THE AGRARIAN REFORM IN IRAQ

bу

HADI ABBAS ALI

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Major Professor

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INTRODUCTION

Since my arrival in the United States I have been pursuing a study that interests me greatly, that of Land Economics. The field of Land Economics has offered to me an understanding of the needs and demands of the people of my native country, Iraq. Therefore, upon enrolling in the Graduate School at Kansas State University, I decided to embark on a course of study which would enable me to better understand the specific land and agricultural problems of Iraq.

This report is to be a critical analysis of the Iraqi land tenure system prior to the political revolution of 1958, and the subsequent changes which have occurred since the enacting of the new Agrarian Reform Law of 1958. My report will be largely descriptive. It reveals how the law operates and how legal services are rendered at all levels of government. How is the agrarian position of the man at the bottom of the socio-economic-legal totem pole safeguarded? While some of the research might well be historical in approach and method, I have emphasized past and current land-reform processes. It is the object of this report to point out the strengths and weaknesses of these processes, and the pitfalls that need to be avoided, if even an agrarian reform law can be executed successfully.

CHAPTER I

THE AGRARIAN REFORM

The Agrarian Reform covers all organized action designed to improve existing systems of land tenure, e.g., improvement of tenure legislation, condition of fragmented holdings, tenancy reforms and the breaking up of large estates by transfer of ownership (redistribution of land). Parsons considers it as an aggregate of programs for resolving tenure problems. Agricultural development is taken to include changes in status of farm people which influence their effective participation in farm production and land use practices. The Agrarian Reform resulted from a demand of the post-World War I economic evolution, which has given rise in all countries to a considerable amount of literature in which is discussed the measures taken by the governments of the various countries, as well as the new Agrarian organization and its consequences. 3

The Agrarian Reform is considered to be a redistribution of opportunities on the land with market, credit, and educational services as well as progressive taxation. It is viewed

¹F. A. O. of the United Nations. <u>International Relationship between Agrarian Reforms and Agricultural Development.</u>
Rome, Italy. September, 1953.

Problems. University of Wisconsin, 1951.

³International Institute of Agriculture--"The Agrarian Reform." Rome, Italy. 1930.

as a remedy for correcting situations that have become so congested with the inequalities of private power or the backwardness of the traditional economy as to require strong action, if economic development and social progress are to be achieved.

Thorbecke defined agrarian reforms as:

Changes in rural institutions with the objectives of improving rural levels of living. These institutions include those of holding and transmitting rights in land, allocating returns to land between owner and tenants, extending credit for land purchase, farm operation and improvement, taxing land values and land income, conserving and developing agricultural and other resources, marketing of farm and other products, broadening opportunities for educating and training rural people, and promoting rural health and welfare services.

Raup stated that "agrarian reform" carries a connotation that may not be fully appreciated. It is a substantially broader term than is land reform. It implies a focus on the total agrarian structure, and not only on that part of it represented by the land tenure system, important though that may be.

Kanel pointed out that demand for land reform is a demand for social justice in situations in which the criteria of social justice are changing. These criteria are relative.

They seem to accompany the spread of ideas that life can be

Parsons, K. H. "Agrarian Reform Policy as a Field of Research." Agrarian Reform and Economic Growth in Developing Countries. U. S. D. A. Washington, D. C. March, 1962.

Thorbecke Erick, "Agrarian Reform as a Conditioning Influence in Economic Growth." Agrarian Reform and Economic Growth in Developing Countries. U. S. D. A. Washington, D. C. March, 1962.

better than it is; they follow contact with cities and imports of ideas and ideologies from the West.

Agricultural Conditions Evoking Reforms:

These conditions could be illustrative of the problems; it may be well to show some of the different kinds of situations in which there have been such disparities of power, welfare, income and status as to lead to land reforms or agrarian revolutions.

Feudalism in the European Sense:

As a land-based economy and society status, the development of feudalism occurred over a large part of Europe. Both similarities and differences of feudal Europe from the contemporary situation for observation deserve careful consideration in underdeveloped areas. Students of reform policy could find that researches by the historians of feudalism are available. It seems of great importance that both Western liberalism and Marxian-Communism came out of the once feudal seedbed.

Only Japan, of all the feudal societies, seems to have succeeded in developing a modern industrial nation while retaining the status structure of feudalism. The issue of the land

⁶Feudalism in the narrow sense was limited to the fief and the system of land tenure associated with it, to the personal relations of vassals and suzerains, and to the immunities and governmental powers of the lords. The peasants were the serfs and the villeins.

In contrast with the vassals, who owed only military or "noble" services to their suzerains, the villeins and serfs had to serve the lord of the manor by doing various kinds of manual work. They also had to turn over to the lord a large part of their crops. Compton's Pictured Encyclopedia. Volume 5. Published by F. E. Compton & Company. Chicago (1957).

reform in Japan was a political measure intended to provide an economic basis for a democratic system. As evidenced, Japan has succeeded by both economic growth in agriculture and the neutralization of the Communist movement in the countryside.

Inequalities Created by Grants for Administrative
Purposes by Presumed Prerogatives of Conquest:

Professor Parsons described this policy as being a highly centralized hierarchical system based on large holdings of land in the new world.

The granting of huge tracts of land to conquistadors, religious organizations, military people, and court favorites was deeply influential in the history of Latin America and the Philippines. Latin America was conquered by Europeans, and was not settled like the U.S.A. The land policy, consequently, of the Colonial Era was designed as a method of administrating areas dealing with people, and extracting products for the mother country. A system of landed estate and centralized administration was fastened upon Latin America which became the basis of centralized government in the era of independence.

Since independence, the policies of Latin America have centered around the struggle for devising and maintaining stable

⁷ Parsons, K. H. "Agrarian Reform Policy as a Field of Research." Agrarian Reform and Economic Growth in Developing Countries. U. S. D. A. Washington, D. C. March, 1962.

⁸ Ibid.

government on historical and economic base. The closer those countries come to being constitutional democratic governments, the more urgent becomes the need for reforms to put an economic basis under a significant citizenship. It is this struggle for a significant citizenship, which can be achieved only by measures of combining development with equalization of opportunities, that makes the Latin America of today peculiarly susceptible to people's revolutions.

The need for land reforms constitute a facet of this revolutionary drive. Parsons also thinks that the basic equality of opportunity provided by a different policy toward the cultivator possibly could have been achieved in the Colonial era and early years of national independence; but today in his judgment it is not sufficient. Because of persistence of the traditional customary idea of survival for the masses of the rural people, many of them migrated to the neighboring cities which are now being engulfed by them.

In India, the Zamindari tenures were created by a process similar to that which gave shape to the tenure of Latin America--a grant of rights in land as an economic benefit for the purpose of colonial administration. The grant of privilege and power in colonial India was made to native people, to Indians, which was significant--while in Latin America, the privileged positions of the Europeans created a dual society which remains a serious obstacle to social progress in most of Latin America.

⁹Ibid., p. 22.

The Assimilation of Landownership to Tribal Status:

The tribal hierarchy which intensifies the position of economic power that results in the processes of economic development makes land valuable. More particularly where the tribe is headed by a single powerful figure, (traditionally, in parts of Africa and the Middle East where the head of the tribe is the strong man) there is no separation of economic, social, and political power and responsibility. 10

A deeper understanding of the ways in which the processes of development have been influenced and affected by the structure of these tribal societies would likely shed much light on the background issues in land reforms, at least in the Middle East.

The Middle East--the Arab world, Iran, West Afghanistan-is predominantly a dry area with cultivation largely dependent
upon irrigation. Since the dawn of civilization, the desert
and the field have been in conflict. But the social organization seems to have been influenced most by the tribal societies
of the pastoral people.

The opening up of external markets and the growth in native population and the greater productivity of land under a sedentary and irrigated culture have combined to increase the value of land. Rudimentary rights in land were developed and land became valuable property.

¹⁰ Ibid., p. 22.

Iraq represents the economic development of agriculture under Middle Eastern conditions. There was a system of property rights in land under Turkish rule. The country was given the new name, boundaries, and independence after World War I.

