



Publishing and Book Distribution in Latin America: Some Problems

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(translation by Nicki Newton)

THERE HAS OBVIOUSLY BEEN spectacular growth in the communications media in recent decades. Equally evident is the fact that the market for books has not experienced an equivalent expansion; in fact, it has suffered a reduction in relative terms. Furthermore, the prophets of doom forecast not only a recession in the demand for books but also the complete disappearance of them.

This is not an attempt — for that would be superfluous — to make a plea in favor of books, or to deliver a polemic concerning their future. This theme has already been dealt with in depth by eminent writers. It does seem, however, that those who appear so pessimistic base their theories on the observations of a few years, in what might be called biographical terms. Humanity, however, does not evolve in the same way as an individual life, but in historical cycles of centuries and even of millenia. Over such periods can be traced the invention of phonetic writing in man's eagerness to overcome the impermanent nature of the spoken word, followed by the invention of printing in the first half of the fifteenth century. Thus, there are five centuries in which the book reigned supreme as the record of humanity and its consciousness, and as a vehicle for the dissemination of ideas. Most of the ideas that have formed the basis of our civilization have been spread through the vehicle of books, including the great concepts of life, such as justice, liberty, understanding, and the ability to use natural resources to advantage.

In this, as in many other cases, familiarity breeds contempt; yet it is truly exciting that the marvel of the written word reproduced in print

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makes possible discourse with the great masters of universal philosophy, reviving the dialogues of Plato at the Academy, and participating in Aristotle's lectures. It is not a source of wonder that, for a modest price, the great works of the world's literature from the Orient to the present day are easily available? What would modern libraries have become had a few medieval monks not applied themselves painstakingly to copying the words produced by the Greek era, until the advent of the printing press? The world would be culturally impoverished today without the bibliographic explosion which followed the invention of printing, which has been reinforced by the latest technological advances in composing and printing. Therefore, it is impossible to imagine dispensing with a medium that is economical, versatile and effective in the dissemination of abstract ideas, science and culture, as well as being the main support of education. If it is certain that other media require large investments and considerable capital, it is no less certain that quality books can be produced in quantity with less — and will therefore remain the most accessible medium for developing countries.

Hasty conclusions should not be drawn regarding the future of the book; yet it is currently indispensable. World production has already reached approximately 500,000 titles per year, with about 5 billion copies. Between 1950 and 1970, production has doubled.

THE ROLE OF LATIN AMERICA

In the context of such figures, the part played by Latin America is rather modest. Book production has not reached levels commensurate with other signs of economic, political and cultural development. Publication has reached about 23,000 titles per year with a total of some 350 million copies. Moreover, production is concentrated for the most part in three countries: Brazil, Mexico and Argentina. Brazil's production exceeds 8000 titles, while the others launch about 4000 each annually. Book production and demand provide a reliable indication of a country's degree of development, and, although economists rarely do so, paper consumption rates should be compared to figures showing the consumption of energy, cement, or steel.

The printing industry is the substructure of publishing. It keeps pace with the development of a country's manufacturing sector as a whole. There are countries in Latin America with well-developed industrial sectors, comparable to those in Europe and the United States. There are also countries with a growing output, as well as a third, clearly deficient group whose output is just beginning and whose demands are

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simply satisfied through importation. This is worsened by the fact that these last are the countries with the lowest per capita income and the highest percentage of illiteracy. At the same time, they suffer chronic balance-of-payment problems. A skilled labor force could only arise from the literate sector of the population, who are also the main book buyers and usually those with a higher income.

Such observations make an overall analysis of the area very difficult, for it would presuppose a homogeneity which does not exist. Ignoring the varying differences and inequalities that pertain in Latin America is a mistake frequently made by international organizations and the industrialized nations, as well as academies and universities. Those who presume to make certain observations from within should take note of such oversimplification but give adequate value to generalizations. The various indices, averages and abstractions are a legitimate way of approximating. It is important, however, to interpret the results correctly. With this in mind, it becomes possible to analyze the human, technical and economic resources involved in publishing in order to determine degrees of development as well as to account for underdevelopment.

