

UNIVERSIDAD DE NUEVO LEON

RECTORIA

736

Oficio Núm.-----

October 10, 1962.

Exp. -----

Dr. James F. Tierney  
Ford Foundation  
Hotel del Paseo  
México, D. F.

Dear Dr. Tierney:

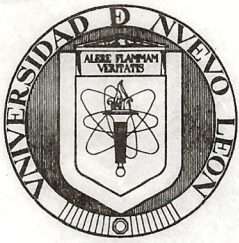
I know that the Ford Foundation's attitude towards projects promoting its aims, both in the United States and abroad, accounts for many remarkable achievements in various fields of human knowledge and in the spread.

It is this fact and my understanding that promotion and encouragement of projects in the fields of education, economic development and international training and research ranks highly in the Ford Foundation's current programs interests, that have prompted me to appeal to it in support of a project aimed at enlarging and improving the educational and research activities of our Faculty of Economics and its Center for Economic Research.

More specifically, this project is designed to give our teaching program in economics greater scope by permitting selection of students on a nation-wide basis at the same time that an attempt is made to attract a few undergraduate foreign students, mainly from Central American countries. Secondly in this general characterization, a graduate research program for Mexican and Latin American students would be established in due course, thus enlarging the activities of our Research Center and using more fully the Faculty's facilities.

It is to implement such a program that I am respectfully submitting to you a request for a grant-in-aid in the amount of \$410 852 (U. S. cy.) This sum would be used through a five-year period to cover the expenses of an undergraduate scholarship program (\$154 752), a graduate fellowship program (\$68 100), the salaries of a few instructors (\$104 000) and research workers (\$48 000), and part of the cost of preparing new teaching materials and improving the Library's resources (\$36 000). A more detailed account of the various features of this project is contained in the attached memorandum.

I believe this memorandum, which has been written by Miss Consuelo Meyer, Director of our Faculty of Economics, substantiates the necessity for the improved teaching and research programs in econo



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Dr. James F. Tierney (2)

mics this University would like to undertake if the necessary financial aid could be obtained from the Ford Foundation.

If such resources were to be made available, the University of Nuevo Leon would be in a position to give assurance as to the continuation, with local personnel, of the improved teaching and research programs after the period for which the grant-in-aid now being requested would come to an end, with the important exception of the scholarship and fellowships programs which the University cannot hope to undertake on account of their extremely high cost.

In the hope that this project will meet with your approval, I wish to express my appreciation for your courteous consideration of this request.

Very sincerely yours,

"ALERE FLAMMAM VERITATIS"  
EL RECTOR

  
José Alvarado



MEMORANDUM PREPARED FOR THE FORD FOUNDATION ON A PROPOSED GRANT-IN-AID TO THE FACULTY OF ECONOMICS AND THE CENTER FOR ECONOMIC RESEARCH OF THE UNIVERSITY OF NUEVO LEON (MONTERREY, MEXICO).

The worldwide shortage of trained economists consequent upon changes in the conception of certain economic problems, the widespread aspiration for economic development, the new efforts at international cooperation in this field, the spiraling number of students at centers of higher learning, etc., is felt in a very acute form throughout Latin America. Mexico is no exception to this general rule; indeed, it may be argued that the relative scarcity of qualified economists is greater in Mexico than in some other Latin American countries --notably Chile-- in spite of her greater economic weight and notwithstanding the fact that Mexico's long and varied economic history, her significant social revolution early this century, and the comparatively rapid pace of her economic development in the last few decades might be thought to have quickened an interest in the study of her economy and a desire to make some contribution towards the challenging problems it faces today.

As far as Mexico is concerned, it is thought that the root of this problem lies, not so much with the lack of interested students or adequate monetary incentives, but mainly with the poor quality of the professional training now being provided by Mexican universities in this field.<sup>1/</sup> This is why the teaching and research programs of the Faculty of Economics and the Center for Economic Research of the University of Nuevo Leon, aimed as they are at attaining reasonable levels of academic performance, have been of interest to persons and institutions concerned with this problem.

1. The present position of the teaching and research programs in economics at the University of Nuevo Leon.

The present five-year teaching program at the Faculty of Economics has just entered into its fifth year of operation, while the Research Center has been operating under its present Director for only two years and six months.