The first move of the independent government was to establish a system of valid negotiable titles to land. Parsons stresses the point that since Iraq is a very old country and all of the land had been occupied for many centuries under some kind of customary tenure, one question was that of how to determine which land belonged to whom. But, the familiar answer is that the land belongs to the one who has cultivated it. 11

With application of this individualistic idea of tribal societies, it appeared that "cultivator" was the strongest and the headman of the tribe, or of his family group. The headman had assumed titles of large areas of land. Large numbers of city persons of wealth and influence also established title claims by brief excursions in "homesteading." A few of the people with powerful status acquired ownership of much of the desired land.

It became necessary to centralize the sovereign powers of government in the national governments, as the nationstates of the region took on more modern forms. This constituted two parts: (1) depriving the heads of tribes (Sheiks)

ll_Ibid., p. 23.

of their sovereign powers, and, (2) formation of parliaments almost wholly from the small groups of influential landlords and, other wealthy people. The military revolutions of recent years have abolished most of these parliaments.

With differentiation of the function of sovereignity and the rights of property reducing the unlimited powers of the heads of tribes, the ownership of property in land became concentrated in the hands of influential persons of the tribe. These persons would get their economic power relative to the subordinate members of the families and tribes. But when these ownership rights supposedly were stripped away from these persons by the central governments, the wealth actually was left in the hands of the same class of people as more elected to parliaments. Therefore, the people remained members of the tribe and sharecroppers but not citizens in the perfect sense. The landlords became the sole owners of the land, the people, and the government.

The land reforms which were executed by the military revolutionists in this part of the world were: (1) the abolition of the unpopular parliaments, and, (2) the institution of land reforms designed to break the political and economic power of the landlords.

Individual proprietorship has persisted, not only in

Iraq but also in other parts of this region. In Egypt, tenure

adjustment has gone on for a hundred years under commercialized

agriculture. In recent years, new tenure forms have been

devised in the Middle East, especially in Egypt, Israel and the Sudan. The characterization here is directed to an interpretation of how the functions of sovereignity, property and citizenship have been differentiated and combined in a part of the world where tribal societies have been a strong and dominant form of organization.

Situation in which Grants of Land were made to Foreigners by Colonial Governments for Purposes of Developing Commercial Agriculture:

It was fairly common during the 18th and 19th centuries for the colonial governments to grant land to their citizens in order to develop commercialized agriculture. The introduction of a modern commercialized agriculture of this type served, at a minimum, to introduce new ways into a subsistence agriculture. But it brought the conquerors into weaker countries; it brought the Japanese into Korea, Frenchmen into Indo-China, Dutchmen into Indonesia, Englishmen into Kenya, and in a different way, Americans into Cuba. The property of foreigners was jeopardized by the prospective independence of the occupied countries.

Parsons also mentions that when the powers are assumed by the newly formed independent government, it is quite common that the rights of property in land--foreigner owned--simply disappear for want of sanctions. The right in land would be abolished through the public domain or simply the peasants would take over and occupy the land under their

customary rules of tenure. 12

Two kinds of reform problems arise out of the above situation. The first concerns the future of the land once foreign-owned, and the second concerns adoption of a system of customary tenure. Even the disposition of the land owned by foreigners is an explosive political issue. The more important development issue is that of the native tenures—how to adjust a land into customary tenure after being once owned by foreigners.

The Transition from Customary Tenures to Tenures Based on Publicly Sanctioned Procedures, Including Property Rights:

In Africa today, the transition from customary tribal tenures to a formal state-sanctioned type of tenure is occurring. Parsons here raised the question of how: (a) the native ideas could be used as the basis for the formal organization of modernized agriculture, compared to, (b) a well systemized economy with modern institutions. This is implicated by the fact that the Europeans had become more concerned about building on the basis of the native practices. 13

Concentration of Landownership by the Cumulative Inequalities of Economic Development:

This could be the general explanation of how the subsistence agriculture of Asia evolved into the economy of

¹² Ibid., p. 24.

¹³Commons, The Foundation of Capitalism, as quoted by K. H. Parsons. p. 24.

markets, debts, and property relations.

The peasants absorbed the partially evolved institutions of the market economy of property in their own subsistence survival arrangements. These arrangements were designed to keep the rights in land through the carefully arranged marriages in order to inherit those rights. The family, therefore, was enforcing arrangements to attain the objectives of the peasant society. In contrast, the elite part of the society (landlords, lenders) used these arrangements as instruments of business opportunity and power. The elite grew up and were able to use the benefits of economic progress under the various pressures of the capital shortage, economic instability, and population growth. This led to a great deal of cumulative wealth for the elite groups and deeper poverty for the peasants.

Equalizing influence in public policies could explain the method by which protection accrues to peasants as a right only as they become citizens. In the meaningful sense of the term, the Chinese have never been citizens. 14

To establish a tolerable degree of freedom and equality of opportunity in agriculture, the question centers on the requirements which public policy needs to meet over decades and centuries. This question remains to be answered if an effective policy of equalization of opportunities in agriculture is to be pursued.

¹⁴ Ibid., p. 25.

Different Approaches to Agrarian Reforms:

Reforms result when direct and forceful attempts are made to alter varying situations in agriculture. They are distinguishable, one from another, by the ideology and purposes that inspired them.

Peasant Revolutions. In the modern era, the peasant revolutions have been of a considerable consequence. They seem to be inspired to regain what they have been deprived of by an extended landlordism. The peasant's revolutionary power is directed to specific situations, for his customary claim is to a <u>rightful status</u> on the land run in terms of particular areas of land.

The unrest of the peasants is manifested in two ways in the struggle over agrarian reforms. The first results in the explosion of resentment which would lead to violence. In Mexico, in 1910, the peasants led a revolt which resulted in a great loss of life and in destruction of property. Similarly, this happened in Russia in 1917 and in Bolivia in 1952. With the lack of both the power and the ideologies, such peasant revolts fail to carry out a genuine agrarian reform. The fact that peasant revolution became an effective part of revolutionary movements was mostly caused by outside leadership of extremists. The peasants have been exploited by the Marxian-Communist group. But the leaders of a democratic faith devoted to economic reconstruction and development have the same opportunity to influence the peasant movement.

^{15&}lt;sub>Ibid.</sub>, p. 26.

Military Revolutions. These are those situations where military officers seize the government by a "Coup d'etat" and make land reforms. In the last decade, numerous revolutions of this kind have taken place in Latin America, the Middle East, and Asia. 16

As was mentioned above, revolutions of this kind are preceded by newly formed parliaments. These are abolished and land reforms are undertaken to dismember the large estates in order to break the political and economic power of the land-lords. This is true in case of the Iraqi revolution.

Government by the military power becomes again government by unlimited prerogative. Parsons, feels that the act of such governments in closing of the parliaments constitutes a removal of constitutional restrictions upon the arbitrary exercise of power by the ruling group. 17

Usually private property is retained and ceiling is placed on individual holdings (large manors). Rents are likely to be regulated. The speculations regarding land are changed due to the change of the nature of property in land so that the right in land becomes a privilege, rather than a right.

Regimes of this type, usually, rely on the private ownership of farm land for the source of public administration of land use.

¹⁶ Ibid., p. 26.

¹⁷ Ibid., p. 27.

The military regimes seem to lack a consistent ideology. This would add to the difficulty to characterize the meaning of land reforms. These regimes come to power in response to deep-seated problems which the parliaments of the former governments have not worked well to solve. The military regimes, therefore, make efforts toward a social and economic progress.

When the privileges of property in land and the privileges of citizenship are extended into rights, the possibility and the desire for land reform and establishing of a system of independent farmers can become the "de facto."

Communist Revolutions. These revolutions, like the military revolutions, take place when there are weak parliamentary governments. In these states the parliaments have been abolished; revolutionary governments again become, by unlimited prerogative, party bureaucracy. Rights in private property in agriculture disappear; instead of citizenship rights, party membership is for the honored few. With agriculture organized into the industrial-type collective in principle, the transition from subsistence farming to an exchange economy is complete.

