La Vivienda en el Perú, published by Unión Panamericana, Washington, D.C. 1963, page 16.

In 1940, 35.4 p.c. of all Peruvians lived in urban settlements; by 1950, the percentage of town dwellers had already risen to 41 p.c., and in 1961, to 47.4 p.c. This percentage rate is expected to rise by 1970 to 52.7 p.c. As most of the large

² Población y Altitud, Lima 1965, page 26 seqq.

³ J. Westphalen, Bevölkerungsexplosion und Wirtschaftsentwicklung in Lateinamerika, Hamburg 1966, page 26.

⁴ W. D. Harris, H. A. Hossé and others, La Vivienda en el Perú, published by Unión Panamericana, Washington, D.C. 1963, page 10.

conurbations are situated in the Costa, it follows that the urbanisation has brought about a marked shift in the distribution of the population in favour of the Costa. The Costa's share in the total population of Peru has risen from 25 p.c. in 1940 to 39 p.c. in 1961, while the share of the Sierra fell from 62 to 52 p.c. and that of the Selva from 13 to 9 p.c.⁵

The extremely high increase in the population of Peru's major cities, enumerated in Table 4, is in the main due to the rural exodus, that is the migration from the rural regions, particularly of the Sierra, and from the small townships in the Sierra as well as in the Costa. At present, about every second inhabitant of Lima-Callao was born outside this large city complex, that is he is a native of either a rural area or another town. Almost all these fugitives from the country into the big city congregate first of all in the so-called "Barriadas", staying in these shanty-towns on the outskirts of the city for varying periods of time. Of the 2 mn inhabitants of present-day Lima approximately 1 mn lives in the "Barriadas"⁶. As far as the industrial city of Chimbote is concerned, it is estimated that already in 1962 more than 60 p.c. of the total number of inhabitants were "Barriada"-dwellers⁷.

Shift of Economic Developments

The main reasons for the rural exodus in Peru must be sought primarily in the shift of economic development from rural to urban settlements as they have either actually occurred or are expected by the rural population to take place. The unusually fast rate of growth of Chimbote can be ascribed to the fact that this town has within a few years become the centre of two important industries — iron and steel industry and fish-processing. The development of Lima and the adjoining port of Callao has been similar; both these towns exert a strong attraction on the rural population by the mere fact that many industrial undertakings are concentrated there and that the service industries offer a great many possibilities of employment.

The uneven development of the various regions in Peru is reflected in an unequal income distribution, the differences in medical care, uneven nutritional conditions and schooling and, finally, unequal opportunities to rise in the social scale. As a result, the Costa population enjoys an appreciably larger share in the total income than the inhabitants of Sierra and Selva. The earning potential of large parts of the rural population is unfavourably affected by the uneven land dis-

tribution. According to the agricultural census of 1961⁸, there existed in Peru a total of 852,000 agricultural undertakings, of which 708,000 or 83 p.c. owned between them no more than 5.5 p.c. of the area under cultivation, whereas 2,000 large-scale farms or 2.2 p.c. of the total number of agricultural enterprises owned nearly 70 p.c. of the cultivated area. About 240,000 farming families owned no land, and a further 720,000 had to live on uneconomic mini-farms and miserably inadequate small-holdings. It is from these strata that the army of rural fugitives is largely recruited.

Effects of the Population Explosion

The annual rates of economic growth have for some time now considerably surpassed the population growth rate in Peru. During the period from 1960 to 1965, the average annual growth rate of the Gross Domestic Product was 5.7 p.c., while the Peruvian population increased by "only" 3 p.c. per annum. Many Peruvians see therefore the problem, not in a too rapid, but rather in a too slow increase in the population figure. The Peruvian Minister for Health, Dr Javier Arias Stella, for instance, pointed out that there was "a need to accelerate population growth in order that the country's natural resources might be fully exploited"⁹. The Minister's conclusions are, however, in flagrant contradiction to Peru's present-day economic and social realities.

Peruvian agriculture has been quite unable to keep in step with the average rate at which the country's total economy has progressed¹⁰. In the period from 1960 to 1966 agricultural output rose by less than 3 p.c. annually, thus barely keeping pace with population growth. As a result, no progress was achieved during that period in the supply of the Peruvian people with home-produced foodstuffs. Year in year out, Peru is forced to spend considerable amounts in foreign exchange on agricultural imports — foreign exchange that would otherwise have been available for the import of industrial products such as machinery and other industrial goods needed to increase home production. In 1965, Peru imported food to the value of roughly \$55 mn; to this must be added the \$59.5 mn spent on imports of raw materials and semi-finished goods which were required for Peru's food-producing industry and which for the most part also consisted of farm products. Finally, there was also the farm produce for non-human consumption, of which Peru imported in 1965 quantities to the value of roughly \$52 mn. The three items together add up to \$166 mn or nearly 23 p.c. of Peru's total import bill in 1965. In this

⁵ Población y Altitud, page 25.

⁶ J. Westphalen, So entsteht eine "Barriada" — Probleme des Bevölkerungswachstums in Lima, in: *Obersee-Rundschau*, No. 12, 1967, page 19 seqq.

