



EMBASSY OF THE  
UNITED STATES OF AMERICA

San José, Costa Rica,  
July 25, 1944.

No. 1687

Subject: Transmitting Memorandum recording  
Observations on Guanacaste prepared  
by Third Secretary Watrous.

RECEIVED  
DEPARTMENT OF STATE

AM 10 25

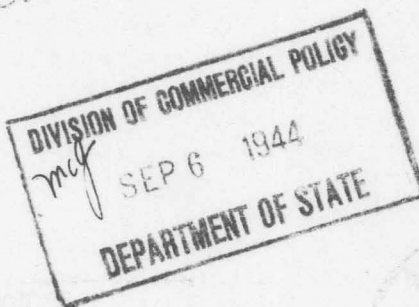
Division of Communications  
Records  
The Honorable  
The Secretary of State,  
Washington.

Sir:

I have the honor to transmit herewith a memorandum prepared by Livingston D. Watrous, Third Secretary of Embassy, recording observations which he made during a recent trip through the Province of Guanacaste. It is believed that the Department will find the information contained in this memorandum of considerable interest.

Respectfully yours,

*Edward G. Trueblood*  
Edward G. Trueblood,  
Chargé d'Affaires ad interim.



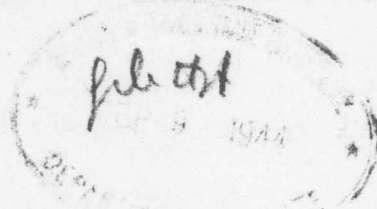
Enclosure: Memorandum

EGT:mc

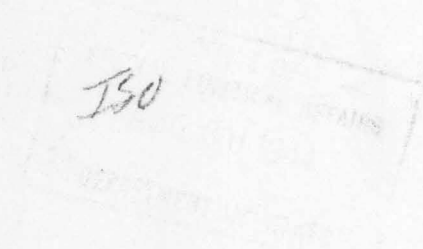


818.00/7-2544

1234 Watrous,  
Livingston D.  
note  
818.00/7-2544



OCT 13 1944  
FILED



CONFIDENTIAL

DECLASSIFIED  
Americ Authority State Letter 10/1/82  
San Jo By WJ NARA Date 7/22/88 7  
Enclos  
Dated

POLITICAL AND ECONOMIC OBSERVATIONS  
ON THE PROVINCE OF  
GUANACASTE

POLITICAL

The outstanding political fact concerning the Province of Guanacaste is the almost universal resentment felt by its inhabitants at what they consider their virtual abandonment by the Government of Costa Rica. This feeling has evidently been a factor in the province's thinking ever since the time Costa Rica obtained its independence from Spain, when Guanacaste was not established as an integral part of any of the five Central American countries, but rather had several years later to petition Costa Rica to join that nation. Moreover, the distance of Guanacaste from the meseta central, the difficulties of transportation and communication, and the fact that the people of the province are generally of a darker and more Indian type have served as barriers between the Guanacastecos and the rest of the country. To such an extent is this feeling prevalent that the former still refer to a "Cartago companion" (to the Guanacastecans all the meseta central is known as Cartago) when they wish to indicate a friend who has deserted some one. 11

The idea that their province has been abandoned to its fate has been heightened, furthermore, by the behavior of the professional politicians, most of whom are from the interior of the country. Every two, or at most four, years rival troupes of politicians woo the Guanacaste electorate with promises of the many improvements they will bestow on the province in exchange for its votes. Roads, lighting systems, and even railroads have been promised, but after the election excitement is over the province fails to receive any material benefits. It is little wonder, then, that the people have sunk into a kind of cynical lethargy, to such an extent that I was even told by a supposedly responsible cattle-owner of Liberia that he considered the only sensible thing for Guanacaste to do was to secede from Costa Rica and join the United States. Such is the general temper of the people. ✓ 11

The result of this disillusionment with Costa Rica's political leaders has been to turn to themselves in an effort to stimulate a native Guanacaste party which would adequately express their views and protect their interests. Such a party was in fact founded several years ago under the name of the Confraternidad Guanacasteca, and under the leadership of Dr. Francisco VARGAS Vargas, a young, energetic, Guanacaste ✓

physician,

AIR MAIL

- 2 -

physician, it apparently became the strongest faction in the province. According to its supporters, however, the Confraternidad's candidates for Congress were so outrageously defrauded of victory by the Governments of both León Cortés and Calderón Guardia that the movement disintegrated. Dr. Vargas is at present in the United States, having refused to support either Teodoro Picado or León Cortés in the past presidential elections, and our recent trip disclosed no enthusiasm for, or activity by, the Confraternidad.

