

of, and appeals to the men and women in the agricultural industry upon whose "appreciation of the national need, sense of responsibility and adaptability" depends the response to the Government's award. The Government looks to them "with confidence . . . to increase the efficiency with which they produce food from our resources of land, labour, capital, equipment and enterprise" but, lest that confidence be misplaced, the Minister adds sweetly "we shall take vigorous action to ensure that the limited area of agricultural land in the country is neither used inadequately nor misused through incompetence". That remark could be interpreted as a threat to use police state methods to dispossess those farmers whom officials deem to be inefficient. Strange words for a Minister of an Administration returned to power on the cry: Set the people free.

Such threats, however, are the least objectionable of the results of a Government policy which uses tariffs, quotas and other restrictive devices to create and sustain an artificial food shortage and then, by means of guaranteed prices and markets, encourages uneconomic food production on marginal land. In vain does the Minister protest: "I want to emphasise to the House that this award is not a bonus to farmers." It is. And so were the previous awards granted by the Socialist administration. But ultimately the award goes into the pockets of the landed interests, raising farm land prices to unprecedented levels which saddle with mortgage debt or bar altogether young men and others who wish to have a farm of their own.

Since the Minister shows no awareness of this

inevitable outcome of guaranteed prices, and there may be others in doubt on the matter, it is well here to demonstrate theoretically what the estate agents' reports prove in practice.

Farming is conducted on lands of differing productivity which yield varying returns for a given expenditure of labour and capital. The difference is neither wages nor interest; it is the rent of land. And if prices are fixed so as to give a sufficient return to encourage production on marginal land it is surely obvious that the rent of all other farm land superior in fertility or position is increased thereby. Farmers who are in that fortunate position and who own their land pocket that "bonus" of increased rent and tenant farmers secure in their leases are similarly rewarded. But when those farms come on to the market for sale or lease inevitably the whole benefit of all existing grants, aids and subsidies and the confident expectation of more to follow passes into the hands of the landlord. The new farmer on uneconomic land is in no better financial position than if the Agricultural Act had not been placed on the Statute Book—he is obliged to agitate for further privilege. Neither is the efficient farmer who buys the best grade land at today's high prices. His own skill and the productivity of his farm are sufficient "protection" for him; he has no need to fear foreign competition under free market conditions.

The landlord grows richer, the taxpayer and consumer poorer and more hungry, while the farmer finds himself the butt of attack from all quarters. Those are the fruits of a protected agriculture.

P.R.S.

## MAN AND HIS LAND—By V. G. Petersen\*

Forty-six per cent of the world's people, inhabiting fifty per cent of the earth's surface, live in underdeveloped countries; that is, in countries where more than half the gainfully occupied males are engaged in farming, hunting and forestry. For millions of people in these lands, life is a struggle against starvation and the problem now before the United Nations is how to improve their conditions and thereby gain their confidence in the "democracies." Unless they succeed, and quickly, the Communists with their promise, "You shall own the land you till," will win them over completely.

Many evils contribute towards a country's inability to progress beyond a peasant-agricultural economy, and these vary from country to country. But all underdeveloped countries suffer in common from their bad land tenure systems.

In India, where less than a third of the farmers own the land they cultivate, the system is rooted in antiquity. Landlords were unknown for centuries because, under the old Hindu law, "the field is the property of the man that cultivates it." But, under the Moguls that law was forgotten and there grew up in India three types of tenure: the *zamindari*, the *ryotwari* and the *mahalwari*. These have been cemented into the economic pattern of the country and exist to-day.

The zamindars, originally tax collectors, became, under British rule, full proprietors of the area over

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which their collections gave them power. They are responsible to the government for the taxes, and are free to rack-rent the cultivators as much as they are able.

Under the ryotwari, the ryot, or peasant, retains his status as proprietor and pays his taxes direct. But in many sections the ryots have lost the ownership of their lands, becoming, instead, lessees or tenants. Under both systems, and especially under the zamindari, a complicated sub-leasing arrangement has grown up, with, in some cases, as many as thirty middlemen queued up between the actual owner and the cultivator, each collecting rent from the man below him in the line. Thus the worker gets, at best, no more than thirty or forty per cent of his crop each year.

Under the third system, the mahalwari, village communities are counted as units in themselves, and property is in joint or communal ownership.

Efforts on the part of the National Government to institute land reform measures have been consistently blocked by the zamindars. However, action taken by the Supreme Court of India in October, 1951, has paved the way for state confiscation of large holdings with "proper compensations," and redistribution of the land to the peasants. It remains to be seen whether these measures will be carried out, and how they will benefit the Indian masses.

In Egypt, where nineteen million people crowd the narrow valley of the Nile, and where three-quarters

of them depend on agriculture, there are some 2,662,000 landowners. Yet of this number, a mere handful—a half of one per cent—owns a third of the whole fertile area. The rest work on plots so small that despite the productivity of the soil, they can wrest but a meagre living from it. The diet of these poor people consists mainly of beans and corn, with very little milk or meat. They are physically wretched and little better off than slaves.