⁷ J. Matos Mar, Consideraciones Generales acerca del Proceso Migratorio en la Ciudad de Chimbote, in: *Migración e Integración en el Perú*, Monografías Andinas, No. 2, Lima 1963, page 73.

⁸ Progreso Socio-Económico en América Latina. Fondo Fiduciario de Progreso Social. Sexto Informe Anual, 1966, published by Banco Interamericano de Desarrollo, Washington, D.C. 1967, page 373.

⁹ Identificado con Encíclica Humanae Vitae está el Ministerio de Salud Pública, in: *El Comercio*, Lima, 2. 8. 1968.

¹⁰ See J. Westphalen, Perús Landwirtschaft — "Flaschenhals" der Wirtschaftsentwicklung, in: *Obersee-Rundschau*, No. 4, 1967, page 36.

connexion, it is also worth mentioning that in the same year imports of equipment for purposes of modernising and mechanising agricultural production such as machines, tools and tractors reached a total value of no more than \$ 19 mn. As long as no appreciable progress is made in the development of Peru's agriculture, the expected population increase is bound to aggravate still further the difficulty of adequately supplying the country's inhabitants with food.

Limited Scope for a Population Policy

It is to be expected that the mortality rate in Peru, which fell from 1.8 p.c. in 1940 to 1.2 p.c. in 1960, will continue to decrease in the years to come. This should be the case particularly in the rural areas where medical care is still entirely inadequate. There is bound to be progress in the building of hospitals, in the training of doctors and their assignment to particular areas and in the instruction of people in hygiene and other ways of keeping healthy, and this should raise the average expectation of life still further.

If therefore the rate of population growth is to be slowed down, it is the birth rate that must be reduced. Now it looks as if a population policy aimed at such a reduction may count on the support and cooperation from the enlightened town population. On the other hand, conditions in the rural areas and among the "Barriada"-dwellers are much less favourable for effective birth-control measures.

It must not be forgotten that changes of attitude towards procreation such as have been noted in Peru in the past have only been to a very minor extent the result of family planning by official and semi-official institutions. It is the Centro de Estudios de Población y Desarrollo (CEPD)¹¹ which is responsible for the promotion and co-ordination of all studies concerned with population questions and for the information published about these problems.

The future population policy in Peru is certain to be influenced by the Papal Encyclical "Humanae Vitae". It would however be wrong to assume that the Encyclical will result in an accelerated population growth. Such an assumption presupposes the existence of an effective family planning policy, but this is by no means the case in Peru. All that can be assumed is that the principles laid down in the Encyclical will put fresh obstacles and difficulties in the way of an effective population policy. It would be entirely wrong, moreover, to overestimate the direct influence the Encyclical is likely to have on the attitude of the Peruvian people. The Marquis García del Postigo¹² is

justified in stating that, although 90 p.c. of all Latin Americans profess to be Catholics, the number of those who actually practise their religion varies from country to country from only 10 to 30 p.c. It follows from this that the norms laid down in the Encyclical will be observed by but a small portion of the population.

In view of the fact that family planning offers scant chances of success it is all the more imperative that the various social and economic consequences of the population explosion are counteracted by intensified efforts in the economic and social fields. As it seems wellnigh hopeless to attempt to adjust the population growth to the existing production and distribution possibilities, there remains only one way out: to increase output and to improve the distribution of available goods and raise output and distribution to a level adequate to cope with the explosive nature of the population growth.

Decentralisation of Industry

The population explosion unfavourably affects above all two groups of people: the rural communities in the Sierra and the inhabitants of the "Barriadas". Provided a way can be found to let these two groups participate in the high rate of growth of the Peruvian economy, it is possible to agree unreservedly to the assertion made by a Peruvian expert in population policy to the effect that "Peru is capable of feeding a population of 100 mn people"¹³. In order to achieve a permanent change in the distribution of income in favour of the inhabitants of the Sierra and of the "Barriadas" it is first of all necessary to find adequate employment for those two groups.

Agriculture alone is in its present structural state by no means in a position to absorb the rising number of people seeking employment. It will therefore be necessary to provide the young people in the country and in the "Barriadas" with an opportunity to get at least some schooling and to give them a chance to obtain technical training for subsequent employment in industry. At the same time it will be necessary to create opportunities for the employment of trained personnel in factories in the country. In the large towns, particularly in Lima-Callao, considerable efforts have been made in recent years to improve and modernise vocational training¹⁴, and skilled workers with a good technical training behind them have generally had no difficulty in finding appropriate employment. In the country, on the other hand, ambitious young men still have extremely few chances to get suitable jobs. Decentralisation of industrial production and technical training must therefore be high on the list

¹¹ Centro de Estudios de Población y Desarrollo, Lima 1966.

¹² Marquis García del Postigo, La explosión demográfica, in: Aconcagua, Review for politics, culture and research for the Spanish and German speaking countries, Volume 4, No. 3, page 274 seqq.

¹³ Sobre el Control de la Natalidad opina Dirigente, in: El Peruano, Lima, 20. 8. 1968.