An impressive number of people interviewed was distinctly hostile to the Calderón Guardia brothers and their recent administration. Added to their customary disappointment over their inability to obtain any assistance from the Government was widespread indignation at both election frauds and what they consider as graft on an epic scale. Everywhere we had cited to us the case of the "experts" the Calderón regime sent to Guanacaste to help fight the plague of locusts which for the past few years has been attacking the farms, and everywhere the opinion was that of the two evils the locusts themselves were the less predatory. While the Guanacastecans have become used to local political machines dominated from San José, they appear to feel that the Calderons were too brazen in their actions.

As to President Picado, a somewhat more tolerant attitude was noticeable, despite the fact that the way the past presidential elections were manipulated is still distinctly resented. There was little spontaneous comment heard concerning the President, but the general attitude seems to be that of willingness to give the Administration a chance to see what it can accomplish. The President has evidently gone slowly in appointing office-holders, with the result that there have been but few cases of former officials who are aggrieved at having been turned out of office. A portion of this tolerance may perhaps be traced to the fact that the President's wife is a native of Guanacaste, but it is also true that the President is well remembered for his term as Minister of Education, when he made an effort to visit all parts of the country. And, it might be added parenthetically, that this observer was more impressed by the school system of Guanacaste than by any other Governmental activity. (A separate report on the schools will be submitted by Eugene Desvernine, Acting Cultural Attaché of the Embassy).

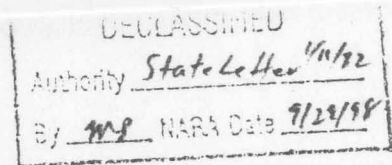
There exists some apprehension as to what part Manuel Mora and the Vanguardia Popular will play in the coming four years, and in general Guanacaste appears to be skeptical, if not hostile, to the program for which that group stands. As might be expected, the strongest opposition to the "Communist peril" was encountered among the big ranch owners who dominate the economy of the province, but among the rank and file of the people there seems to exist little enthusiasm for the Vanguardia movement. This might be expected in such a predominantly agricultural community, were it not for the fact that the farmers live in the most abject poverty and in some sections own no land of their own. It was rumored that the Vanguardia-dominated Confederación de Trabajadores de Costa Rica was attempting to establish a union of cart-drivers in Santa Cruz, but inquiry in that city failed to reveal such an organization.

It



AIR MAIL

- 3 -



It was interesting to note that at no time during the trip was there heard any enthusiasm for León Cortés, and it must be assumed therefore that his theoretical leadership of the opposition, in Guanacaste at least, is a dead letter. It should be pointed out that his personal prestige has not been too high in that section since he was held responsible for the rather arbitrary manner in which the congressional elections in the province of 1938 were conducted but he of course drew some support from the conservative element in the presidential elections of last February.

It should not be thought, however, that there is no feeling of opposition to the present Administration evident in Guanacaste. As of possible significance, I checked the newspapers delivered to the various towns visited, and would estimate that the opposition DIARIO was outselling the administration TRIBUNA by perhaps three to one. Moreover, in Liberia, capital of the province and the most politically-conscious city visited, there has been established a flourishing and energetic section of the Centro para el Estudio de Problemas Nacionales. Drawing its strength largely from young professional men, the group probably exerts an influence greater than its membership of thirty-five would lead one to expect. Conversation with some of the members of the organization elicited the information that they are admirers of don Otilio Ulate, owner of the DIARIO, and hoped that it would be possible to carry him to the Presidency of the Republic. They also stated that it was their opinion that Ulate would some time in the future resume the editorship of the DIARIO, but that he was at present holding back because of the fact that the committee of the Centro presently directing the paper had been the object of some bitter and personal attacks, and neither they nor Ulate wished to have it appear that they were abandoning direction of it under pressure.

Throughout the trip one could not help but be impressed by the feeling of genuine friendship for Americans and the United States which was evident. Everywhere we were well received, and everywhere there was interest in the war effort. It should be emphasized, however, that this good will is in spite of, rather than because of, the activities of the Pan American Highway in that region. It will be some time before the inhabitants of Guanacaste forget the gross behavior, extravagance, and incompetence which they allege characterized the conduct of certain of the United States Army Engineers and employees of the Foundation Company. Although these organizations left the province many months ago, their conduct while there is still an absorbing topic of conversation. Fortunately, the Public Roads Administration, at present working on the Guanacaste section of the road, seems to enjoy a considerably better reputation.