The Faculty's activities during this period of time may be summarized in the following way:

1) An effort has been made to attract able students through selection of candidates on the basis of an aptitude test, past academic achievements and personal interviews. So far, only students residing

<sup>1/</sup> Students of economics enrolled at Mexican universities number about 2600 (1962). Salaries paid to qualified members in the profession (almost all of whom have received some training abroad) are estimated to be about 30 times the per-capita domestic product, or more. The conclusion above seems to be warranted by the findings of the Joint UNESCO-ECLA-OAS Mission appointed in 1960 to enquire into the university teaching of economics in Latin America. See La enseñanza de la economía en América Latina. (Washington, D. C.: Unión Panamericana, 1961), passim.



in the three Northeastern States of the country have formally applied for admission and, as a rule, only 30% of the candidates (about 100 every year) have been admitted, but almost 20% of the new entrants leave school of their own accord during the first year and about 25% fail in one or more courses. These heavy dropout and failure rates are believed to be due to admission of candidates barely complying with admission requirement in face of the small number of well-qualified candidates coming from local circles, as well as to difficulties found by many a student in adapting himself to new teaching methods and academic standards, and to flaws in the selection process. These same factors also account to a large extent for the small numbers of students enrolled at the Faculty. Total enrollment for the present academic session is 114 students, of which 41 are beginners. The Faculty has only been able to award scholarships carrying a very small stipend to a few students.

2) With the aid of the Rockefeller Foundation, UNESCO and United States Government supported exchange programs as well as with great financial effort from the part of the University of Nuevo Leon, the Faculty has been staffed with competent full-time professors for all basic courses in the curriculum and half-day teachers for the rest of the curricular offerings. The present teaching body numbers eight full-time and five half-day teachers. The Faculty is among the schools with the greatest proportion of full-time teachers, and is perhaps the one with the highest proportion of foreign professors,<sup>1/</sup> in Mexican universities. The latter feature has sometimes brought pressure on the administration from outside and from within the Faculty but it has always been possible to avoid major difficulties. Furthermore, a training program for local teachers is being implemented since 1958. Eight members of the present and the future teaching staff and two librarians have already benefited from this program in varying degrees, and at least another six (including four students from the first batch of graduates, who are interested in teaching and research) are scheduled to pursue studies abroad leaving Monterrey at various dates in 1963. Others will follow every year.

Within the University of Nuevo Leon, the Faculty has the highest ratio of administrative personnel to both the number of teachers and the number of students.

3) An improved curriculum, adapted as far as possible to the needs of Latin American economists, has been worked out. The establishment of seminars on different topics as circumstances (i.e., availability of qualified teachers) permit, has provided for some measure of flexibility in the curriculum. As far as we know, some of the courses in it, such as Evolution of Contemporary Civilization (adapted from Columbia's course in Western Contemporary Civilization) and Great Themes in the Economic History of Latin America, are being offered for the first time in a Latin American School of economics, and materials for these and other courses, involving a considerable amount of effort and expenditure, are being prepared.

<sup>1/</sup> Fourteen different foreign professors have taught at the Faculty in the course of four years. The overall ratio of Mexican to foreign teachers has been about 1:1, but there was a time when it fell to 1:2.5.



4) Again with the aid of the Rockefeller Foundation, and of the Bank of Mexico, it has been possible to build up an 8000-volume library specializing in economics and the social sciences generally. Reasonable collections of academic journals and official documents (specially from Latin American institutions) are being acquired. A new development deserves special mentioning: thanks to the efforts of our Librarian, our Library has recently been appointed depository library of ONU's publications as well as of the publications of some of its Specialized Agencies, including UNECSO. This will be the second depository library of the United Nations in the country, and the third allotted to a school of economics.<sup>1/</sup> The Faculty's Library has also been designated as a depository of the Organization of American States publications. It is expected that these depository libraries will be one of the soundest basis on which to continue to build up our research library.

The Faculty has established a small bookstore of its own to facilitate book acquisitions by both teachers and students.

5) An attempt is being made to establish the strongest possible link between the teaching and research programs. For one thing, full-time professors generally do some part-time work at the Center not only to contribute to its program, but also as an intellectual stimulus that will reflect in the work done in the classrooms. As for the students, they contribute to the Center's program in various ways. Advanced students are required to engage in research for at least four hours a week and to undertake projects from the planning to the completion stages;<sup>2/</sup> second-year students taking a course in Economic Geography have to comply with a 100-hour field work assignment that has proved to be almost valuable personal and research experience and has also contributed to one of the larger research projects undertaken by the Center. Finally, all students have participated in statistical sampling projects for the Research Center.

For its part, work undertaken by the Center for Economic Research up to the present includes:

1) An estimate of the economic accounts for the Northeastern region of the country (States of Nuevo Leon, Coahuila and Tamaulipas). Revised statistical estimates and a preliminary analysis of the figures were discussed with Sr. Victor L. Urquidí, Technical Advisor to the Faculty, early in January; suggested changes and other improvements have resulted in a second draft, final revision of which has been delayed by the fact that heavy pressure of work to comply with the deadline of a contract made it impossible, until a few weeks ago, for the Center's Director to give the report its final form.<sup>3/</sup>

<sup>1/</sup> To our knowledge, only the London School of Economics and Political Science and the School of Economics of the University of New Delhi have United Nations depository libraries among their own facilities.