¹⁴ In this context see particularly the Servicio Nacional de Aprendizaje y Trabajo Industrial (SENATI), Peru's Central Organisation for Vocational Training.

of targets of Peruvian development policy¹⁵. The high degree to which industrial output has hitherto been confined to a few large towns is illustrated by the fact that in 1960 no less than 54.4 p.c. of all the goods manufactured by the Peruvian industry came from Lima-Callao, and in 1963 it was even 59.1 p.c.¹⁶.

Among the measures so far taken to decentralise industry are tax incentives, which have been offered since 1959 when the Industry Promotion Act (Law No. 13,270) came into force. But these provisions have so far had no appreciable effect.

Assistance for Agriculture

To level out the above-mentioned variations between the regions it is also necessary to help Peru's agriculture to modernise itself. According to the Instituto Nacional de Planificación, only about 2 p.c. of Peru's territory is under cultivation, i.e. one acre per inhabitant or 4 acres per agricultural worker. Possibilities exist to extend the area under cultivation by irrigating certain regions on the Costa, by colonising hitherto unpopulated parts of the Selva and by systematically improving exhausted soil. According to the Census of 1961, the officially registered agricultural enterprises had 3.35 mn acres which they left uncultivated because of lack of water, i.e. 64 p.c. of the total farm area given for the same year (5.23 mn acres)¹⁷. It is clear from these data that Peru disposes of large untapped reserves of land which can be put to use to reduce the country's dependence on food imports by improving supplies of home-produced food.

Not only must the area under cultivation be extended; there must also be at the same time a redistribution of land, for the uneven income distribution is after all largely caused by the unequal distribution of land. What matters most in this respect is, not merely to reduce the size of the uneconomic Latifundios, but also to do away with the innumerable wretched smallholdings. This is essential, if the individual farms are to be of reasonable size, if they are to be equipped with modern machinery and if the new cooperative farm-workers and independent farmers are to be given more vocational training. As things stand, there is however little hope of Peru's agrarian reform producing any early results.

"Barriada"-Clearance

A shift in income distribution in favour of the inhabitants of the Sierra and the creation of attractive jobs away from the large towns are not only the most effective means of stemming the tide of people leaving the country-side; they should at the same time lead to a gradual disap-

pearance of the "Barriadas". Interviews with fugitives from the country have made it clear that the strongest motives for the migration are of an economic nature, for, however confined the circumstances in which the "Barriada"-dwellers are forced to exist, these living conditions are, generally speaking, still superior to those they have left behind.

Building more houses on the outskirts of towns and improving the living standards of the "Barriada"-dwellers would, however, only increase the pull the towns exercise on the inhabitants of the Sierra. Such measures, far from doing away with the shanty-towns, would, on the contrary, only lead to their growing still further. This is the argument that must be advanced to counter the criticism, which is sometimes heard, that the Peruvian Government is not doing enough to clear the "Barriadas". In the interests of an effective development policy it would appear quite justifiable to confine oneself in the "Barriadas" to alleviating acute privation and distress, to avoid excessive unemployment for the young people and to combat crime. Much more important is to make greater efforts with a view to promoting regional development. This is the only way to remedy regional backwardness, which is after all the main cause of the rural exodus and the problematical growth of the towns.

The President of Peru, Fernando Belaúnde Terry, who had to resign a few months ago, has attempted to put into practice several ideas for the promotion of rural areas. Worth particular mention is his so-called Cooperación Popular, whose task it would be to strengthen the initiative of the rural population by putting at the disposal of rural communities experts to advise them on the construction of schools, roads and minor irrigation plants and by providing them with the means of carrying such schemes into practice¹⁸. Another interesting project of ex-President Belaúnde is the Carretera Marginal de la Selva, the so-called "jungle-edge road", whose Peruvian sector is intended to open up the Selva. More than that: Belaúnde sees this road, which he would like to run from Caracas in Venezuela to Asunción in Paraguay and ultimately to Buenos Aires in Argentina, and which is to combine the regions of the rivers Orinoco and Amazonas as a decisive factor in providing the whole of South America with one common system of communications¹⁹. It is to be hoped that the military junta, which is at present in power, as well as subsequent Peruvian governments will carry on with these projects in spite of the justified criticisms that are levelled against them on the grounds of the incalculable difficulties they present in getting them started (Cooperación Popular) and their extremely high costs (Carretera Marginal).

¹⁵ As far as the decentralisation of vocational training is concerned, the SENATI has for instance considerably lagged behind its Chilean sister organisation, the Instituto Nacional de Capacitación Profesional (INACAP).

¹⁶ Población y Desarrollo, I.c. page 62.

¹⁷ Población y Desarrollo, I.c. page 80 seq.

¹⁸ El Pueblo lo hizo, Año 1, No. 1, published by the Comisión Ejecutiva Interministerial de Cooperación Popular, Sept/Dec 1964.

¹⁹ F. Belaúnde Terry, La Conquista del Peru por los Peruanos, Lima 1959, pages 97 seqq. and 112 seqq.