#### ECONOMIC

The economy of Guanacaste is based primarily upon cattle and crops, although the mines around Las Juntas which were discovered at the end of the past century are still being worked with some success, and there is some exploitation of hardwoods. The mines, however, are working on

a very slim margin of profit, and it is believed that only the present high price of gold keeps them in operation. Moreover, exploitation of the valuable stands of timber of the coastal regions of Guanacaste has reached such a point that it is now necessary to seek hardwoods from the interior of the province, and the transportation problems of such a procedure are so great that lumbering has been declining in recent years. It is apparent, then, that Guanacaste is dependent mainly on cattle and agriculture, and the pattern of these occupations is set by the geography of the province, with the low plains of the north-western section being given over to large holdings of cattle land, while the more mountainous Peninsula of Nicoya is split up into smaller holdings, on which are grown rice, corn, and beans. While differences undoubtedly occur in individual cases, in general it may be stated that the large cattle estates are characterized by a kind of semi-feudal organization in which the farm workers are considered as almost a part of the property, as well as by a lack of a modern and scientific approach to technical problems. The small farmer is not much better off economically than is the ranch "peón", for in many cases he does not own the land which he works, and his production, based on traditional methods which are both inefficient and harmful, even in good years barely suffices to maintain an impoverished standard of living.

Although a detailed analysis of the Guanacaste cattle and agricultural situation is outside of the scope of this memorandum, certain factors vitally affecting the province's economic life can be pointed out.

Certainly one of the most important reasons for the lack of material progress in the area is the state of the transportation system. The principal towns of the province are served by airplanes of the TACA system five days a week, but aside from this limited service travelers are forced to rely on horses, and merchandise must be transported by ox-cart. This means that to transport freight from, say, San José to a point in Guanacaste it is necessary to ship it by rail to Puntarenas, by launch to the point on the Gulf of Nicoya nearest its destination, and from there by ox-cart. Roads connecting interior points are either non-existent or of the most elementary sort and useless during the rainy season of the year. To this statement the exception must be made that an all-weather road is nearing completion between Nicoya and Puerto Jesús, and it is hoped eventually to extend this road from Nicoya to Santa Cruz. This is, however, but a modest beginning, and it is not felt that the financial state of the present Administration will permit any large scale construction activity. The Pan American Highway, when it is completed from Barranca to the Nicaraguan border will be of immeasurable benefit to the life of the province, and one hopes that at that time the inhabitants of Liberia will not find it necessary, as they now do, to have their vegetables sent them from San José by plane.

Another factor which undoubtedly retards the economic life of the region is the consistently bad health conditions which obtain, both from a standpoint of nutrition as well as sanitation. To begin with, the climate is distinctly tropical, and malaria and intestinal diseases are widespread. This condition is aggravated by the diet of the people, which consists,

almost



almost universally and exclusively, of rice, beans, and tortillas, a situation which the people have neither the guidance nor the desire to change. With the exception of some of the larger and more modern houses, moreover, living conditions are of unbelievable filth, and it is no wonder that the incidence of tuberculosis is high. Although the Government has made an effort to eradicate malaria, sanitation is little understood; the Sanitary Units set up under the sponsorship of the Coordinator of Inter-American Affairs should eventually be able to make some progress in this connection, but an enormous amount of apathy will have to be overcome before they can be considered an unqualified success. The result of these conditions are reflected by a remark made by the Jefe Político of Santa Cruz, who explained that the farmers of that region never worked more than four hours a day because they "could not stand any more". //

Added to these factors the Guanacastecan has also to contend with the weather, which alternately floods a considerable part of the province and then parches it with a prolonged drought. When he is not worried by these problems, the farmer and rancher has to stand by and see his lands devastated by the plagues of locusts which in recent years have beset the region. He is also severely critical of the actions of both the Central and Provincial Supply Boards, the Government agencies charged with the fixing of prices, for he feels that they are composed of unqualified individuals; and instances were cited wherein Guanacaste merchants were forced to retail merchandise received from San José at San José prices, thus ignoring the transportation factor completely.

All things considered, it is not surprising that Guanacaste should be known as the "Forgotten Province", nor that its people should sometimes look upon the rest of Costa Rica with something less than affection. )