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# 1 HYPOTHESES FOR DIAGNOSING SOCIAL CHANGE: THE VENEZUELAN CASE \*

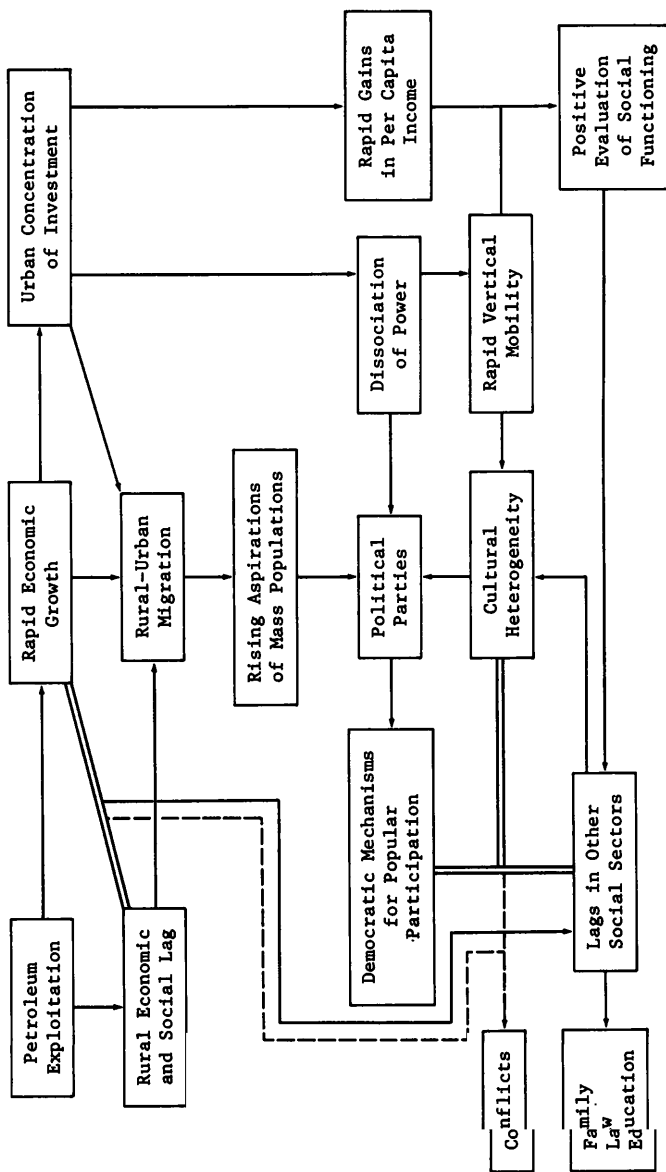
No major research is required to support the conclusion that something is wrong with Venezuelan society, for in every aspect the observer is immediately struck by the pervading tone of violence and insecurity. The research effort described in this volume is designed to probe the reasons for this. To the extent this effort is successful, it will contribute to understanding both the particular problems of Venezuela and the problems of other transitional societies.

For analytical purposes, our diagnosis of Venezuela's problems can be presented within the framework of a model in which the special characteristics of a country's economic development over a period of time led to the disintegration of a traditional society; this created a situation of cultural dualism and dissociation of power, which in turn accentuated social dualism — another consequence of the peculiarities of economic growth in Venezuela specifically.

Social integration rests on a combination of force and consensus. In a society with the characteristics just described, the degree of consensus is bound to be relatively low and the intensity of conflicts high. Throughout the history of Venezuela, certainly, force has played an

\* This paper is a revision of one prepared at CENDES by the writer and Messrs. Julio Cotler, José A. Silva Michelena, and Luis Lander. The present version could not have been prepared without their collaboration.

*Editors' note:* This 1962 statement, one of several versions of the diagnosis, has been chosen for inclusion in this volume because the specific descriptive material it contains about Venezuela provides an indispensable background for the chapters that follow. A more polished version that stresses the notion of cultural heterogeneity rather than the simple dualism posited here appeared in the *International Social Science Journal*, Vol. 16, No. 2 (1964), pp. 192-202.



Arrows suggest sequential processes; double lines point to imbalances or incompatibilities that may generate conflict.

Figure 1.1 Hypotheses Concerning Change Processes in Venezuela

important role. But force alone cannot maintain integration without the presence of at least a minimum degree of consensus. In our view, this minimum degree was sustained in Venezuela during the last thirty years as another consequence of the peculiarities of that country's economic growth.

The model and its graphic representation in Figure 1.1 are, of course, heroic simplifications of reality; relations among variables operating in a process of social change are much more complex than our representation can convey. Nevertheless, our simplification is adequate for the limited purposes of this analysis.<sup>1</sup> In the remaining sections of this chapter, we shall examine the evidence on which our model is based and the assumptions that underlie it.