Expropriating and eleminating private property in land and replacing the <u>traditional subsistence economy</u> with collective farms, in underdeveloped areas of the Communist-Marxist activities, is the center of the new agricultural

^{18&}lt;sub>Ibid</sub>., p. 27.

policy. Therefore, tenure problems disappear and the collective holdings are virtually arms of State administration. However, the functions performed in a system of markets and property relations are to be performed in a totalitarian system, and these functions are somehow and eventually guided by working rules.

Parsons here shows his interest in seeing that the most useful research effort would seem to be an attempt to formulate working rules like that of the Communist regimes and to relate them to the exercise of power in the areas of choice, and discretion within the economy. He is suggesting, through research, if possible, the formulation of a kind of rule that the Communist devises in organizing the public administration of an agricultural economy around state ownership of land and collective farms. It, then, would be possible to project the nature of changes that take place in underdeveloped areas as a result of such revolutions. 19

Liu Shao-Chi reports that the essential content of agrarian reform in China is the confiscation of land of the landlords' class for distribution to the landless, or land-poor peasants. Thus, the landlords' class in society is abolished and the land ownership system of feudal exploitation is transformed into a system of peasant land-ownership. He also, relys on the slogans stated by Dr. Sam Yat-Sen, father of China, of "equalization of land-ownership," and of "land

^{19&}lt;sub>Ibid.</sub>, p. 28.

to the tillers," reasoning that the industrialization of China ought to rely on the vast rural markets at home. Without a thorough agrarian reform it would be impossible to realize the industrialization of New China. 20

Tsenh Hsiao admits that the land reform in China over the two decades before 1950, even though based on definite and sound policies, was not carried out as it was expected; a large percentage of the farmers were still unable to acquire landownership within a reasonably short period, and most important, they were not able to improve their livelihood. This was the situation of which the Communists took advantage in their political propaganda, carried on under the disguise of "land reform." 21

Agrarian Reform in the Western Tradition. This policy of agrarian reform could be thought of in terms of the whole structure of the economy. This proposes that the agrarian reform problems would be related to fundamental structures and powers of government. Until a government of limited power in the Western Style is established, the land reform seeking to establish the independent farmer through secure property or procedual rights has little meaning.

A land reform of this kind would be a political movement, unless the government is assuming satisfactory policies.

²⁰Liu Shao-Chi. The Agrarian Reform Law of the People's Republic of China. Peking, China. August, 1953.

²¹ Tsenh Hsiao. Land Reform and Its Development in China Since 1927. Land Tenure, University of Wisconsin, 1951.

Secure conditions of freedom are among the preconditions of an effective land reform that would establish the position of the independent farmer.

The idea of agrarian reform in the Western world, in short, is approximately a working version of western liberalism. The relevant systems of ideas and institutions constitute the real power in agrarian reform proposals. The historic fact is that this system of ideas was forged in the struggle of Western man to achieve freedom, equality, dignity, security, and productivity, out of previous systems of absolutism, tyranny, servitude and poverty.

The inquiry into land, or agrarian reform issues, needs to be made within the general context of the powers of government. For this to be achieved, inquiry into general problems of economic development and social progress must be limited and selective. The major guides to policy decisions growing out of a nation's experience in land use which worth mentioning to close the chapter are: First, to understand the nature or land tenure policy and the history of it. Second, in the histories of the countries which changed their economies from traditional subsistence into market exchange, there seem to be some differences which are of importance for reform issues. Third, freedom may be limited in the start of the reforms at least, because of the pressure of density of population in relation to the resources and potentialities of the national situation.

In the sense of a drastic redistribution of equities and interests in land, in the modern era land reforms have occurred in situations where there were great disparities of power, wealth and income in agriculture. Land reforms programs are always political as well as economic; for land reforms are attempts to modify the economic basis of politics.

Economic betterment is an objective of all policies and programs for agrarian reform. Few would assert that this objective is the sole reason for change, or always the most important reason. However, economic problems are the bases for most measures. Economies caught in the prevailence of low income and slow development may undertake agrarian reforms to spear the agricultural sector toward greater productivity, and to buttress the economic base for the non-agricultural sector. As Professor Thorbecke points out, agrarian reform may be particularly important in the preconditions for, or initial stages of, economic growth, because without agrarian reorganization "no endogenous forces appear to be at work in the direction of growth."22 Other measures may, in later stages of growth, be needed to reinforce the economic development. Research can suggest the agrarian structure and reforms that will provide the basis for economic growth, particularly in economically backward countries.

^{22&}lt;sub>Thorbecke</sub>, Erik. Agrarian Reforms As A Conditioning Influencing in Economic Growth. Agrarian Reform and Economic Growth in Developing Countries. U.S.D.A. Washington, D. C., March, 1962.

Professor Parsons emphasizes that inquiry into agrarian reform issues must be made within a context of the powers of government. 23 This requires that the researcher, and the policymaker as well, examine the problems of a country, devising the preconditions for development: (1) in relation to the history of its agrarian institutions, (2) in terms of the citizen's relation to his government, and (3) in term of broad economic principles explaining structural transformations. Because agrarian reform is a social process and a public endeavor, the identification of the individual cultivator with policies and programs of his government is important to the success of such measures. He must be able to assume that his government will make every effort to provide an environment for him to secure the rewards of his efforts.

A major restructure of the agrarian economy inevitably, if not immediately, will require choices in policymakers.

Professor Dovring discusses, for example, an important set of such choices in his exposition of flexibility and security.

The role of the researcher may be, first, to clarify the range within which two or more objectives must compete for resources; and, second, to estimate the rate at which one objective may be obtained at the expense of others. 24

²³Parsons, K. H. "Agrarian Reform Policy as a Field of Research" Agrarian Reform and Economic Growth in Developing Countries. U.S.D.A. Washington, D. C. March, 1962.

Zly Dovring, Folke. "Flexibility and Security in Agrarian Reform Programs." Agrarian Reform and Economic Growth in Developing Countries. U.S.D.A. Washington, D. C. March, 1962.

Thus, having acknowledged the role of agrarian reform in economic development, the importance of citizen participation in government policies and programs, and the difficulties of attaining many objectives, only one of which may be economic development, how does one devise means to attain these objectives? As a minimum, those doing research in support of agrarian reform should have an appreciation not only for economic principles but also for the institutional heritage from which change must proceed. Professor Harris goes much further. His argument for eclecticism in law and economics. for example, extends to complete intergration of the disciplines. preferably within a single researcher. "In many countries, the attainment of this objective may well be easy, if we cooperate effectively with the local intellectual environment. For in some countries law and economics are not as completely separated as they are in this country, U.S.A. They are somewhat joined together in what might be thought of as political economy."25

²⁵ Harris, Marshall. "Facilitating Agrarian Reform Through the Integration of Law and Economics." Agrarian Reform and Economic Growth in Developing Countries. U.S.D.A. Washington, D. C., March, 1962.

CHAPTER II

IRAQ'S AGRICULTURAL CONDITIONS PRIOR TO 1958

Background:

Since the Revolution, July 14, 1958, Iraq has been a republic. It is a country with a population of approximately 6.5 million and an area of 168,040 square miles, forming roughly a triangular area with the base running southwest to northeast, and the apex terminating at the Persian Gulf. is dominated by two great river systems - the Tigris and the Euphrates. Both rivers originate in the mountains of Turkey. The later flows across the northern Syrian plateau and then meanders through Iraq. The Tigris enters Iraq in Mosul province and receives important accessions from the Greater and Lesser Zab Rivers which fed from the precipitation falling in the mountains along the Turkish and Iranian borders, and to a lesser degree from the Diyala River. The two rivers form a single low-lying alluvial valley, south of Baghdad, built up as a delta into the Persian Gulf. In the two major rivers, however, Iraq possesses a source of abundant water of a quality excellent for irrigation and, with purification, for human consumption. But the chief problem lies in the marked variation of the flow of the rivers, where periods of floods alternates with periods of acute scarcity. In the absence of storage and facilities and regulated flow, the limit on the cultivation of crops is set by the current low point in the water supply in

the critical growing period for both winter and summer crops. The problem is further complicated by the continuous use of water for irrigation, coupled with the effect of evaporation in a dry, hot climate, which has saturated the subsoil water with salt and raised the water table, thus precipitating salt which, in the absence of drainage, quickly makes the land infertile. Thus more effective use of the water supply is the central problem of Iraq.