<sup>2/</sup> Five of these advance, self-supporting, students are in regular part-time employment at the Center.

<sup>3/</sup> Strange as it may seem, no aid for the task of final revision and editing can be obtained at present either in Monterrey or, even on a temporary basis, from Mexico City.



2) A study on the economic history of the Monterrey area from 1890 to 1960, undertaken by Professor Frédéric Mauro (an expert whose services were made temporarily available by UNESCO) with the aid of some of our advanced students and the Center's staff. Professor Mauro completed in May this year a 150-page final report which is now being revised in order to be sent to the press.

3) A study of the public finances of the State of Nuevo Leon, which is now in the first stages of completion and is being eagerly awaited by the financial authorities of the State Government.

4) A projection of the population for the State of Nuevo Leon to 1980. Delay in the processing of the census data for 1960 by the Dirección General de Estadística has been a hindrance to earlier completion of this project; some necessary data have been made available in recent weeks, but lack of consistency in the statistical information may cause further delay. In spite of these difficulties it is thought that the projection will be ready before the end of the year.

5) Closely related to the above research project --for it will yield information reflecting on the relationship between population growth and social basic investment for economic development-- is a detailed study in the economic geography of Nuevo Leon based on extensive field work on about 4000 localities (i.e., population centers, however small) in the State. For this purpose a questionnaire is being used. Collection of the basic data in the questionnaire for about 3000 localities will be ready by the end of this month, and it is hoped that this work will be completely finished by the end of 1962.

Besides aiding in the assessment of investment and other economic development needs in the face of expected future population growth, this research project will contribute the basis for a new map of the State of Nuevo Leon, as well as for subsequent studies such as the one just undertaken at the request of the State Government on the economic plight of local producers of hard fibers (ixtleros) who are roughly estimated to number 350 000 in seven Northern States in the country (probably meaning that over 1 000 000 inhabitants suffer from an extremely low level of living). The Center hopes that it will be possible, after a specific study on this situation in Nuevo Leon is completed, to make recommendations leading to the establishment of a pilot experiment that would point the way to the solution of this problem.

6) A case study in the relationships between the public and private sectors of the economy in the economic development of Mexico, relating to cotton. This study was undertaken by the Center at the request of Dr. Raymond Vernon, of Harvard University.

7) Construction of statistical indicators of local economic activity. Over ten such indexes were constructed at the request of the Cámara de la Industria de Transformación de Nuevo Leon and were published in the Cámara's Carta industrial. For reasons completely alien to the Center's standards of performance, last month the Cámara cancelled the



contract under which these indexes were being compiled. Though this means a curtailment of financial aid and, what is more important, lessened cooperation from private enterprise in providing some necessary data, the Center will continue developing this project. These economic indicators include some indexes, such as the employment and unemployment index for the Monterrey industrial area, not previously compiled in Mexico.<sup>1/</sup>

8) Other completed research projects refer to the distribution of family income in Monterrey in 1960 and to the disposition of land grants accrued to the University of Nuevo Leon to convert them into a permanent source of income.

Projects to be undertaken under the Center's research program for 1963-64 are indicated in Appendix No. II.

The above is a brief account of the work done so far by the Faculty of Economics and the Center for Economic Research. Some comment on current problems as well as proposed solutions will be taken up presently. But it is perhaps not improper to say here that although the Faculty and the Center are far from entertaining any complacent view of their record of performance, it is felt that they have already achieved a considerable measure of success in their endeavours to implement programs which, if by no means new, are quite unusual in the Mexican educational scene, especially in State universities. The Faculty and the Center have to thank for whatever they have been able to accomplish their own counsellors, Lic. Daniel Cosío Villegas and Sr. Víctor L. Urquidí, who have freely given time and effort to advance their work. They are also deeply indebted to the University authorities, the Rockefeller Foundation, the Bank of Mexico, and other institutions that have provided them with moral and financial support. That not more than has just been indicated has been accomplished with all this valuable help is perhaps indicative of the difficult problems involved in furthering such programs under the existing educational framework.

## 2. Some current problems and their proposed solutions

Some problems facing the teaching and research programs can readily be appreciated from the above information, and others may be mentioned here.

