

BRIEF REVIEW OF GUATEMALA'S PROBLEMS AND PRELIMINARY OUTLINE PLAN FOR  
COMMONWEALTH TECHNICAL ASSISTANCE

1- Guatemala has an area of 42,354 square miles where some 3,800,000 people live (2/3 are pure indian blood).

2- Primarily agricultural country. Approximately 70 per cent of the population lives from the soil. About 86 per cent of exports consist of coffee and bananas.

3- The Government owns and/or controls about 50 per cent of the total land area and about 20 per cent of the cultivated area.

4- There is a strong demand for agrarian reform.

5- There is considerable mineral wealth but inefficiently exploited

6- Very few manufacturing industries. Engaged in processing agricultural products and handicraft.

The principal barriers to economic development in Guatemala can be summarized as follows:

- 1) Illiteracy
- 2) Low level of health conditions
- 3) Political instability
- 4) Inefficiency of governments officials
- 5) Lack of developmental planning (statistics, plans)
- 6) Limited domestic investment capital
- 7) Negative government attitude toward foreign investment
- 8) Lack of venture spirit
- 9) Lack of skilled labor
- 10) Lack of transportation facilities

The main fields in which Puerto Rico could offer technical assistance in the light of the foregoing problems are the following:

- 1) Education (general, community, special educational programs to fit their specific situation)
- 2) Health
- 3) Planning and public administration
- 4) Agricultural experimentation and production
- 5) Hydroelectric development and irrigation
- 6) Cooperativism

First contacts for a technical cooperation agreement between the Commonwealth and Guatemala could be made through a visit by Dr. Morales Carrión, as part of his proposed trip to different Latin American countries.

There would follow a mission to Guatemala of a number of top Commonwealth officials to look into the general Guatemalan problem and to draft the technical assistance agreement *plan*

Selected Guatemalan public opinion leader would be invited by the Commonwealth Government to visit Puerto Rico and observe conditions here.

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