However, Iraq possesses impressive potentialities for economic development. With population of less than seven millions Iraq is sparsely populated in relation to its resources. Its oil constitutes a source for foreign exchange as well as a cheap source of raw materials essential to its industrial development and its agricultural progress.

This economic potential which Iraq enjoys is in contrast to the prevailing poverty of her people. The extremely low standard of living coupled with low income per capita, amounting to ID. 30.00 per year - the high percentage of illiteracy among people which runs to 90 percent, the prevailence of children's diseases which contributes to a very high infant mortality rate, and the lack of proper housing and sanitation facilities are conditions resulting from low productivity and low output. The underemployment of the manpower on the land for a large part of the year is a principal reason for this. Thus unemployment exists in the large cities. There is an

¹⁰ne Iraqi Dinar equals one pound or \$2.80.

urgent need for land reclamation before this manpower could be put into use. The progressive salination of the soil in the irrigated areas is one of the major problems discouraging farmers in cultivating their lands. Floods disastrously attack the country in the spring, often endangering the lives of the people and their possessions. The agricultural techniques are simple and primitive; the number of draft animals are inadequate and of poor quality; and there is insufficient equipment for technical agriculture. These are some of the reasons that have kept Iraq's agriculture backward. On the other hand, industry is little developed. Very few people are engaged in industrial production, and those who are so engaged are employed in small undertakings where the work for the most part is done by hand. Thus productivity is low.

Prospective increases in oil revenues would help in making public outlays possible for the construction and development of the country. An agreement was reached recently to increase the amounts of oil produced and thus increase the revenues for the country.

The financial stringencies, in the past, have severely limited the government expenditures. As a result the rule has been a severe economy. The outlays for development were very small. The salaries of the government employees remained unchanged under the pressure of changeable costs of living. Local administrations were starving for funds. Hence, the principal task was and has been, how to find ways and means of

rapidly spending in a manner which would cause a permanent development of the country.

Existing conditions before the revolution of 1958 could be explained under the following headings:

Agriculture

Iraq is an agricultural country, and any program for developing the country should be based primarily on agriculture. More than 60 percent of the population is engaged in agriculture; the country's industry and commerce depend on agriculture and animal husbandry. Any increase in the output of livestock and land already in use could be realized by raising their productivity as well as by bringing idle large areas under cultivation.

Iraq agriculture is devoted to the cultivation of winter crops. Due to the lack of rain, summer crops could only be grown under irrigation. Thus summer agriculture is restricted, because of water supply shortage, to about one quarter of the area of that under cultivation during the winter season. Barley and wheat are the only significant winter crops, while rice and, more recently, cotton are the principal summer crops. Tobacco assumes some importance in the mountainous areas of the north. Fruit and vegetables are quite important. Iraq is the world's principal producer and exporter of dates. Excellent citrus fruit for domestic consumption is grown, particularly in the Diyala Valley in east-central Iraq.

Iraq livestock raising is an accessory to its agriculture.

The animals raised are primarily sheep and goats because they

thrive better on poor grazing and feeding than other animals. The nomads usually raise sheep and goats and camels while the settled agricultural population raise cattle and water buffaloes. However, there are many peasants without any livestock except draft animals used for transportation purposes. With only supplementary feeding with straw, livestock are left to fend for themselves.

Water supply is frequently inadequate. Crop yields are generally low. On the whole, agricultural methods have remained unchanged for centuries. Animal manuring or application of commercial fertilizers are little known. Crop rotation is wholly inadequate. Salinity problems exist due to excess accumulations of salts--exchangeable sodium and frequently boron in heavy textured soil in southern Iraq. In addition, slow internal drainage and high saline ground water occurring at relatively shallow depths present further difficulties and have materially lowered the productivity of land in the irrigation zone. Soil frequently is prepared poorly due to the lack of proper equipment. The fallow farming system is adopted for restoring soil fertility, but this allows weeds to grow, which afford little grazing for animals. Thus the efficacy of the fallow system is limited. Inadequacy of feeding and poor breeding have kept the productivity of livestock low.

The country is almost devoid of peasant proprietors,

²Flamery, Robert D. "Field Reclamation Testing Procedures in the Middle East" <u>Inter. Soc. of So. Sc.</u> 1960. Madison, Wisconsin U.S.A.

except for some rather limited areas in various parts of Iraq when settlements with peasant family holdings were recently encouraged by the government. The best cultivatable land is usually owned by the sheikhs and urban proprietors who entrust their property to sharecroppers. The sharecropper is not a tenant in the sense that this word is generally used in the western world. He has no discretion in the use of the land and does not lease a specified piece of land for a definite period from the landholder against a fixed rental. The landholder or his agent (sirkal) assigns to the sharecropper each year the land to be cropped, determines the type and quantity of seed to be sown and prescribes the time and method of plowing, watering, harvesting, etc. So that the cultivator has virtually no incentive to improve that assigned for him. Under the Law Governing the Rights and duties of Cultivators enacted in 1933, the landholder has the power to keep the peasant on the land as long as the latter is indebted to him. 3 Thus the peasant is in reality a laborer who works with his family not for a fixed wage, but for a share of the crop.

Lack of sufficient draft animals and implements, low yields and the necessity of turning over a share of the crop to the landowner or pumpowner all combine to depress the economic status of the sharecropper. Thus this had been the situation that retards any progress. It effects the health and

³ Society of Graduates of American Universities of Iraq. "Revolution in Iraq." 1959, Baghdad, Iraq.

vigor of the rural population, keeps their productivity limited in both agricultural and industrial pursuits. It also has shown the unstability of the social order: A large number of peasants have escaped from the agricultural provinces to the city of Baghdad, in hope of economic betterment and of escaping the oppression of the sheikhs. The "fellah" generally gets only half of the crop, though the state has provided the irrigation works. If water is brought by privately-owned pumps, this share would drop substantially below one half. The ability to provide the means of production seeds, draft animals or machinery - is quite variable but it is deducted from the yield before the apportionment.

In a country where capital is scarce in relation to manpower, the ability to provide the means of production - land,
seed, animals and machinery - almost invariably also carries
with it the ability to exact a high proportion of the return.
In Iraq this is reinforced by a low which forbids the sharecropper to leave the land as long as he is indebted to his
landlord, which is generally the case. Thus, the position of
the sharecropper is likely to be improved only if the landlord
takes the steps to improve his lot in order to keep the tenant
on the land. The danger of the tenants leaving had been confirmed by the continued flight of labor from the land. Unless
the sharecropper's status is improved this would undoubtedly

⁴Society of Graduates of American Universities in Iraq. "Revolution in IRAQ." 1959, Baghdad, Iraq.

impair the country's agricultural production.

Forms of Land Tenure:

The holding of land in Iraq was under a complicated system of tenure which has given rise to much confusion and conflict. With traditional legal concepts the state, accordingly, had retained the ultimate legal title to almost all available land. Absolute private ownership known as (mamloukah or mulk) was confined to urban property and orchards. Right to permanent possession of large proportion of state or (miri) land had been acquired by private individuals. However, since those lands could be sold, mortgaged or transferred to successors, they were virtually indistinguishable from full private ownership. Claims to land, in the past, were established in most cases quite informally without the benefit of full legal sanction, i.e., by simply occupying the land. Lands which were occupied by the tribes were generally regarded as being held in common. However, the tribes were usually converted from nomadic pursuits to settled agriculture; therefore, the sheikhs and the sub-sheikhs of the tribes gradually established a claim to such lands as their own property and thus became landlords with their tribesmen as sharecropping tenants.