The model as it is presented has little use as a predictive tool. But if our diagnosis of the present is accurate, the model has implications for the future. It appears unlikely that Venezuela can continue to enjoy a high rate of economic growth along the development path it has pursued to date; a major economic adjustment is in the offing. But a high degree of integration is required for a society to make such an adjustment successfully. Under conditions of dissociation of power, integration can be increased in only two ways. The first is to reconcentrate power through a dictatorship of right or left. The second is to create a coalition around an efficient program — one that is based on factors less subject to abrupt fluctuation than are economic growth and a high degree of social mobility. In this chapter we shall not deal in detail with the feasibility of such a coalition; it should be noted here, however, that its feasibility depends on the nature and intensity of existing conflicts.

### Symptoms of Disintegration and Consensus

Cultural dualism can take two different forms. It can arise where two adjacent cultures coexist under the same system of political power but with one culture dominating the system. Cultural dualism can also refer to the coexistence within one social stratum of individuals with attitudes typical of two or more basic patterns of value orientation. Venezuelan society is dual in both senses. The attitudes, values, and aspirations of the rural population — who constitute the lowest stratum

<sup>1</sup> *Editor's note:* Figure 1.1 is a more recent representation prepared by Professor José A. Silva Michelena.

tum of the society and who have lived since colonial times under variants of the hacienda system — differ considerably from those of the members of higher groups. Furthermore, within each stratum of the social hierarchy there are individuals with modern personalities and others with traditional personalities. Dissociation of this nature permeates even individual personality to the extent that some observers perceive a generalized pathology. There are many external symptoms of this cultural dualism: there is a notorious lack of correspondence between levels of aspiration and attitudes toward work; evaluation of social phenomena and even of individual behavior tends to rest on ideological criteria and is generally based on very limited information; the status of women is notably inferior.

To clarify the concept of dissociation of power as it will be used here, we must explain some theoretical assumptions. We start from the premise that in every society and every organization the structure of power is pyramidal in the sense that the number of individuals decreases as the index that measures power rises. We also assume that society is an organization of organizations and that the greater the society's complexity, the greater the functional specialization of its component organizations. In any complex society, therefore, the pyramid of power may have more than one apex. There may be an economic, a political, a cultural, and perhaps a military power apex. Power dissociation exists if the power pyramid has more than one clearly differentiated apex.

Stability in a system characterized by dissociation of power requires consensus among power holders on the fundamental issues that any society confronts, such as the criteria or norms for selecting the individuals who occupy positions of power, restrictions imposed on the exercise of power, and priorities assigned to the fulfillment of different tasks. Modern societies are characterized by dissociation of power with consensus. In transitional societies, however, the typical situation tends to be dissociation without consensus.

Venezuela appears to be a clear example of the latter. Political power is exercised by members of the middle class with the support of a wide sector of urban and rural workers; economic power is concentrated in a different group, which has little political power; cultural power is in the hands of members of the middle class insofar as the educational system is concerned, whereas the means of mass communication are under the control of the holders of economic power. Two

additional groups are important — the representatives of foreign capital and the armed forces. The influence of the former is great; they control 90 per cent of the exports, which produce one fourth of national income and 60 per cent of government revenue. The armed forces are made up of members of the middle class who have not totally submitted to civil power. On the contrary, they have a long history of political action. In this century the country has had only two periods of civilian presidency: one lasted seven months; the present one began at the end of 1958.

The lack of consensus on fundamental issues is revealed in many ways. One of the most obvious is the violence of political life. The present government has had to overcome innumerable *coups d'état* in which individuals from many sectors of national life were involved (with the exception, of course, of the parties in the government). It is revealed by the fact that there is no political party representing the large economic interests and there *are* parties seeking domination by nonelectoral paths. In the cultural field the lack of consensus is shown in the attitudes of students toward the rules that govern their conduct and their promotion through the cultural pyramid. It also appears in the norms that define the respective roles of students, teachers, and administrators in the universities.

Social dualism may be defined as the coexistence of traditional and modern institutional structures and/or the functioning of modern organizations according to traditional norms. The complex Venezuelan society possesses practically all the formal institutions of a modern society while retaining some traditional ones. Many examples could be cited: The extended family is still common both in rural and in urban areas. Governmental administrative machinery is inefficient. Administration as a career is not yet a feature of Venezuelan life. The budget operates weakly as a mechanism of legal control over expenditures. The judicial system, governed by laws elaborated while Venezuela was still traditional and rural, functions slowly and at high cost. The educational system, although extensive, still has many features typical of a traditional society and has not begun to incorporate the skill training necessary for a modern society. Family enterprises prevail, although increasingly firms are organized as corporations. Efficiency in business enterprises is not high, and ascriptive criteria for role fulfillment are still commonplace.