HUMAN, TECHNICAL AND ECONOMIC RESOURCES

Authors are the primary human resource in the publishing field. The number of authors in Latin America who have attained world fame are few compared to those in the advanced countries. An author is not an exotic flower that blooms by chance, but is rather more a product of the cultural ecology of a country, i.e. its education and development. Access and opportunity are necessary in order for a person's spiritual creativity to take the form of writing a book. Furthermore, the remuneration for such intellectual work is, on the whole, inadequate to permit an author to devote himself exclusively to writing; thus, authors have to undertake other work. This situation is aggravated by deficiencies in copyright legislation. The Latin American countries which can rely on modern and efficient laws are relatively few — and these are, not surprisingly, the ones with the most advanced publishing industries. Others, by contrast, have obsolete and inefficient rules. Instruments to define the phenomenon of intellectual creativity and standardize the possible offenses — the only way to establish effective sanctions against infringements — are lacking. There is a clear relationship between the legal apparatus and the evolution of judicial doctrine. Consequently, many countries have not complied with the international conventions on copyright which guarantee a work the same protection in other countries as that

accorded in the originating country. This encourages pirating and also renders useless any attempts at regional collaboration.

Copublication, one of the most effective formulas for minimizing risk, completely lacks any judicial instructions defining its nature, extent and how it can be effected. The backwardness of the law is once again encountered in the face of advances in technology and marketing, to the point where copublication becomes impossible. Customs legislation does not expressly permit the free trade of the different stages of a coedition between countries, which is essential to economic copublication.

Discussion of human resources should also note the lack of specialized editorial personnel, the scant managerial expertise, the inability of schools and colleges to foster the habit of reading, and the low standards of schoolteachers and librarians.

The standard of technical resources and graphic equipment varies and is related to the degree of industrialization experienced by the respective country. This also concerns human resources, because the technology involved demands an increasingly skilled work force as it becomes more sophisticated — not only because of the difficulty of operating and maintaining the machinery, but also because of the complexity of profit and loss preparation on equipment requiring larger investments. Furthermore, purchase of machinery has been undertaken without prior planning, or any concept of regional complementarity. In fact, some countries can be said to be overequipped with a high unused capacity, while others are seriously underequipped and frequently unaware of modern production techniques. The recent world shortage of paper — which represents 30-40 percent of the direct raw material cost of a book — has added a further problem to the process of production and supply. In the long run, however, it is possible that the crisis has had the positive result of allowing local industries, which in general have higher costs, to spring up due to the overall astronomical rise in prices. In any case, the price of books will continue to increase.

Economic resources, such as the ability to raise capital and the availability of credit, present difficulties which should not be underrated. Clearly, capital is scarce and tends to be attracted to the most profitable investments. Even today, contrary to what some observers may claim, publishing does not tend to be a very lucrative business. In the instance of a bestseller, there is a rapid return on capital yielding good dividends, but these cases are the exception, and overall, these publications must help finance the slow-moving titles, as well as the failures. This is well known by bankers, who consider publishing to be an extremely risky

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business — an adventure which leads them to close their doors to requests for any kind of financing. In some countries, however, this tendency has diminished, and it has been shown that risk can be minimized by good administration and prudence. For example, the Spanish publishing industry has achieved financial security by reducing the element of risk that accompanies every publication to a statistically reasonable level. Nevertheless, in Latin America this process is very slow, and publishers operating on a normal system of credit can be considered the exception — and frequently owe it to the fact that their publishing activities are underwritten by involvement in other sectors of the economy.