In the 19th century the Turkish Government sought to establish a single legal system of tenure known as (tapu) which was thought to be the unique solution for the Iraqi

⁵Absolute private ownership is similar to the Fee - Simple rights in which the owner can use, sell, rent, mortgage and will the property but yet the State has the right to expropriate his property.

agricultural system. But in the long run this effort only compounded the confusion. There were no systematic grants of (tapu) tenure. Grants were generally made without any examination of conflicting claims and were used as a means of rewarding the favored few. In Muntafiq province, grants were made at that time to the Sadun Clan and a few other influential persons. These grants and others in Omara province remain contested to this day by the actual occupiers of the land. Due to the introduction of the (tapu) tenure many villages in the north were registered. They were registered to local notables or the (Aghas) who in the past had acted as tax farmers and served generally as intermediaries between the government (Turkish government) and the cultivators. Introduction of pump irrigation in the 20th century had added a further complication to the rights in land. City merchants were financially able to buy pumps, and thus entered into arrangements with occupiers of (miri) land for supply of water for a specified share in the product. This arrangement led to new claims to land and added to the complexity in solving the old claims.

Sir Ernest Dowson, a British land expert, was asked by the Iraqi Government to study land problems. According to his study, the Iraqi Government had to decide to end the confusion by inaugurating a cadastral survey to be carried out, in 1932, by a number so-called Land Settlement Committees. The law of 1932 as well as the law which replaced it in 1938 recognized

the following types of land tenure:

Mamloukah or malk - land held in absolute private ownership.

Matroukah - land for public purposes.

Mawqufa or waqf - land which

land which is administered in trust (1) for the benefit of religious institutions by state Awqaf administration, or (2) for the benefit of private persons by mutawallis appointed by religious courts. This type of waqf must be distinguished from so called untrue waqf, namely property from which the taxes or revenue were in the past assigned to religious institutions by the Turkish Government.

Miri tapu -

land held in permanent tenure from the State under conditions enabling the holder to sell or mortgage it and leave it to his successors. Proof of such tenure may be supplied by documentary evidence or by factual evidence that the land has been used productively by the land holder or his predecessor for 10 years during which no land rent was paid or that it has been planted with trees meeting specified conditions.

Miri lazmah -

land held under generally the same conditions as (miri tapu), but with the stipulation that

Ali, Hassan Mohammad. The Agrarian Reform and Land Development. Baghdad, Iraq. 1956.

the government may veto the transfer of such land if it tends to disturb the peace, a precaution designed to prevent, where necessary, the transfer of tribal lands to people outside the tribe. Lazmah grants are made upon proof that a person has made productive use of the land within the proceeding 15 years.

Miri sirf -

land particularly vacant or idle land, definitely acknowledged as belonging de facto and de jure to the state. 7

It is hard to distinguish between full private ownership and both tapu and lazmah lands even though the latters are considered as miri or state land. In theory, possession of these lands may lapse if they are not productively used for three successive years in the case of (lazmah) and four years in the case of (tapu), but this apparently happens rarely, if at all. Generally, prior to 1939, holders of such land were required to make to the state a payment for rent and water, but in that year these assessments were abolished in return for amortization of their capitalized value over a period of 10 years. The abolition of these payments made it very hard to distinguish between the (tapu) and (lazmah) lands.

From the time it was adopted in 1933 up to 1955 the

⁷Ali, Hassan Mohammad. The Agrarian Reform and Land Development. Baghdad, Iraq. 1956 (Arabic)

Cadasterial Survey surveyed and classified accordingly the following types of tenure:⁸

| | Donum |
|-----------------|------------|
| Mamlukah (malk) | 234,748 |
| Matroakah | 4,397,999 |
| Mawqufa (waqf) | 797,754 |
| Miri tapu | 11,971,828 |
| Miri lazmah | 11,315,824 |
| Miri sirf | 44,261,504 |
| Total | 72,978,657 |

All the land in Omara province is leased out by the state. However, large tracts of the land were rewarded and leased out to sheikhs who in return maintained order and performed other services in this province which has a somewhat unruly past. The remainder of the miri sirf land was theoretically available for exploitation. Most of the better and more accessible lands were denied to private holders. Those remaining to the state are in large part but relatively poor. Nevertheless, there is undoubtedly a large reservoir of state land which can still be opened to cultivation, particularly if irrigation is provided.

The distinguishing feature of the 1932 law inaugurating the Cadasterial Survey was the introduction of (lazmah) tenure which was designed to recognize precriptive rights to tribal

^{8&}lt;u>Ibid.</u>, p. 46.

^{9&}quot;The Economic Development of IRAQ". John Hopkins Press, 1952.

lands. It was also in practice the sheikhs rather than the tribesmen who have benefited from this provision of the law.

Settlement of New Land:

In the early days and after the independence, the chiefs of the tribes were given large tracts of land which previously has belonged to the state as a public domain. Thus the idea was to settle the nomadic tribes and encourage them to use the land collectively.

In her book "Land Reforms and Development in the Middle East" Dureen Warriner stated that "These great holdings are tribal in origin, and have only recently become private property. as a result of the appropriation of tribal land by the tribal sheikhs in the last thirty years." She also mentioned that "In Iraq the settlement of title has, in practice, been a process of expropriating occupying cultivators and impropriating the tribal authorities as large landowners. This whole alienation of tribal land is a quite recent change carried out within the last thirty years period. "10 Unfortunately the so-called Land Settlement Law of 1932, which inaugurated a cadasterial survey for the purpose of settling the past confusion regarding land titles and systems of tenure, has facilitated this process. It permitted the land settlement committees appointed to administer the law to grant titles (so-called lazmah grants) to people who could demonstrate

Revolution." Baghdad, Iraq. "IRAQ before and after the 1950.

that they had made productive use of land within the previous 15 years. Il In his book "Challenge and Response" Mr. Cook has indicated that "From 1932 on, the Iraqi authorities proceeded to settle titles on a basis of individual ownership. The result was a highly irrational one, though it has conceivably strengthened the government politically for the time being. Many a tribal sheikhs whose previous role, at least in customary law, had been that of trustee and administrator of co-operatively farmed lands held in common by the tribe was enabled by the settlement to acquire sole ownership of large tracts. 12

In the recent years, however, there was a growing realization that a class of independent small holders needs to be created. State land (miri sirf) has been set aside for distribution to selected settlers under terms of a law passed by Parliament in the Spring of 1951. 13 Through this law the Land Settlement Committees have brought into use new areas ranging in size from 2,000 donums in the mountains to 20,000 donums in flow-irrigate and 80,000 donums in the dry-farming zone. Units up to 20 donums in mountainous land, 100 donums in flow-irrigate land, 200 donums in lands irrigated by low-lift pumps

¹¹ The Economic Development of IRAQ. The Johns Hopkins Press, 1952, U.S.A.

¹²Government of Iraq. IRAQ before and After the Revolution. Baghdad, Iraq. 1958.

¹³ Ali, Hassan Mohammad. The Agrarian Reform and Land Development. 1956. Baghdad, Iraq (Arabic)

¹⁴⁰ne Iraqi donum equals 0.25 hectars or 0.61776 acre.

400 donums in dry-farming lands, and 500 donums in lands irrigated by high-lift pumps were established. 15 The law considered the last size as a maximum unit to be distributed. These units were to be distributed among farmers, with preference to be accorded to those living in or near the settlement areas. In a period of about 10 years (1945-1955) an area of about 2.721.271 donums was distributed to Iraqi farmers in various parts in the country. 16 The settlers were given the opportunity to participate in the work of preparing each area for settlement. The Land Settlement Committee was issuing instructions regarding the type and method of cultivation. Ten years after the settlers who had made good were to be granted title to their land without charge, and for a further period of 10 years they were not to be permitted to alter their land in any way or to mortgage it except to the State Agricultural Bank.