Within this picture of malintegration, however, forces of cohesion

are operating. These unifying elements are other consequences of the peculiarities of Venezuela's rapid rate of economic growth, which has permitted extremely generous satisfaction of rising levels of aspirations: directly for some; for others, by facilitating social mobility. As we know from the experiences of petroleum-producing countries of the Middle East, a rapid rate of economic growth does not necessarily produce high social mobility, but such economic expansion rarely fails to have *some* impact on a stratified system. In the Venezuelan case, because the government was the sole mechanism for distributing the petroleum income that remained in the country, it greatly facilitated social mobility, thus playing a unifying role for the nation in this process of its economic growth.

In some transitional societies nationalism has played an important integrative role. In Venezuela, however, this has not been the case, in part because of the nature of its colonial experience. The country was never a single colony but rather several small colonies, each connected to the metropolis by separate economic and administrative relations with only very weak interregional links. Loyalty was regional rather than national; to a certain degree, the war of independence in Venezuela was a civil war as well as a fight for independence. Regional feuds persisted during most of the last century, ending only when the central region acquired overwhelming economic power that could not be challenged by other regions, individually or together.

The country's political integration on a national basis was consolidated at the beginning of the present century; the processes of economic development, however, did not strengthen nationalism. Development began with petroleum exploitation, an activity unknown to the natives of the country. Its expansion damaged the interest of no one; on the contrary, it favored everyone. In addition, petroleum exploitation required an amount of capital, technical knowledge, and control of international distribution well beyond the capacity of the small agricultural and commercial entrepreneurs of the country.

In some traditional societies the army has served as a vehicle for diffusion of nationalism. In Venezuela it did not play this role in the past, in part because the country never had international conflicts.

The army has operated mainly as an internal police force and as an individual avenue of upward social mobility. Furthermore, it was not until well within the present century that the organization was in-

stitutionalized; earlier there were armies loyal to *caudillos* who fought for political power.

### The Process of Change

The process of economic development in Venezuela has been peculiar in five senses: its velocity; the exogenous nature of its dynamism; the changes it produced in structure of production and employment; the changes it produced in the structure of sectorial productivities; and the part in it played by the government.

The velocity of Venezuela's economic growth has been phenomenal. In the early 1920's when the process began, Venezuelan society was almost completely traditional and agricultural. Today 64 per cent of the population is urban. The gross domestic product showed an increase of 8 per cent per annum from 1936 to 1958; some information suggests that the acceleration took place some years before. In the history of the entire Western world there has been no similar experience.

The improved sanitary conditions and health services made possible by this economic development were key factors in the acceleration of population growth. The growth rate increased to 2.0 per cent in the 1920's, 2.5 per cent in the 1930's, and reached 3.6 per cent in the 1950's. Concurrently the country's per capita income, which was one of the lowest in Latin America during the 1920's, rose to its present level of about \$750, the highest of the region and possibly the highest in the tropical world.

This rapid growth alone goes a long way toward explaining the cultural dualism that characterizes Venezuela. A degree of structural equilibrium, reaching into the personality structure, is necessary if a society is to function satisfactorily. Any rapid economic change modifies values and attitudes, but the speed and direction of the modification will vary widely throughout the society. Rapid economic development and its accompanying population growth led to the creation of a vastly more complex society in Venezuela, thus contributing as well to the tendency toward dissociation of power.

The exogenous origin of economic change has also fostered cultural dualism and dissociation of power. Because economic change was initiated by foreigners with imported techniques, capital, and organization, it was not necessary to break down the power structure, create

entrepreneurs, increase knowledge, create a favorable attitude toward saving, work, and economic rationality in general, or to create new formal institutions to make the change possible. Nor was it necessary to develop agriculture to the point at which a surplus was available for the development of other activities. Finally, the development of the petroleum industry was one of the most important contributing factors in a notable distortion of the structure of production and employment.

The rapid rise of petroleum exports resulted in a fast growth of domestic demand for all types of goods and services. Since domestic production was elastic in the case of services and inelastic in the majority of goods, the larger part of the demand for goods shifted abroad. Thus while the economy as a whole grew at 8 per cent per annum, the agricultural sector grew at only 4 per cent. At the present time agriculture's contribution to the national product is only 7 per cent, comparable to that in the most developed countries of the world. The energy and construction sectors, both producing nonimportable products, grew in the 1950's at a rate of 20 per cent per annum. In short, the productive structure of Venezuela corresponds neither to that of the developed countries nor to that of the underdeveloped ones.

In contrast to manufacturing, petroleum production does not offer many employment opportunities. The industry's present contribution to gross domestic product is approximately 25 per cent; nevertheless, it employs only 2 per cent of the population. This explains why Venezuela, in spite of its high per capita income, still has 33 per cent of its labor force engaged in agriculture, 14 per cent unemployed, and a proportion occupied in services and construction comparable to that of the most developed countries of the world.