There does not exist in Latin America a proper fiscal and legal policy on publishing reflected in favorable legislation, which is both capable of dealing with the whole process (from author through retail bookseller) and affords some relief to the publishing business through exemption from normal rules relating to other products. Currently, only Argentina and Colombia have passed standardized systems of laws which cover the whole range of publishing activities, from writing and production to marketing and international distribution. They allow for tax concessions on investment and an adequate system of credit. Brazil has provided extremely generous methods of financing, and Mexico has recently implemented rules favorable to publishing, although some of the points relating to free trade excited fierce internal controversy. Chile, Peru and Uruguay each have prospective legislation in advanced stages of development. It can thus be seen that the situation is changing, but not at the rate desired. The unreadiness of financial concerns to give credit remains an obstacle even in the countries where such laws have been passed, for while these laws may establish general principles, they obviously cannot force firms to give credit against their will.

A RESTRICTED MARKET

It is important to remember that publishing, like every other sector of industry, will always be governed by its market. Unfortunately, the home market, given the geographical division of the area, does not always allow for economies of scale. This results in short press runs, with a consequent increase in unit costs and therefore in prices. One of the operative factors in any market is the price of the product — this applies to the book market as well.

The market is limited by certain basic conditions: the level of literacy, the incidence of the reading habit, the interest that the work may evoke in the potential reader, and — above all — the per capita income

of the population. One cannot expect a high demand for books from a huge section of the population whose income barely covers the basic necessities of food, clothing and health; books naturally become a luxury item. Apart from such objective considerations, a publishing house must have the managerial ability to direct progress and to determine the elasticity of the market. Aside from general education and knowledge of the techniques of production, the editor must also have intuition and, in some measure, be able to foresee the future, since, as Perez Gonzalez says, the editor must know the reader's taste before the reader knows it himself. It is to some extent now possible for the editor to study the market statistics of potential readers as a guide to assist in both selecting titles and planning publicity. For example, figures showing the number of literates, students and professionals and statistics on income levels and consumer trends could be used. Unfortunately, this sort of aid is seldom used and furthermore is regarded with a certain amount of suspicion — so that the traditional editor continues to trust solely in intuition.

In any case, the production process, despite the restrictions pointed out, is not what poses the most problems. Even though books require a physical form involving raw materials, layout, composition, printing and binding, all of these have fairly straightforward, modern techniques. From the management point of view, the production stage requires a predictable and relatively secure investment which can be accurately assessed. The difficult stage, which demands special promotional activities in order to publicize the book and capture the interest of the reader, is marketing. No one can accurately predict the market's response, but this does not excuse the editor from taking all possible steps to make the effort a success.

At this point, a disturbing paradox appears: a book is not a book until it is in the hands of the reader — until it is being read. It is with good reason, therefore, that experts believe the weakness of the publishing industry to lie in distribution rather than production. Furthermore, the statistics, if studied superficially, lead to ambiguity. In fact, they represent the number of books produced, not sold. The two are often confused.

There are various objective factors which conspire against an easy distribution process, e.g., the sheer geographic extent of the Latin American countries and the slow, expensive and inadequate transportation and postal systems (the prohibitive cost of air freight is at times more than the cost of the books themselves). Another factor is the scarcity of libraries. Those that do exist are often concentrated in the large urban

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centers. The rural areas are short of both libraries and communications, and have a low population density, which means minimal sales potential. A poor public and academic library service is a serious drawback in countries where the library should be increasing its activities by making books available to those with fewer resources. Unfortunately, libraries cannot depend on having the resources to buy books in sufficient quantity to have any impact on the publishers' stocks.

In referring to distribution as a key stage, there is no distinction between local publications and imported books. The role that the latter plays in satisfying demand depends on the strength of local production and its share of the market. However, once brought into the country, imported books share the same fate as those published locally; moreover, procedures covering importation cause further difficulty. Studies undertaken at the Regional Center for the Promotion of Books in Latin America — albeit incomplete (they cover only eleven countries) — have resulted in identification of various obstacles to free trade. The most significant of these are advance deposits, exchange controls, fixed terms of payment, specification constraints, sales tax, consular measures, compulsory storage in national warehouses, import quotas, and advance censorship rules. This list of obstacles demonstrates that the apparent generosity of general rules and international objectives is, in practice, nullified by a labyrinth of regulations, which are not even covered in regional agreements, and which each government maintains in its own way.