In his book, Mr. Ali has stated that perhaps it would be desirable if the settlers were charged for the extensive benefit received, this in order not to widen unduly the disparity between the economic status of the favored new settlers and that of the great majority of cultivators who will continue to work under much less favorable conditions. It was also believed that if the settlers would make some payment it

¹⁵Ali, Hassan Mohammed. The Agrarian Reform and Land Development. 1956. Baghdad, Iraq (Arabic).

¹⁶ Ibid., p. 5.

might perhaps direct their attention to the value of their possession. 17

Under the law every settler had to agree to refrain from granting his rights in the land to others and from injuring his fellow settlers in any way, to follow the Committee's instructions with respect to the cultivation of the land and the planting of a garden, and to build a house in accordance with plans prepared by the Committee. If he fulfilled this agreement, he received title to his allotment after 10 years without payment.

The law did not confine the distribution of land to qualified and experienced farmers. In fact, it specified that up to 20 percent of the land in each project was to be distributed to retired Army and police officers, soldiers and policemen who had served at least four years, and graduates of agricultural and religious schools, provided the committee was convinced of "their agricultural capabilities." Under the same condition the committee was also to distribute up to 25 percent of the land to retired civil servants who had served at least eight years and to unemployed graduates of elementary, secondary and religious schools.

The law for the development of (miri sirf) lands which has been discussed above was basically modelled on the 1945 act under which the Dijala settlement was established in South Central Iraq near Kut. From 1946 to 1955, 1523 farmers were

^{17&}lt;sub>Ibid., p. 6.</sub>

settled in this area on 100-50 donum plots allotted from state-owned agricultural lands. The system of cultivation was prescribed. Thus 40 donums were to be devoted to winter wheat and barley and five donums to summer crops. In addition five donums were to be planted with fruit. 18

Land Tax:

Iraq, in common with many other underdeveloped countries, relied strongly on indirect taxes which often bore heavily on consumers. The so-called (Istilah) tax was levied on produce brought to market and at a rate varying between 10 - 12 1/2 percent of approximate market prices. Agriculture in Iraq was hardly taxed at all. The income tax did not apply to income from either agricultural land or urban property. It affected only the salaried classes; whose income was already comparatively low. Agricultural lands and privately owned large holdings had not been taxed since 1936. Land and water rent tax was abolished and changed to a type of payment the land holders would pay over a maximum of 10 years. This by itself would perhaps create a discriminatory situation, for it is favorable for those who have managed to obtain state lands in (lazmah) grants and not favorable those who have regularly leased land from the State. The latter continue to be assessed for rent, while the former, who have frequently secured large (lazmah) grants on the basis of occupancy and cultivation proof, escape any tax or rent

¹⁸ Ibid., p. 8.

assessment on their land. 19

Previously many attempts were made to settle the situation but they were met with opposition by the political personalities, mainly sheikhs, who benefited from the existing situation. It was said many times that the application of a gradual income tax to agriculture, while equitable, might not be politically feasible at the time and would certainly pose problems of assessment.

Agriculture probably also profited to a greater extent than other sector of the economy from tax evasion. It was generally acknowledged that only 60 to 70 percent of the istihlak was actually collected and that part of the tax was collected at reduced rates by downgrading the produce subject to taxation. Moreover, many leaseholders of government land simply failed to pay the rent tax. The leaseholders in Amara province accounted for ID 669,000 of the arrears. Their failure to pay may reflect in part a feeling that they were the victims of the discrimination cited above.

Production, Credit and Marketing

If farmers are to purchase fertilizers, more livestock and better draft animals, tools and machinery, they will need access to credit facilities.

¹⁹The Law of Granting Land on (lazmah) Tenure of 1932 was according to Warriner "Used chiefly by the pump owners to acquire ownership of land on which they have installed pumps, and the prescriptive rights of the tribesmen were usually disregarded." Society of Graduates of American Universities in Iraq. "Revolution in IRAQ." 1959.

The resources of the state-owned Agricultural Bank, the only agricultural credit institution, were insufficient to meet existing needs for credit. A shortage of liquid resources compelled the Bank to suspend lending in November 1949. Not until a year later was it possible to resume operation on a modest scale. The Bank was never able to meet the demand for credit. Although authorized to lend up to ID 3,000 to any individual for a maximum term of 10 years, in practice it limited the size of its loans to ID 1,000 and the duration to five years. It was vital that farmers be enabled to obtain sufficient credit for the means of production and to make it unnecessary for them to sell their crops immediately after harvest at extremely low prices. In fact, in many cases farmers had to borrow money from private lenders at exhorbitant discounts. Although the Bank had an authorized capital of ID 1,000,000 the government had only paid in ID 550,000 and the Bank was compelled to borrow ID 300,000 to supplement its slender resources. In the past a considerable portion of the Bank's capital had been frozen as a result of repeated extensions of the maturity dates on its loans.

One of the most difficult problems is the provision of credit to the sharecropping peasant. Under pre-1958 conditions he could not get a loan from the Bank because he was unable to offer adequate security. Thus the peasant had to turn to the landlord or some private money lender for credit. Under the Law Governing the Rights and Duties of Cultivators enacted in

1933, any advances made by the landlord were in theory free of interest. Actually, however, the advance was generally in kind i.e. in seed, draft animals, machinery, etc., -- and the return to the landlord was in the form of a larger share of the crop, which conceals a very heavy interest charge.

Cooperatives unfortunately made little progress. There was an impressive law on cooperatives which provides, among other things, for their registration and auditing of their accounts by the government. The government also received an excellent report on cooperative possibilities made by an expert in 1947. Neither the law nor the report really were implemented.

The only really worthwhile cooperative in existence appeared to be the producers cooperative in Diyala project where over 1000 small holders were settled at government expense. This cooperative, which was formed in 1947, owned in the Spring of 1951 ten tractors with tillers, two trucks, a small flour mill and clubhouse.

There was a noticeable lack of storage facilities for grains or other crops. Farmers were in need of adequate facilities in which they could store their produce and obtain credit against warehouse receipts. Grain was often stored in the open or in inadequate buildings and sheds exposed to infestation. Before 1958, prices tended to dip sharply at harvest time because the farmer was generally compelled to sell his crop immediately after or even before harvest in

order to obtain needed cash. The merchant with money then reaped the benefit of subsequent price advances.

A modern 5,000-ton grain elevator had recently been erected in Baghdad and another of 40,000 tons was projected for Basra to serve export trade. But two possible obstacles to the actual utilization of these facilities had to be considered. There might have been a disinclination to use them for fear of giving the government knowledge of such stocks and thereby exposing them to taxation. Much grain was escaping taxation. Another difficulty in the way of using such storage facilities lay in the wide variation in the quality of the grain. Those with better quality might refuse to store it except under conditions which would ensure that it would be kept as a separate parcel. While this might have been possible in the smaller, non-merchanized sheds, it would have been impossible in the new silos at Baghdad or Basra.

CHAPTER III

AGRARIAN REFORM LAW, 1958, OF THE REPUBLIC OF IRAQ

Before the summer of 1958, it would have been unrealistic to suppose, with the existing political system, that any real improvement in the position of the sharecroppers could be made by legislation to control rents. A law for this purpose was in fact passed in 1952, the Law Determining the Share of the Cultivator in the Produce of the Land. provided that landowners may not take more than 50 percent. It also prohibited the landowner from making special levies on his cultivators, a practice followed by landowners who wished to raise money for some special purpose (building a new house for the Sheikh or buying a new car). In the northern parts of the country local officials consider that this latter provision had some effect. The provision prohibiting the landowner from taking more than 50 percent of the crop had little effect. because the share customary taken in these parts of the country was usually less than 50 percent.

In the irrigated zone, where the share taken by the landowner and his agents amounts to two-thirds, the general view was
that the law was not enforced. According to the former President of the Miri Sirf Land Development Committee:

this law does not improve the miserable conditions of the peasants since the application of the law is greatly doubted, and even if applied, the peasants' share of the crop is far

from being enough to cover the cost of a reasonable living.1

Even in countries where the landowners, as a class were less powerful than they were in Iraq, the enforcement of rent regulation for sharecroppers was difficult. In South Iraq, where the landowning class had complete domination over the serfs, such regulation seemed obviously out of the question.