Changes in the structure of production had an important influence on cultural dualism because few of the new activities that developed were incompatible with a traditional personality. On the contrary, they were, together with agriculture, activities typical of traditional societies.

Another peculiarity of Venezuela's economic development process has been the inequality of sectorial productivities. In the developed countries the differences in terms of value added per employed person are usually relatively small among the different productive sectors. In most underdeveloped countries the ratio between the nonagricultural and agricultural sector for per capita value added is 3:1. In



Venezuela it is 8:1, and if the mining and petroleum sector is used as a base, the ratio is 75:1. These differences mean two things: first, the difference in remunerations between the rural and the urban sectors is enormous; and second, personal income distribution is very unequal. In fact, it is estimated that the wealthiest 12 per cent of the population receives 49 per cent of the income while the poorest 45 per cent receives 9 per cent. Of course, inequality in sectorial productivities is only one cause of this inequality in income distribution; the government and the way in which the productive structure was modified also played important parts.

The government is one of Venezuela's principal investors. During the first stages of the expansion process its main preoccupation was to build an infrastructure for capital, providing great impetus to construction activities. Construction requires much unskilled manpower whose remuneration, since the farm sector is the principal supplier of this kind of manpower, is regulated by agricultural wages. The fact that the agricultural sector did not transform its production techniques kept the rural remunerations low, thus contributing to the distortion of the salary structure in the cities. While the agricultural lag was keeping the remuneration rights of the lower echelons from rising, educational policy, government policy, and the demonstration effect of the petroleum industry were inflating the salary levels of middle and higher groups.

Mainly during the Pérez Jiménez regime, the government did not pay much attention to the control of the remuneration of building contractors. Taking advantage of the inefficiency of the administrative machinery, the contractors obtained disproportionate earnings; their behavior, in turn, stimulated increased bureaucratic inefficiency. Remunerations for the middle class, whose principal employer was the government, were also established at very high levels. Here the demonstration effect of the petroleum industry and the backwardness of the educational system, which perpetuated the scarcity of the typical middle-class skills, also played significant roles.

The great differences in urban and rural income distribution helped to stimulate migration from the country to the city. In a period of forty years, Venezuela changed its urban-rural ratio from 1:3 to 2:1. Caracas, a city of 92,000 in the 1920's, now, in the mid-1960's, has a population of 1.3 million. This sudden shift also contributes to cultural dualism. Today Venezuela's cities are populated by rural people. Peo-

ple migrated, but neither at their origin nor at their destination were there mechanisms to accelerate the change of attitude that could make the clash between traditionalism and modernism less sharp.

The government, with the income from taxes on petroleum production, played a major role in investment decisions that have produced some of the distinctive features of Venezuelan development. In other ways as well the fact that public investment exceeded private non-petroleum investment had a profound impact. In using this power, the government facilitated cultural dualism by stimulating social mobility, both directly within the administrative machinery and indirectly by creating economic opportunities.

No universalistic rules were applied in selecting people for different roles, and the sanction and remuneration system was notably relaxed. Any person could aspire to any position without risking a decline on the social scale if he proved incapable of performing its functions. The government also promoted cultural dualism by delaying the expansion and improvement of the educational system. Since democracy was re-established in 1958, the educational system has expanded very rapidly; at present, 90 per cent of the primary school population is incorporated into the system, but as yet very few qualitative changes have occurred.

Let us examine the influence of economic development upon dissociation of power. As in every traditional society, power in Venezuela was highly concentrated when the economic development process began. From the beginning of the century until 1935 the country was governed by Gómez' dictatorship. Gómez was a man of humble origins who gained political power by force and who, in order to consolidate his regime, destroyed the economic power of his opponents and created his own loyal economic elite. In the process he accumulated an extraordinary fortune. He eliminated all the regional military leaders and united the country under the dominion of the central region. Gómez also prohibited all political party activities, and men of his selection dominated the Congress. Moreover, he refused to acknowledge the aspirations of the growing middle class for the establishment of clear rules regulating the exercise of power and norms that would give it a larger participation in government.

By the end of the 1920's university students and intellectuals had become openly critical of public immorality and political coerciveness.

Gómez' death in 1935 made political party action again possible, and the parties that possess the greatest influence today came to life then. But Gómez' death did not destroy his political system. The Congress his supporters controlled chose the Minister of War as his successor and then in 1940 chose Medina, another *Gomecista* general, for a period of five years. Medina seemed to be greatly influenced by the reformist winds that blew during the Second World War and consequently undertook some economic reforms and permitted free political activities, although he did not open up the avenues for political electoral participation. Acción Democrática, one of the parties now in power, profited from the opportunity and organized a large political machine encompassing members of the middle class, workers, and *campesinos*. Several other parties were also organized, but none represented the interests of the holders of economic power. All other parties were led by men of the middle class who did not join Acción Democrática for ideological reasons (Catholics and Communists) or because of personal conflicts among the leaders.