The Egyptian *pashas* are the cotton barons and businessmen, and have great influence in government circles. As would be expected, they have bitterly opposed all efforts at reform.

In Iraq, in those regions where pump irrigation is practised, the land is mainly the property of the pump owners, who take three-quarters or more of the crop. In the districts of flood irrigation, the *sheikh* and *sirkal* together take up to eighty per cent, which places them in a rather better position than their fellow plunderers, the zamindars of India.

In Syria the greater part of the land is owned by city notables, who are also the ruling class, and it is cultivated by small share-tenants. The share-tenant brings his corn to the village threshing floor and when the grain has been threshed the landlord or his agent takes half. Towards this share he has made no contribution. All the labour, all the seed, all the live-stock, etc., has been supplied by the tenant. Nor does the tenant enjoy security of tenure. He may be dispossessed without notice and without compensation.

Statistics do not exist to prove exactly how much of the land of Syria is owned by large proprietors, but it is estimated to be about sixty per cent., and may be as high as seventy or eighty per cent. In northern Syria, in the district of Hama, for instance, out of a hundred and fourteen villages, a total of eighty-six are owned by four landlords.

In Japan, prior to World War II, tenants and part-tenants accounted for seventy per cent of the farm families. Landlords extracted as much as half the annual crop and by the time the Japanese farmer had paid this and purchased his chemical fertilizer, he had as little as thirty per cent left for his labours. Like his Syrian counterpart, he, too, lacked security of tenure. Landlords could, and did, terminate leases at will. Similar conditions prevailed in China in pre-Communist times.

The land reform directive issued by General Douglas MacArthur, in December, 1945, ordered the Japanese government to "take measures to ensure that those who till the soil of Japan shall have a more equal opportunity to enjoy the fruits of their labour." As a result, five million acres, involving thirty million plots, were purchased and sold separately—sixty million transactions requiring a work-force of some three hundred thousand to carry out the job. According to Wolf I. Ladejinsky, writing in *Foreign Agriculture*, September, 1951, "Widespread land ownership makes the Japanese countryside almost impervious to communism . . . Communist promises of 'land to the landless' do not entice farmers any longer. On the contrary, the new owners enlarged measurably the class of staunchest opponents of Communist economics and politics . . . The agrarian reform has not only undermined that creed, but also strengthened the forces that make for a middle-of-

the-road stable rural society, based on individual ownership of land."

But the problem of land reform is not confined to the East.

Serious land problems have existed in Mexico since the days of the Spanish conquest when whole Indian communities—and sometimes more than one—were given into the custody of a single conquistador with the right to collect tribute from the inhabitants and to extract certain services from them. Allegedly, the reason for this system of "stewardship," the "encomienda system," was to protect the Indians from exploitation. Actually, it produced a state of Indian servitude. And although the system was abolished by law in 1720, the new landlords were so well entrenched by that time that few of them suffered by the change.

By means of Article 27 of the Constitution of 1917, and subsequent legislation, Mexico is trying to break the strangle-hold of its ancient land system. Article 27 provides for (1) the restoration of land to villages, (2) the outright grant of lands to villages in cases where they are needed even though previous ownership cannot be proved, (3) the recovery of public lands and waters that were previously alienated illegally in opposition to the public welfare, and (4) the destruction of the large landed estates by limiting legally the size of private holdings. It also states that the nation is declared the "owner of waters, mineral deposits, and sub-soil . . . although private parties may be granted right of exploitation under certain specified conditions."

Between 1917 and 1946 more than thirty million hectares of land were redistributed to the Mexican peasants; but the programme moved too rapidly. Workers had not been educated for the shift and many of them made poor proprietors. The economy of large areas was therefore disrupted; meantime boundary disputes arose and insecurity of tenure became widespread. Since 1946, the government has proceeded cautiously, buttressing its actions with educational techniques aimed at bringing modern methods into practice and at safeguarding existing soil resources.

In Latin America half of the agricultural land is in individual holdings that exceed fifteen thousand acres, the other half being portioned out among small holders who do subsistence farming on a few acres. In the last ten years or so, efforts at land reform have been undertaken in some of these countries, but only sporadically. For instance, laws have been passed requiring landowners to rent idle land or sell it; requiring plantation owners to provide rent-free plots to their labourers for raising subsistence crops, and, in a few instances, to provide the workers with credit and technical assistance. Nowhere, however, has the real core of the problem been touched.

To continue would be to retrace a pattern already clear. As Isadore Lubin pointed out in a recent issue of *The New York Times*, "It would be difficult to set up deliberately an economy that would more effectively suppress individual initiative." Yet "individual initiative" is what is most sorely needed in these underdeveloped countries if they are to progress along the lines of our free enterprise system. The United Nations, anxious to beat the Communists to the draw, is looking for the answer.