As regards the Faculty, one of the most pressing problems refers to the numbers of students. Although the emphasis of the teaching program is on quality rather than quantity it is thought that the rather small number of students benefiting from it could be increased if students from other parts in the country and from other Latin American countries could be attracted to the Faculty. This is especially necessary if the failure and drop-out rates continue to be as high as they are at present, a situation which is to be feared because of the low level of training in secondary (and primary) education.<sup>2/</sup>

<sup>1/</sup> The center has already acted as advisor to the Dirección General de Estadística on improved methods for calculating indexes of freight loads in railroad and highway traffic.

<sup>2/</sup> Our own program, as well as the improved programs at other Faculties are putting pressure on our own Preparatory Schools, but apparently no immediate reforms are to be expected, much less reforms on a national scale.



To attract students away from the Capital City of the country (the main reservoir, even of out-of-Mexico-City students), thus outweighing the prestige of the City itself and of the National University of Mexico, will prove no easy task, and it is considered that a beginning in this direction can only be made if a reasonable scholarship program is put into effect. This would involve an extension of the present limited program of financial aid to local students, as well as the establishment of a program consisting of up to 26 scholarships for Mexican, and up to 14 scholarships for foreign, undergraduate students. Scholarships and other financial aid would be granted to first-second- and third-year students. No provision is made for fourth- and fifth-year students because experience has shown that they will be able to maintain their income by accepting teaching and research assistantships within our own Faculty and Center or at other schools and departments in the University. 1/ Selection of appropriate candidates would require some additional expenditure.

The establishment of a scholarship program could be combined with another necessary innovation to the same effect, namely the adoption of the semester (i.e., 16 weeks of effective work) as the unit of time for academic work. This would make it possible to admit new entrants in January each year, in addition to students admitted during the September enrollment period, thus facilitating the entrance of students leaving school by the end of the calendar year in all central and southern States of the country and in most countries in Central America and the northern part of South America. Moreover, it is thought that academic activities carried on a semester basis will make for much more effective work both because efforts could gain in intensity and also because University regulations allowing incompetent students to remain in the Faculty would apply to shorter periods of time.

The advantages of introducing the undergraduate scholarship program just described may be summarized by saying that it would help give our teaching program a nationwide and perhaps an international scope and would enhance the use of existing teaching facilities as well as the efficiency with which they are used. Even though it were established on a temporary basis, it would be a worthwhile undertaking producing lasting results because, for one thing, it would make the work of the Faculty better known in many quarters, thus facilitating recruitment of able students throughout the country and in other Latin American countries in the future and, secondly, it would stimulate welcome changes such as the adoption of semester courses entailing an all-round increase in the effectiveness of teaching.

- 1/ Up to the present, the Faculty has been absolutely unable to supply candidates to take charge of economics and other related courses at the Preparatory Schools, the Faculties of Law, Civil Engineering and Chemistry, the School of Social Work, etc., to mention just one source of demand for advanced student's services.
- 2/ Under present regulations students failing in even all courses during the first year of attendance are given the opportunity to register for another academic year.



Authority to work on a semester basis and to admit students from any State in the country, including States where there exist schools of economics, was granted to the Faculty by the University Council on August 30, this year.<sup>1/</sup> This authority, however, would be of no avail without at the same time establishing an enlarged scholarship program designed to attract new students. But the considerable expenditure involved in such a project cannot be even contemplated by the University, with the meager resources at its disposal. For it would be clearly impossible for it to shoulder, even to a partial extent, the cost of a scholarship program carrying stipends that, though calculated to cover only essential expenditure of students not living in Monterrey, are double the salary regularly paid to teachers at most Faculties for a five-hour a week course. Only with the help of outside financial assistance could such a desirable program be implemented. This is why the University authorities and the administration of the Faculty have thought it proper to include this project as perhaps the main feature of the improvement program they are submitting for consideration by the Ford Foundation as they respectfully request a grant-in-aid for the advancement of the work being done at the University in the field of economics. The total cost of a five-year program of scholarships and other financial aid to undergraduate students, as proposed, would be \$154 752 (See Appendix I).

May I now turn to another difficult problem now confronting the Faculty of Economics. This is the need for qualified instructors in certain fields. While some important teaching posts have been filled thanks to aid received from the private and public bodies already mentioned, there is an urgent need for two more professors for the course in Economic History of Latin America and the Seminar on the Social Sciences. The University has already done the best it can by appointing two young local teachers to these posts, Prof. Romeo Flores and Lic. Adolfo Mir, on a full-time basis, but since they come from the fields of Secondary Education and Law, they lack the background knowledge and the necessary experience to teach these courses properly. The Faculty is prepared to send them abroad for specialized training, but this can only be done if suitable teachers are found to take charge of both courses while our own instructors are in training.