There is a plausible explanation for the indifference of the economically powerful groups to party organization. Their alliance with the army assured their domination without the need to enter the political arena. However, the bases of their army alliance were being eroded. After the Gómez regime, the institutionalization of the army had begun; a hierarchy had been created, and advancement through the ranks was becoming increasingly less arbitrary. But the process had gone only part way; Gómez' successors had not removed the high-ranking officers whom Gómez had appointed. The result was the creation of a frustrated group of younger officers. Their frustrations coincided with those of the emerging political leaders. The outcome is well known — an alliance between Acción Democrática and the armed forces that overthrew Medina at the end of 1945.

The new government immediately took steps to consolidate its power by electoral means. To do this it modified the electoral system, giving the vote to women and illiterates, reducing the voting age to eighteen years, and simplifying the procedures for electoral registration. The government also modified labor legislation, establishing a constitutional right to strike and machinery for collective bargaining; it raised the taxes on the petroleum companies and the income tax rate; and it established the obligation of renting land to farm workers on the big

farms. In the presidential election at the end of 1947, a member of Acción Democrática won by an overwhelming majority.

The first president ever elected with mass participation and direct vote held office for only seven months before he was overthrown by a new alliance of the army with the holders of economic power. Under the circumstances this development was not surprising. Acción Democrática had taken steps to consolidate its electoral power but had not established the electoral system as the accepted way to power. The army continued to be the arbiter between the holders of economic power and the new political leaders. The economic sector did not accept the economic and social reforms promulgated by Acción Democrática, and some army officers could not resist the rewards expected from a grateful government through whose hands circulated more than 20 per cent of the national income.

The army-economic *coup d'état* led to the establishment of Pérez Jiménez' dictatorship, which lasted from 1948 to 1958. His regime coincided with great economic prosperity brought about by expansion of the world's petroleum market, improvement in terms of trade, and the sale of new petroleum concessions. Prosperity helped Pérez Jiménez govern with very little opposition, despite the fact that all the political leaders had gone into exile or to jail or were driven underground. Every potential protest was thwarted with an iron hand, and public morals reached even lower levels than during Gómez' time.

But Pérez Jiménez made two serious mistakes that destroyed his regime when prosperity ended. In the first place, he managed public finances as if prosperity would last forever; in the second place, his was a dictatorship of a clique, not of the army. The latter mistake obliged him to build up his own security force, which was independent of the army and, of course, its rival. When economic prosperity declined, the dissatisfaction of the economic groups and of the military was added to the other latent conflicts, and the regime broke down.

Pérez Jiménez' fall again made possible the open operation of political parties. Acción Democrática, whose machinery had not been destroyed despite the exile of its principal leaders for nearly ten years, again won the elections. This time its fundamental preoccupations were precisely what before had constituted its main faults. It sought to create the conditions for stabilizing the electoral system and, to this end, established an alliance with a more conservative political party

that had previously been its greatest enemy. It took great care not to alienate the powerful economic interests. Gradually the power of the army was diminished, first by dividing command and then by eliminating officers whose loyalty to the democratic regime was doubted. Circumstances were more favorable at this time than they had been earlier. The institutionalization of the army had been consolidated, and this created new attitudes among the officers; at the same time, the technical skills required of the career officers helped to foster professional rather than political attitudes.

The conciliatory attitude of the government reinforced the view held by some in the economically powerful group, primarily the new industrialists, that a return to political power through alliances with the army held more risks than advantages. Through the influence of those same groups, the country for the first time saw efforts to organize a rightist political movement. The desire for political organization, however, was not shared by all economic leaders, not even by a majority of the holders of economic power.

Meanwhile, many events in the cultural field since Gómez' fall had led to a growing alienation of the intellectuals. Medina and Pérez Jiménez tried to neutralize Acción Democrática's influence over labor unions and students. To the extent that the effort succeeded, the chief beneficiary was the Communist Party; for several years it became the major critic of the many maladjustments of Venezuelan society and the richest supplier of categorical explanations.

The Communists did not need to invent the maladjustments. Ranchos and unemployment were rampant even in the most prosperous years of the 1950's; farm workers continued to live in extreme poverty; immorality in government affairs and the influence of foreign interests were evident and had strengthened the nationalistic spirit. In terms of ideological explanations for these problems, the Communists had little competition. At none of its levels was the educational system helping the student understand the world in which he lived or think for himself. Conditions were ripe for ideological radicalism, an appeal those sensitive to social problems could hardly ignore. In fact, even the younger leaders of Acción Democrática were influenced. They left the party in 1961 to organize a new revolutionary Marxist party. Other factors also influenced ideological radicalization. Most important perhaps were the abandonment, by Acción Democrática, in 1959 of the

revolutionary style of 1945, the economic depression that lasted until 1961 raising unemployment to 14 per cent, and, of course, the Cold War and the success of the Cuban Revolution.