An additional burden is the chronic inflation from which nearly all Latin American countries are suffering. This results in frequent variations in the rate of exchange, for both imports and exports. Thus, cases of under- or over-valuation occur which sometimes disrupt the market with capricious price fluctuations. This is what has been happening in Chile and Argentina in recent years.

BARRIERS TO COOPERATION

All data cited above are the product of studies undertaken at the instigation of the different sectors involved in book production, under the auspices of the Latin America Free Trade Association (ALALC). At the meetings which took place in Montevideo in 1973 and 1974, recommendations were made which were intended to eliminate all obstacles to free trade and to establish a common market for books. However, the project failed to win approval in the association's general assembly.

In 1976, at an Intergovernmental Conference on the Politics of

Communication in Latin America and the Caribbean, a resolution was approved whereby all the parties represented recommended to Unesco and the Regional Center for the Promotion of Books in Latin America that an agreement be drawn up creating a common market for books and that an intergovernmental conference be convened to this end. These steps are certainly important ones toward a goal which must eventually be reached, but agreement will not be easy, because it needs to cover economic, financial, exchange and customs considerations. Different positions are held by each country on questions of national policy, such as the economic situation, the rate of inflation, balance of payment, and transportation.

Unfortunately, it is in those countries where local industry is least advanced and supply is poorest that the greatest obstacles to cooperation are often found. Although this fact is partly explained by their chronic balance-of-payment problems, it is worth remembering that book imports average scarcely 1 percent of total imports, so their impact is minimal and amply compensated by the resultant fostering of the reading habit and expansion of the book market, making way for the country's own publishing industry. Imported books provide the only way for most Latin American countries, which are virtually without their own publishing industries, to satisfy reading needs. Nevertheless, the desire of these less-developed nations to rely on their own publishing industries is legitimate. This cannot be achieved by prohibiting imports, however, for in this way they are depriving themselves of thousands of titles which cannot be published locally, since publication laws of their originating country restrict publication.

THE WAY FORWARD

This outlook on the publishing industry in Latin America, which may seem somewhat discouraging, presents a challenge to the inventiveness of authors, to the imagination of editors and to the goodwill of governments. The problems of book publishing must be seen in the wider context of a country's cultural, political, economic and social problems. Frequently, the solution of those problems is concerned only partially with books. It is important to remember that underdevelopment extends far beyond the field of pure economics, embracing the entire life of countries. It is certain, however, that the book is one of the most appropriate tools for promoting harmonious and equitable development as well as accelerating the necessary process of development. The sooner governments recognize the importance of the role books have played

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in the field of theoretical and applied learning, in the democratization of culture, and in the development of economic and social improvements, the sooner they will be disposed toward a favorable policy, resulting in inestimable benefits for the whole of the country as well as the region.

It is for this reason that optimism must prevail over the future of the book in Latin America in spite of the sudden rapid expansion of other media and the recent paper shortage. The statistics in recent years confirm that world production continues to increase. In an area with insufficient production, once certain obstacles restricting growth have been removed, expansion will certainly have to become more rapid than the world rate. This outcome is further assured by the growth of education and the massive literacy campaigns that are being undertaken. All of this points to the prediction that the "thirst for books" in Latin America will grow in the next few years.

Finally, a growth in per capita income is also beginning to show, if only slowly. This will allow for a higher spending capacity on educational and cultural consumption. In passing, it may be noted that in countries like France, this consumption is growing at a rate of 7.4 percent compared to 4.8 percent on personal expenditure and 2.6 percent on food consumption. There are other factors which encourage optimism about the immediate future for the book in Latin America. Therefore, it is now appropriate to call upon governments to set in motion genuine policies to encourage publishing, upon authors to engage their minds in the creation of new works, and finally upon editors and booksellers to meet the challenge with intelligence and courage. As Unesco's slogan read, when it designated 1972 as International Book Year: "Books for all."