Until the beginning of August, there was evidence to the effect that Dr. Arthur F. Smith Corwin, who had been with the Faculty since the inception of our present teaching program thanks to financial aid provided by IGA and by the Rockefeller Foundation, was willing to stay on and to continue the editorial work begun last year for the course in Economic History of Latin America, if only an alternative source of funds to finance his salary could be found, the grant-in-aid granted by The Rockefeller Foundation for this purpose having become exhausted in August, 1962. But in the later part of this same month Dr. Smith Corwin received an attractive offer from Dr. John P. Harrison, of the Institute of Latin American Studies of the University of Texas, to

<sup>1/</sup> The tremendous pressure of students seeking enrollment at some Mexican universities has led them to restrict entrance of out-of-the State residents desiring the same type of training available in their own States. These extreme restrictions apply to out-of-Nuevo-Leon students at our University.



take charge of a course in Latin American Economic and Social History based on the program originally prepared for our students at the Faculty. The task of selecting and editing materials for this course will be continued by Dr. Smith Corwin, this time giving more emphasis to Latin American social history and making fuller use of works already translated into English.

We have regretted very much the loss of Dr. Smith Corwin's services, which were very valuable in developing and carrying out our teaching program, and we deem it of the utmost importance to fill the vacancy he left with at least equally competent professors.

Even when it appeared that Dr. Corwin was going to stay at the Faculty it was thought desirable that the two courses he was in charge of, namely, the above-mentioned course in Latin American history and the Seminar on the Social Sciences, were assigned to different professors to permit of a more concentrated effort on the editorial program connected with the former. Now that Dr. Corwin has left the Faculty there is all the more reason for giving the responsibility for each of these courses to a different person. To fill the post of professors of Latin American economic history and to continue forward the connected editorial work, which the Faculty is determined to advance until completion, we propose to obtain the services of some Latin American historian. Candidates the Faculty is contacting for this purpose include Dr. Alice Piffer Canabral, of the University of Sao Paulo, and Professor Francisco Iglesias, who is teaching at present at the Faculty of Economics, University of Minas Gerais. As regards the other post, the Faculty has sought the advice of Dr. José Medina Echavarría, who has kindly recommended an able Peruvian specialist, Dr. Anibal Quijano. To obtain the services of Dr. Quijano for a three-year period, as well as the services of one of the two Brazilian candidates for four years, i.e., for the time required to train our own instructors, the University and the Faculty have included the sum of \$74 000 in their request for a grant-in-aid from the Ford Foundation.

Provision of teaching materials to students at the Faculty has played an important role in the teaching program. Most important among these materials are those being prepared for the two-year course in Contemporary Civilization, involving a total expenditure that is expected to exceed the sum of \$40 000, including a \$7 000 grant from the Rockefeller Foundation towards the cost of a preliminary mimeographed edition now underway. These materials will ultimately be published in the form of four 500 to 800-page volumes which we hope will be specially welcome by Latin American universities. In much the same fashion, a first selection of valuable materials on themes cutting across the economic history of most Latin American countries has already been made by Dr. Smith Corwin, freely using the vast resources of the library of the University of Texas. The Faculty is eager to continue this



editorial work which will eventually result in the publication of two 500 to 600 page volumes. Furthermore, our professors of economics have prepared a preliminary list of important articles in economic and other journals not readily available to Latin American students, as well as a listing of selections from others works likewise unavailable in suitable form with the purpose of editing a series of readings for beginners in our schools of economics. These lists will soon begin to be circulated to make sure that chosen items meet the needs felt by the most instructors teaching elementary courses in economics. But to advance these latter editorial programs some funds, in addition to those already provided by our University, are needed to pay for translations and to finance other connected expenditures. This is why provision is made in our request for a grant-in-aid from the Ford Foundation for the sum of \$8,000 to help finance the cost of preparing these teaching materials.

Our teaching program, as indicated above, makes emphasis on early training in research work, in close connection with the activities of our Research Center. We think of this feature as perhaps the most valuable one in a program designed to meet the needs of Latin American students of economics. For it is obvious that economic forces, even though identified to be the same as those operating in other types of economic systems, work themselves out in a different institutional and social environment in every country. And since operation of these forces may be variously controlled, according to the requirements of social policy and economic institutions, it follows that a knowledge of the actual structure and functioning of an specific economic system is essential to sound economic policy advice and decision. And it is precisely on such subjects as the basic structure and functioning of a particular economy that the efforts of our Research Center are being focussed. This is why we value so much the close relationships that are being developed between the teaching (perforce mainly theoretical) and research programs in economics at our University, and this is the main reason why we have been stimulated to propose taking a step forward in this direction through the establishment of a graduate research program for Mexican and other Latin American graduate students.