### The Prospects for Social Change

In 1962 there was a partial recovery from the economic crisis that had affected Venezuela since 1958. But most analysts agree that, if Venezuelan economic growth continues to rely so heavily on income from petroleum, the future rate of growth will not return to the pre-1958 level. It is more reasonable to assume that in these circumstances the rate will be only half what it had been between 1930 and 1958; with population increasing at a rate of over 3 per cent, the growth of per capita income will drop to a fifth of its earlier rate.

The 1958 decline cannot be explained merely as a problem of a temporary reduction in the rate of growth of petroleum exports caused by a recession in the great industrial centers of the world, although unquestionably the slow growth of the North American economy had some influence. The principal cause was that the processes leading to the extraordinary growth of North American oil consumption — expanded use of automobiles, conversion of railways to diesel fuel, substitution of oil for coal in household heating — had leveled off or been completed. Studies on the long-run outlook of the demand for petroleum in the United States forecast growth rates of no higher than 3 per cent per annum. While the processes that led to earlier enormous increases in U.S. consumption still have a long way to go in Europe, it is unlikely that Venezuela will share appreciably in that expanding market; Venezuela's competitive position in Europe is poor compared with Middle Eastern suppliers.

One basic difference between developed and underdeveloped countries is the absence in the latter of an autochthonous innovation mechanism. This suggests that development can proceed along any given path only so far before, inevitably, a point of stagnation is reached. But the fact that any one avenue of growth is exhausted does not mean that development cannot proceed; some other avenue of growth may be open, although it too in time will reach a point of stagnation. Venezuela does have alternatives to growth based on petroleum exploitation; it can turn to the avenue of import substitution.

The transition from one avenue to another demands the satisfaction

of some noneconomic requisites. These are conditioned by the adaptive needs of society, for shifts to new avenues of development may be rather frequent. Thus, development by means of petroleum export was possible from 1920 to 1960, and development by means of import substitution will probably be effective for a further but shorter period. It is not enough to shift from one avenue to another, however; each transition must occur in such a manner as not to impede a further shift when that is required. The process of import substitution began in the early 1930's, but the manner of its execution does not seem to be the most appropriate for a shift to exports some time in the future.

Past development in Venezuela had some effects that facilitated the transition to a new avenue of growth: the expansion and integration of the national market, which provided a solid base for the development of many industries; the creation of social basic capital facilities; the appearance of an entrepreneurial class that, although incipient, is dynamic and aggressive; and the creation of a saving capacity that enables the country to devote quite a high portion of national income to investment.

As we have seen, some obstacles to transition have also been created: cultural dualism, social dualism, and dissociation of power without consensus. These conditions impede transition to new development paths in several ways. It is evident that every process of change directed to economic development has to be completed in a relatively short period of time; to accomplish this, collective action guided by the government is essential. In order to act as an effective guide, governmental institutions need a certain degree of administrative efficiency and rationality in the process of decision making. The backwardness of these institutions in Venezuela has already been mentioned.

The required rationalization of the administrative system is very difficult in societies characterized by dissociation of power without consensus and by cultural dualism. In a way, those administrative deficiencies serve as escape valves for tensions created by dissociation of power. Cultural dualism, on the other hand, draws evaluative attention toward irrelevant issues, such as the proper role of the state in the development process, and makes it unlikely that pressure groups will exert their influences in a helpful way. Cultural dualism also directly influences the difficulties of transition, which may require stiffening of the sanction and remuneration system in addition, of course, to changing its character. The hierarchical position of some roles needs

to be adjusted, and many of those high roles will have to be displaced. These requirements cannot be understood or supported by the power holders if their frames of cultural reference differ too widely.

Nevertheless, in the Venezuelan case, there does not appear to be any inherent reason why transition cannot be satisfactorily achieved. Successful transition will, however, depend on two things: first, on organizing a coalition around a program of efficient action and, second, on a much greater professionalization of the army.

### Some Theoretical Assumptions Used in the Analysis of Venezuela

The analysis of any concrete situation requires utilization of some implicit or explicit theoretical assumptions. In our view it is better to make them explicit, at the risk that their nakedness will reveal their weakness. In the following paragraphs we shall try to summarize them, repeating some already mentioned and adding others. The assumptions by no means constitute a theory of social change; they are only points of reference that can be used as analytical tools.

One of our assumptions is that social cohesion is always based on a combination of coercion and consensus. The presence of both elements means that in every society a continuous process of evaluation of its operations is taking place. If this process did not exist, it would be impossible to conceive consensus. At the same time it is not necessary or even likely that the judgments of all evaluators will coincide. This raises the question of the meaning and degree of consensus. For our purposes, consensus can be regarded as equivalent to the existence of a net evaluative balance favorable to the way in which society is operating. This concept can be applied to an individual or to a group; in either case a system of weights is needed to come to the final conclusion. The degree of consensus can be said to be diminishing or increasing according to the extent to which the use of force is required.