Without an expropriation of the very large landholdings, no legislation could succeed, for the problem of reform is a problem of political power. Iraq needed serf emancipation. However, some believed, or pretended to believe, that evolutionary reforms were possible by settling farmers on state land to be developed and by using the new irrigation schemes. The Development Board naturally followed this line, and spoke confidently of the land that would be available for small-holder settlement in the future. But experience was encouraging, as may be seen from the results of the state lands settlement legislation.

No legislation which would infringe on the property rights of the large landowners could secure parliamentary approval. The Parliament was composed of the landowners who secured election by means of their dominance over the cultivators, and this dominance was unquestioned by any internal political force.

lali, Hassan Mohammad. Land Reclamation and Settlement in Iraq (Baghdad, Iraq, 1955).

²Government of Iraq. Annual Report of the Development
Board 1954 (p. 17) the Dokan dum scheme would provide water for
1.3 million donums (780,000 acres) for farmer settlement.
Baghdad, Iraq. 1956.

It may be (says Lord Salter) that some among the great landowners will accept or welcome some changes on the principle of "reform that you may preserve." In the meantime, however, successive governments have usually felt that new legislation on land tenancy must be kept within the bounds of what will not be actively resisted by landowners.3

In a speech, the Minister of Agriculture of the first post-revolution cabinet has explained that all proposed solutions for agrarian reform, ever since British occupation and during the successive governments, aimed at strengthening feudal influence and increased its bad effects.4

It became clear that the problem was complicated and that it could not be solved except by a revolution. With the revolution of July 14, 1958 this became possible. The July 14 revolution was led by Iraqi Army Officers.

An officers' movement might be expected to devote itself to the reform of the Army and the strengthening of Iraq's military power; but it would not be expected to make a social-revolutionary measure a test of its power to enforce it conviction. It was thus obvious that the revolutionary government would try to achieve this aim and to use it as a spring-board for achieving other reforms.

³Warriner, Doreen. Land Reform and Development in the Middle East. "The Development of Iraq" by Salter, J. A. 1st Baron. London, Caxton, for Iraq Development Board, 1955.

⁴Sayid Hudaib Al-Humoud, Minister of Agriculture of the first post-revolution cabinet (1958).

The motives behind the reform may be surmised to have been three. One was a sincere desire and determination to carry out reform for humanitarian reasons. The second was a revolutionary aim to break the power of the old ruling oligarchy, with its roots in the big estates. This was the crucial issue which necessitated a surprising immediate showdown. The third reason was that before summer, 1958, land reform was very much in the air as a national need.

There was no ideology at the start and no political tradition to appeal to. The only previous step in this matter was taken by the revolutionary government of Egypt in 1952. The decree came out in a modern dress, combining the abolition of feudalism with Keynesian economics. The abolition of feudalism, the main theme of all official statements, is a more exact description of the reform than at first sight appears.

The Iraqi Agrarian Reform of 1958, aimed thus to destroy feudalism as a way of production and to destroy the political influence which the feudal lords enjoyed as a result of their ownership of vast areas of lands. It also aimed to raise the standard of living of the great majority of the people, namely the peasants, and to give them the necessary opportunity to raise their social standards in general. This would consequently raise the standard of agricultural production in the country, which in turn will help in raising national income and strengthening the national economy.

To achieve these aims it was necessary to take the

following steps: a) To limit ownership; b) To distribute the land to peasants in a way that will guarantee them a decent living; c) To establish a co-operative system in the production centers which in turn would guarantee the introduction of scientific and technical production methods; d) To clarify agricultural relations between those concerned by fixing a just share for every aspect of production. 5

The agrarian reform law sought to achieve these aims. The first part of the law limits ownership. It also deals with the distribution of land to peasants in accordance with the following principles: a) Areas of land exceeding the maximum set by the law would be expropriated with just compensation to be paid to their owners and the law gives the landowners the possibility to invest in the land which they are allowed to keep; b) Distribution would be such as to give peasants full ownership, thus giving them an opportunity to form an attachment for their land, which is important in employing the greatest number possible in production; c) The distribution would be to the more needy peasants, and exceptions would only be made in accordance with the public interest.

The second part of the law deals with the Cooperative Societies. These are necessary to strengthen the agrarian reform in regard to making loans, supplying the proper seed, introducing modern equipment, and extending other help in

⁵Government of Iraq. Agrarian Reform Law of the Republic of Iraq. No. 30. 1958. Baghdad, Iraq.

order that the land may not become a burden to the person to whom it is given.

The third part deals with agricultural relations. It provides for the abolition of all former feudal relations which exhausted the peasant and for the establishment of a new relation in accordance with the new situation. The law protects the peasants against being removed from their land and from the arbitrary domination of their fate, which prevailed in the past.

The fourth part deals with the rights of the agricultural worker with a view to encouraging cash transactions and to encouraging agricultural workers to make their best efforts in the field of agricultural production. The law gives them the right to form trade unions to defend their rights.

The revolution is original in that it takes the economists' recommendations literally and insists on their implementation both on the national and international levels. It makes the new line of thought a line of action.

The aim is to meet Iraq's needs: more equal income distribution, land to the peasants, and more industry. Land reform has long been recognized as a social necessity; but in 40 years of parliamentary government not one measure could ever be passed to benefit the peasants if it was to be at the expense of the feudal landowners. Only two laws were passed in 1945 and 1951 giving the government the right to confer ownership of miri lands on small farmers.

The law is intended to redistribute income. This has

not occurred in practice. The abolishing of feudalism is the safest approach, in the political sense; that is what has to be accomplished.

So far as its actual provisions are concerned, the redistribution enforced by the law is not apparently a revolutionary measure. It affects only about 25 percent of the land area of the actually cultivated land. It allows landowners to retain 1000 donums of flow-irrigated land or 2000 donums of rain-fed land, which in the Iraqi conditions represent a fairly good annual income. Creditors are highly protected by the law in getting back their loans.

What the reform abolished, therefore, was a strong concentration of landed wealthy, a citadeal that first has to be taken by storm, even if it is later to be bought out in bonds bearing three percent interest. This is the political significance of the reform. In economic terms its significance is considerable redistribution of income in favor of the peasants. The reform is best regarded as a labor policy in the interests of the tenant cultivators. The law is intended to achieve a general reform of the agrarian structure including the redistribution of property (land reform in the strict sense), the reduction of rents, and the raising of agricultural wages. Its primary aim is the redistribution of income, not agricultural development.

Government of Iraq. The Agrarian Reform in Its Third Year. Ministry of Agrarian Reform. 1961. Baghdad, Iraq (Arabic). p. 66.

The provisions of the law and their results in practice may be considered under each of the following headings:

Expropriation and Redistribution:

The law, in Art. 1, laid down that "the area of agricultural lands possessed by a person, registered for him in the land registry department (mufawadatan lahu bi at-tapu) or granted to him by concession shall not exceed 1000 donums of land irrigated by free flow or by artificial means or 2000 donums of lands irrigated by rain." Land in excess of this maximum is to be requisitioned by the government over a period of five years.

Land under reclamation was exempted from expropriation under Article 3, which allows companies and societies to possess agricultural lands exceeding the maximum limit prescribed in Art. 1. A creditor shall have the right to possess more than the maximum prescribed limit of agricultural lands if the excess is due to a foreclosure on a debtor or to a public auction in favor of the creditor. Individuals may have acquired agricultural land exceeding the maximum limit prescribed by law. If the excess is due to a well, inheritance, or grant the government shall then seize the areas in excess as in the previous two exceptions in return for the compensation provided for in Art. 6 of this law.

In the application of this law, Art. 5, renders the consideration of: "a) transactions by the land holder creating

rights to parts of agricultural land in excess of the legally prescribed maximum limit, the dates of which were not confirmed before July 14, 1958." "b) After the enforcement of this law, the division of agricultural lands belonging to one person, as a result of will, inheritance, grant or Waqf."