Since the present state of affairs in most teaching centers of economics in Latin American countries leaves no ground for complacency, it seems best to recognize the fact that students finishing their studies of economics are badly prepared to engage in professional work and that, under such circumstances, it is more useful to design a graduate research program with a view to filling all important gaps and to bring up the level of academic knowledge and practical research work rather than to pretend to fill requirements for a "doctorate". Accordingly, the program we have in mind would not lead to a higher academic degree --although a diploma or certificate would perhaps be extended as an award-- but would just aim at improving the theoretical and practical knowledge of students to the point where they can be relied upon to do effective work in the field of economics.

It is thought that to serve this latter purpose students should engage in a two-year study and research program consisting of intensive courses in basic mathematics and statistics for economists



and an integrated intensive course in economics emphasizing macro-economic relationships, international economic relations and economic development problems, as well as of research work connected with these and other topics under the guidance of proficient specialists.

To allow a few selected Mexican and Latin American students to benefit from such a program, the establishment of a fellowship program would be absolutely essential. It is thought that as soon as the program would begin to operate it would be possible to arrange for such international organizations as OAS and UNESCO to provide a sufficient number of graduate fellowships for foreign students wishing to enroll in the graduate research program. These same institutions would also provide a few fellowships for Mexican graduate students, but since a greater number than would in all probability be awarded by these institutions would be needed, it would be necessary for such Mexican institutions as the Bank of Mexico, Nacional Financiera and others to provide the rest by gradually absorbing the cost of fellowships awarded to Mexican trainees. It is because gradual absorption of these costs would require more time that financial aid on a sliding scale basis through a four-year period is thought to be necessary. Though it seems reasonable to assume that soon after the inception of this program the whole cost of fellowships would be thus absorbed by other institutions, to start implementation of such a program by January, 1964, without fear that some unexpected development might upset it, it seems to be essential to count on aid from a dependable source to finance, on a temporary basis, the fellowship program. This is why the sum of \$68,100 has been included in our request for a grant-in-aid from the Ford Foundation.

Another \$30,000 are also being requested in connection with this project. This sum would be used towards the salaries of competent instructors for the above-mentioned courses and to finance the salary of an experienced research economist who would be wholly devoted to the task of guiding and closely supervising the research work done by students. This expert would be assisted by both the staff of the Faculty and the Research Center, as well as by the Library.

For such a concerted action on the part of the Faculty, the Research Center and the Library to be really effective, so as to make possible the success of the proposed graduate program --and, indeed, to advance the existing programs--, it is apparent that all parties concerned must be enabled to play their role properly. This is why improvement of existing facilities at the Faculty, as proposed, would have to be matched by a strengthening of the Research Center. This leads me to the subject of the problems at present confronting the Center.



These problems are mainly concerned with the scarcity of technical personnel. It is true that, due to financial difficulties which prevented the State Government of Nuevo Leon from providing some funds it had originally allotted to the Center as a necessary complement to a Rockefeller Foundation grant-in-aid, the Center began work under the direction of Lic. Manuel Rodríguez Cisneros with a critical scarcity of facilities of all kinds. But additional financial aid from the Rockefeller Foundation and careful administration on the part of Lic. Rodríguez have brought substantial improvement during 1961 and the present year, and the Center may now be said to be well located and equipped. But it is still understaffed, as will be apparent from the fact that its personnel is composed at the present time of Lic. Rodríguez Cisneros himself, two part-time professors of economics (two other professors, including the Technical Advisor to the Center, having left Mexico a few months ago), a demographer, a part-time teacher of economic geography, five part-time students and two full-time research assistants, apart from two secretaries. The work of part-time professors having proved effective especially as regards statistical research projects, and the part-time work done by students being of relatively limited value as they are still in training, the real staff position is more precarious than it seems at first sight. This explains why work on most research projects has had to be slowed down at some stage and why other projects not envisaged in the research program cannot be undertaken notwithstanding the fact that they are being urged on the Center by the interested parties.

There is great need for the Center to fill some top and medium level posts. To fill the post of Technical Advisor to the Center it is hoped to obtain the services of a highly qualified Latin American, American or European research economist (apart from the one just mentioned in connection with the graduate research program). Such services might be obtained under one of the existing cultural cooperation programs, as was the case with the former Technical Advisor, Dr. C. A. Cannegieter, whose services were made available through a technical cooperation program of the Netherlands Government. The Faculty is contacting several people in a preliminary way for the purpose of finding out what possibilities there are in this connection and it is hoped that this effort will eventually meet with success. There remains, however, the problem of filling two medium-level posts which it is felt should be held by Mexican economists, because there seems to be little justification in looking for this type of services abroad. The scarcity of technical personnel at this level is thought to be hampering the work of the Center in various ways; for instance, publication of research already completed has been unduly delayed because Lic. Rodríguez has had to apply himself to tasks that should fall on the hands of capable, yet not top-level, research workers, thus creating a bottleneck at the final stage that threatens to become more acute as statistical results of projects being completed begin to accumulate.