An individual's judgment on the operation of each function has to be weighted by the importance he gives to that function. An individual may evaluate all or only some of the functions in society. Some may be outside his field of observation because he is unaware that they exist and that the way they are fulfilled affects his personal situation or that of others to whom he is bound. Within each function he can evaluate different aspects, which in turn will have to be weighted ac-



cordingly to determine the net balance of his judgment about the function. Within any given function, the individual can concentrate on evaluating its governing norms, the formal institutional structures responsible for its execution, and/or the performance of the people occupying hierarchical roles in it. Once again the individual may evaluate only some of these aspects because he is not conscious of the rest or because he cannot understand their meaning. Perhaps there is a relation between the capacity of abstraction and the ability to evaluate beyond the performance of the individuals who exercise the roles of power.

There are some functions covered by an individual evaluator that for several reasons are easier to evaluate than others. In the first place, formal institutionalization is more developed in certain functions; this gives concrete form to the abstract notion of the function and allows it to be judged through the formal institution. Second, the external sanction and remuneration system is more efficient for some functions than for others. In those functions where the external system is less efficient, sanctions and remunerations must be internalized: instruments must be transformed into values. For example, private property is an instrument used by society to facilitate the allocation of resources, but individuals must consider it as a value, or there would be no police mechanism (external sanction) capable of protecting it. Such transformation makes critical re-evaluation of the norm very difficult or unlikely. In the third place, the norms for some functions are very vague. It is much easier to judge the efficiency of a business firm than of a family. If sanctions are very severe or remunerations very high, a tendency may develop to specify norms more concretely. Finally, for some functions highly rational criteria have been developed for judging not compliance with the norm but the propriety of the norm itself.<sup>2</sup>

The number of functions evaluated by an individual, as well as the importance he assigns to each function and its elements, is related to the individual's position in the hierarchy of power, to the quantity and quality of the information he possesses, and to his frame of reference. The higher the evaluator is located in the hierarchy of power within a function, the more difficult it will be for him to recognize deficiencies in the performance of the function, unless the action that

<sup>2</sup> For example, the product maximization principle in economics permits judgment of the propriety of the profit maximization norm.

can be brought about by evaluation does not affect his position. In addition, he will have a greater tendency to rationalize very evident deficiencies. On the other hand, the lower the power status of the evaluator, the less information will be available to him and the greater the ideological content of his frame of reference for its interpretation.

Position in the scale of power also influences attitudes with respect to evaluation. One with no power will probably be an apathetic evaluator. The "propensity to evaluate" increases as one moves down the hierarchy of power to a certain point and then starts to decrease. Individuals placed near, but not at, the apex of power should therefore show a greater propensity to evaluate and have better information for doing so than those at the bottom of the hierarchy. Furthermore, because those near the apex have less need for rationalization and ideology, they should turn out to be, from the functional point of view of society, the more efficient evaluators.

In a society characterized by cultural dualism of the vertical type, however, individuals placed near the apex will have climbed there rapidly because of their ideology and their unconventionality in analyzing information. Rapid ascent will not necessarily diminish their "propensity to evaluate." For those on their way up, this propensity may be intensified as rapid ascent gives them a telescopic view of their own power, a feeling that no place is too high for them. On the other hand, those mobile individuals who actually reach the top may have less "propensity to evaluate" and a higher tendency to rationalize than the older members of the top elite.

When the individual evaluates functions other than his own — for example, when the business manager looks over the school system — his behavior will differ according to whether there is concentration of power, dissociation with consensus, or dissociation without consensus. If there is a concentration of power, the external evaluator of a function will show less propensity to evaluate than the internal evaluator, will have less information at his disposal, and will show a greater tendency toward rationalization. Yet both evaluators will use interpretive criteria inspired by a common ideology. Where a condition of dissociation of power with consensus prevails, the external evaluator will show a greater propensity to evaluate, though he will have less information available; he will have less tendency toward rationalization and toward using ideological criteria, and his ideology will not differ

qualitatively from that of the internal evaluator. If dissociation is accompanied by lack of consensus, however, the external evaluator will be more inclined than the internal to evaluate, though he will have less information and will be less inclined toward rationalization. Ideology will play a more important role, and there will be differences in ideologies between the external and internal evaluators.

The preceding propositions can be summarized as follows: (1) Evaluation is more intensive but not necessarily more acute in situations of dissociation of power. (2) The likelihood of dissociation depends upon the shape of the pyramid of power. (3) Evaluation is more ideological and conflicts are more acute if dissociation is accompanied by lack of consensus, which in turn is highly dependent on the existence or absence of cultural dualism.