Candidates for the above-mentioned posts are being sought among young but promising economists who have recently obtained their degree from the National University and who have acquired some experience of the country's problems. Licenciados Juan Fonceerrada and René Treviño Arredondo are interested candidates. They are eagerly awaiting a definite proposal from the Center, as they have other offers under consideration.

Although recent action on the part of the Cámara de la Industria de Transformación de Nuevo Leon has been a heavy blow to the Center's hopes of being able to finance at an early date a substantial part of its operating expenses through the sale of its services to private enterprise, we believe that the Center's position in this respect may improve as extreme political sentiment dies down and the Center's technical work begins to be appreciated as such. In addition, there is a tendency on the part of the State Government to increase its demand for the services of the Research Center, and the hopes that the University will be able to shoulder the greater part of the Center's expenses a few years hence are beginning to be fulfilled. Furthermore, our expectations that our own graduates will soon begin to take over some posts at the Center at reduced, but not inconsiderable, salary levels, seem to be well-founded. But for the next three or four years it is clear that the Center cannot obtain the services of much-needed Mexican economists without outside financial assistance. It is for this reason that the sum of \$48,000 has been included as part of the grant-in-aid being requested from the Ford Foundation.

Finally, a sum of \$28,000, to be used through a five-year period, is also being requested for the purpose of strengthening the Library. A substantial part of this amount would be devoted to obtain some essential and costly equipment. A microfilm reader, for instance, is made necessary by the paucity of library resources in the Northeastern part of Mexico coupled with the requirements of our research, teaching and editing programs; the general card catalog should be kept in appropriate imported equipment, etc. Acquisition of books and other library materials is also necessary to meet the needs of the new editorial programs in Economics and Economic History of Latin America, as well as the requirements of new research to be undertaken by students beginning to prepare dissertations to obtain their licenciature degree, apart from the general need to complete and balance the basic collections in economics and the social sciences generally. No considerable amount of these funds would be spent on periodical literature, since a rather large proportion of the \$14,000 granted by the Rockefeller Foundation in 1961 to improve the Library is being used for this purpose, nor would any important amount be devoted to acquisition of basic reference works in addition to those already in the Library for in recent months UNESCO offered to grant the Library a collection of books, worth about \$5,000, which includes a substantial number of reference works.

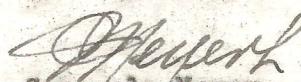


Having commented in some detail on each of the items in Annex 1, which summarizes the various related uses to which the proposed grant-in-aid from the Ford Foundation would be put, it seems useful to indicate how this proposed aid would be related to the grants-in-aid already received from the Rockefeller Foundation. The relevant figures appear in Appendix No. 3. It is to be noted that no overlapping of Ford and Rockefeller Foundation funds occurs as regards specific items in the teaching, research and graduate research programs. The only exception is the Library but this is understandable enough, since the Library is designed to serve the purposes of all these programs, plus the editing work being done at the Faculty and the needs of seriously interested readers from all quarters.

The proposed grant-in-aid from the Ford Foundation would not only bolster up the Faculty's and the Center's activities during the present and the next few years. The University of Nuevo Leon and its Faculty of Economics are prepared to give assurances to the effect that this aid would have lasting effects through the continuation of the academic programs on the basis of carefully trained local personnel capable of maintaining the high standard of performance such aid would help the Faculty to attain. There are already proofs of the increased ability of the University to support improved academic programs initiated with outside financial assistance, and every effort will be made to improve on the past record.

We trust that the above projects will meet with the approval of the Ford Foundation and that it may be able to aid us in putting them into effect.

Sincerely,

  
Consuelo Meyer.



UNIVERSITY OF NUEVO LEON  
FACULTY OF ECONOMICS  
DRAFT DISTRIBUTION PROJECT OF A PROPOSED GRANT BY THE FORD FOUNDATION  
(Figures in U. S. Cy.)