Although evaluation is more intensive in situations of dissociation of power, in a given case variations may sometimes occur; there are environmental factors that can lower the efficiency of a function and stimulate the evaluative process. Moreover, even without environmental influences, the evaluation process may become cumulative. Environmental factors can be very important in transitional societies because, if it is true that their economic development takes place along exhaustible paths, the continuity of the process depends on the existence of other paths that can be used once the exhaustion point of a given path is reached. Furthermore, if it is true that in the contemporary era the dependence of demographic growth on income growth has been broken, these developing countries are periodically confronted with stagnation, during which time the evaluative process intensifies and all the maladjustments that may have been created by the preceding process of growth appear. This situation may stimulate a society to start adapting to the new circumstances.

Even apart from environmental impacts, the process of evaluation itself may lead to social change. To clarify the way in which this may occur, we must mention an additional theoretical assumption: that the functional structure of society must satisfy certain requisites of internal compatibility in order to operate satisfactorily. In this assumption "satisfactorily" means that the structure produces a degree of consensus that makes an increasing use of coercion unnecessary. If this proposition were incorrect, representative democracy could conceivably coexist with a feudal agricultural organization. In more gen-

eral terms, it would not make sense to refer to cultural dualism as an undesirable characteristic of society.

Naturally, internal compatibility must be interpreted as a matter of degree, not of perfect coincidence. The way in which the economic function is fulfilled can change, for example, without requiring simultaneous modification of the norms guiding the performance of the political, social, and cultural functions. But this is true only to a certain point; beyond that point, either those norms begin to lose efficiency, or the formal institutional structures are no longer appropriate.

The very fact that some functions are more easily subjected to evaluation than others is conducive to different rates of transformation among the various functions. Differences in the ways individuals evaluate and in their attitudes toward evaluation are also of great importance. Since the "propensity to evaluate" increases from the apex to a certain point and descends as it approaches the base of the pyramid and since in the evaluative balance as a whole the weight of each individual's judgment depends on the number, position of power, and capacity of communication of all the evaluators, the leaders emerge from the groups that are near but not at the apex. Therefore, in societies having a vacuum between the apex and the base of the pyramid, it is very unlikely that a phenomenon of social change will originate from the evaluation process itself.

When an internal structural imbalance is produced, the process of evaluation becomes more intense and ample; that is, it covers more functions, and more individuals participate. Initial criticism may be directed at the individuals who perform leadership roles. If this does not solve the problem, an effort to replace them may be made; and if this does not work, the struggle for power may be extended to the formal institutional structures and norms. The struggle for power, therefore, is the mechanism by which new orientations derived from the evaluative process are put in practice, just as in economics the competition for profits makes possible the adoption of technological innovations.

Our analysis of the Venezuelan problem began with the purpose of elaborating some guides for defining an efficient policy of economic and social development. Those guides had to fulfill one prime condition: to minimize the social cost of the process. Thus it was necessary to identify the principal problems of social change, their origins and dynamics. The theoretical assumptions suggested concentrating upon

the characteristics of social integration and of the structure of power.

The most relevant policy aspects of both questions can emerge only from a careful, large, and expensive investigation, but the results could be of secondary importance if the basic assumptions do not correspond with reality. Fortunately, the most fundamental doubts about this can be largely dissipated through the observation of easily perceived external symptoms.

Furthermore, it is relatively easy to identify the important transformations a society must carry out if it has exhausted the possibility of growth offered by traditional paths. But it is difficult to determine how these transformations should be put into practice and what kinds of instruments should be used; there are many alternative sets of instruments, but not all are equally feasible from a political, social, or cultural point of view. In addition to being feasible, the program must be efficient; that is, it must consist of a set of instruments that lead to the reduction of existing conflicts, explicit as well as latent, and that will be conducive to the creation of integrative forces more basic than velocity of growth and high social mobility. More concretely in the case of Venezuela, the program necessarily has to include maintenance of a high rate of economic development, the solution of the unemployment problem, the reduction of inequalities in income distribution, and agricultural modernization. It also has to include administrative reform, reform of the educational system in its broad sense, integration of uprooted people, and many other things that, in addition to their intrinsic value, can be transformed into symbols around which the society can integrate.

To enumerate the objectives of a program is not to test its feasibility. This task requires further examination, for example, of the alternative techniques for obtaining a rapid rate of growth or for distributing income. It is necessary to go beyond strategy because existing conflicts may be compatible with a given power strategy but not with all the possible tactics appropriate to that strategy. This naturally requires a detailed knowledge of the nature and intensity of the conflicts as well as the attitudes, values, and aspirations of the leaders and the masses.

The study of these questions may indicate that the possibility of building coalitions around an efficient program does not exist. In that case the disintegrating tendencies of Venezuelan society will grow worse, and the country may face frequent attempts to reconcentrate power by means of force.