Appendix I

Items of expenditure:	Academic years:					Totals
	1962-63	1963-64	1964-65	1965-66	1966-67	
I.- Aid to undergraduate students:						
Expenditure for selecting students	1 500	1 200	1 000	500	-	4 200
Partial aid to local students <sup>1/</sup>	1 920	1 920	1 920	1 920	1 920	9 600
Scholarships to Mexican students (at \$64 a month) <sup>2/</sup>	7 680	13 824	19 968	19 968	19 968	81 408
Ibid. to foreign undergraduate students <sup>2/ 4/</sup>	7 608	10 680	13 752	13 752	13 752	59 544
Sub-total	18 708	27 624	36 640	36 140	35 640	154 752
II.- Instructors:						
Seminar on the Social Sciences	12 000	10 000	10 000	-	-	32 000
Problems in the Economic History of Latin America	12 000	10 000	10 000	10 000	-	42 000
Sub-total	24 000	20 000	20 000	10 000	-	74 000
III.- Center for Economic Research:						
Two Mexican full-time research workers	16 000	16 000	8 000	8 000	-	48 000
IV.- Preparation of teaching materials (including some translations) for the courses on Economics and Problems in the Economic History of Latin America	8 000	-	-	-	-	8 000
V.- Library	10 000	5 000	5 000	5 000	3 000	28 000
VI.- Graduate research program:						
Scholarships for Mexican students <sup>3/</sup>	-	9 600	14 400	12 000	7 200	43 200
Ibid. for foreign students <sup>3/ 4/</sup>	-	8 760	16 140	-	-	24 900
Two instructors (in Economics and Statistics)	-	12 000	12 000	6 000	-	30 000
Sub-total		30 360	42 540	18 000	7 200	98 100
Totals	76 708	98 984	112 180	77 140	45 840	410 852

<sup>1/</sup> Ten limited scholarships (at \$12 a month) for second and third-year students.

<sup>2/</sup> Ten scholarships for first-year Mexican students and sixteen for second and third-year students; also, six scholarships for first-year foreign students and eight for second and third-year students.

<sup>3/</sup> Carrying a monthly stipend of \$80. Fifteen scholarships for Mexican first and second-year graduates, and nine for foreign first and second-year graduates. OAS or other organizations would take over after first two years.

<sup>4/</sup> Includes travel expenses at the rate of \$500 per student.



University of Nuevo Leon  
Center for Economic Research

DRAFT PROGRAM OF FUNDAMENTAL RESEARCH

Academic year 1962-63

Main project: Analysis of the industrial structure of the Monterrey Metropolitan area, with special reference to the steel industry.

Special projects: 1) Projection of the population of the States of Coahuila and Tamaulipas to 1980 and its relationship with social basic investment for economic development. 2) Detailed study of the localities of Nuevo Leon, Coahuila and Tamaulipas (continued). 3) Study to improve the standard of living of workers in the hard fiber (ixtles) industries in Nuevo Leon (conclusion). 4) Other studies as requested.

Academic year 1963-64

Main project: Estimates of the economic accounts of the Northeast using 1960 census and other data. An attempt will be made to construct an input-output table for the Metropolitan area of Monterrey.

Special projects: 1) Detailed study of the economic and social conditions of the population in the Northeast making intensive use of statistical sampling techniques. 2) Demographic study of the Northeast (conclusion), including an analysis of the growth and concentration of the population of Nuevo Leon, Coahuila and Tamaulipas in the last few decades. 3) Analysis of structural changes in the labor force of the Northeast. 4) Other studies, as requested.



Table showing the relationship between grants-in-aid obtained from the Rockefeller Foundation and proposed grant-in-aid from the Ford Foundation  
(Figures in U.S. dollars)

Activity programs	Grants-in-aid granted by the Rockefeller Foundation in:		Proposed grant-in aid from the Ford Foundation (Would be used 1962-63 through 1966-67)
	1959 (Used 1959-60 through 1961-62)	1961 (To be used 1961-62 through 1963-64)	
<b>I. Teaching program:</b>			
Undergraduate scholarship program and other aid to students	-	-	154 752
Salary of instructor of Contemporary Civilization and fellowships to prepare local instructors	33 500	-	-
Preparation of materials for above course	-	7 000	-
Salaries of instructors in economics and fees of guest professors	-	82 500	-
Salaries of instructors in economic history of Latin America and Social Sciences Seminar	-	-	74 000
Preparation of teaching materials for economics and economic history of Latin American courses	-	-	8 000
Contributions towards building up a basic library in economics and the social sciences generally	3 000	14 000	28 000
	36 500	103 500	264 752
<b>II. Center for Economic Research:</b>			
Salaries of Director and research assistants	28 000	19 800	-
Salaries and expenses pertaining to demographic research project	-	22 700	-
Special research project on economic and social conditions of the population in Northeastern Mexico	-	11 000	-
Salaries of two Mexican full-time research workers	-	-	48 000
	28 000	53 500	48 000
<b>III. Graduate research program:</b>			
Graduate scholarship program	-	-	68 100
Contribution towards salaries of instructors and research economist	-	-	30 000
Totals (I+II+III)	64 500	157 000	410 852