Land in excess of the maximum limit shall be requisitioned by the government. 7

Owners of expropriated land receive compensation, according to Art. 6, equivalent to the price of similar land less the value of the government assessment. To the sum payable in compensation for the land must be added the value of buildings, installed machinery, farming tools and trees which the government may elect to seize. Compensation shall be reckoned by estimate committees to be formed by a decree promulgated at the request of the Minister of Agriculture. Compensation shall be paid in government bonds bearing three percent interest and redeemable within a period not exceeding 20 years. These bonds shall be nominative and can only be disposed of to those having Iraqi nationality.

The requisitioned land is to be distributed among small farmers and farm laborers in holdings of not less 30 donums and not more than 60 donums of the lands irrigated by free flow or by artificial means, and not less than 60 donums and not exceeding 120 donums of lands irrigated by rain. Persons among whom the seized land is distributed must be: a) Iraqi

⁷Government of Iraq. Agrarian Reform Law of the Republic of Iraq. No. 30., 1958. Baghdad, Iraq.

adults, b) farmers by profession, c) owners of less than 60 donums irrigated by free flow or 120 donums of land irrigated by rain. In distributing land, preference is to be given to those actually cultivating the land as tenants or laborers, next to those in the area who have the largest families and least money.

The new owner is to pay, in installments, over a period of 20 years, the full purchase of the land assessed as provided for in Art. 7 which is at a price for similar land fixed by the estimates committee. The price of a donum shall be reckoned by a division of the total sums of prices of equal lands in the same area by the number of donums, plus interest at 3 percent and 20 percent for the cost of administration. Until the purchase price is fully paid and the conditions of distribution as provided for in Art. 12 fulfilled the holding may not be sold or otherwise disposed of.

All agricultural lands granted by tapu or by lazmah rights which are exposed to seizure will be considered reverted land and shall become purely miri lands if the owner is proved to have failed to cultivate them himself or through others for three years preceding enforcement of this law, or to have left them uncultivated for a period of one year after enforcement of this law without any legitimate excuse. Law No. 53 for 1955 regarding the distribution of lands in al-Amaruh and law No. 40 for 1952 regarding the settlement of disputes over miri lands granted by tapu in Al-Muntifiq are

to be abolished. The courts, settlement courts, and private courts formed in accordance with law No. 24 of 1938 for the assessment of land right shall refrain from considering cases of disputes. Settlement of disputes comes within the jurisdiction of the judicial committees of agrarian reform organization.

The distribution of an expropriated estate is not made until it has been surveyed, valued and divided by the seizure, estimation and distribution committees of the higher organization for agrarian reform, the department charged with the execution of the law. Great care is taken to ensure that the land is fairly distributed among those who are entitled to benefit. Due to the lack of experienced officials for processing of expropriation evaluation and distribution of the requisitioned land, it had to be rented temporarily to the farmers. Up to the end of April, 1961, the estimation committees had estimated 1,786,601 donums for a sum of 10,328,632.792 dinars. 8 The Temporary Renting Administration was renting an area of 6,211,865 donums to 210,562 farmers. The distributed area up to the end of June 1961 had reached 893,959 donums comprising 11,835 holdings. An area of 1,530,985 donums was to be distributed in the near future out of which 1,173,919 donums eventually were ready to be distributed on the occasion of the Revolution Celebrations,

⁸Government of Iraq. The Agrarian Reform in Its Third Year. Baghdad, Iraq. (Arabic), 1961.

⁹ Ibid, p. 64.

on July 14, 1961. 10

The recipients of land pay rent during the period of processing the land for distribution. After the distribution is made, they receive provisional title to the holdings, paying an annual installment. There is no change in the type of farming or the scale of operation. Wheat and barley are the major crops for the winter season. These two crops never give a respectable annual income with the type of old fashioned Iraqi farming. On the other hand summer season farming could not be on a desirable scale because of the lack of water supply during the summer season.

The Agricultural Relations:

It was cautioned that enacting this law will lead to some disturbances on the part of both the landlord and the tenant; therefore Art. 37, (a) has emphasized the continuation of the existing relations at the time of the enforcement of this law. "The farm laborer shall not be expelled from the land against his will. Irrigation shall not be hindered or lifted during this period, except when he is remiss concerning a vital obligation provided for by law, contract, or usage." It set the period of the agreement as "The period of agricultural relationship agreed upon in the future between the landwoner and the farm worker as well as the owner of the means of irrigation, shall not be less than three years." If the agreement was less than the above period, it would be

¹⁰ Ibid., p. 115-117.

extended to fulfill the provision of Art. 39, indicating the obligation of both the landowner and the farm laborer. The landowner has to use a farm labor on the land: a) with arable land, and enable the laborer to use it in accordance with purposes agreed upon between them, b) with irrigation water reaching the edges of the farm if the land is irrigated by free flow or pumped water.

The farm laborer on the other hand has to carry out his duties as: a) Protection of the land with the best agricultural methods for each crop; b) Harvesting, collection and transportation of the crops to the threshing areas, threashing, and preparation of the produce for consumption and marketing; c) All agricultural work demanded by agricultural production such as preparation of soil, plowing and irrigation, etc.

The management is left for the land owner if he provides the water for the irrigation of the land or it would be left to anyone who can supply irrigation water in the irrigated areas. In regard to field crops and vegetables, crop sharing shall be, according to Art. 41, as follows (percent):

| Type of irrigation: | Free flow | Artificial means | Rain-fed |
|---------------------------|-----------|------------------|----------|
| Land | 10 | 10 | 10 |
| Water | 10 | 20 | |
| Laborer's work and seeds | 50 | 40 | 50 |
| Plowing | 7.5 | 7.5 | 012.5 |
| Harvesting and collection | 12.5 | 12.5 | 17.5 |
| Management | 10 | 10 | 10 |

Provisions of the preceding article shall not be applicable to land planted with trees and palm trees, provided that there are not less than 40 trees in every donum.

Art. 43 has stated that "the agricultural relationship contract shall be fixed in writing no matter what the value is." This relationship should be directly between the parties and no mediation is to be allowed in respect to this relationship. Penalties would be imposed on those who intentionally acquire a share exceeding the legally fixed maximum.

Rights of the Agricultural Worker:

The Agrarian Reform Law provided that the wages of agricultural workers should be fixed annually by an official committee formed by the Minister of Agriculture, presided over by one of the senior officials of the Ministry and consisting of four members chosen by the Minister, of whom two should represent the landowner and two should represent the agricultural worker. The decision of this committee would be effective with the approval of the Minister. Agricultural workers are given the right to form trade unions to defend their common interest. Law No. 28 for 1933 concerning the duties and rights of farmers and decree No. 1 for 1954 concerning division of crops between landowners and farmers shall be abolished. Law, decrees, regulations and other orders which are inconsistent with the provisions of this law shall also be abolished.

Agricultural Cooperative Societies:
Article 26 states "the land shall be handed over to

smallholders free of debts and tenants rights and shall be registered in their names as purely owned land, without any change -- . " The person to whom the land is given shall cultivate it and give it the necessary care--if he remisses any of the obligations provided for in the previous sentence, or if he obstructs the performance of the work of the cooperative society as provided for in Art. 32"---, Art. 27 states: Neither the person receiving distributed land nor his heirs shall transfer its title of ownership or create any real right to it, except to those who fulfill the conditions of distribution as provided for by Art. 12 -- and only after the land price is paid in full, and five years have elapsed since it was acquired. Before this, ownership of the land cannot be expropriated in settlement of a debt unless it is a debt to the government, the agricultural cooperative society, or the agricultural bank.

The above articles give the notion that the reform means collective farming in which the new landholder is treated as "the proprietor." But he does not acquire ownership for 20 years, and in the meantime is not free to sell or sub-rent or to farm independently. It is noticeable, in reviewing articles 31, 32 and 33, that it is the intention of this law that the function of the former landowner in distributing seed, providing irrigation water and other means of production, and in marketing, should be taken over by a cooperative society, membership of which is obligatory for all grantees of land. The society

should discharge its duty under the supervision of an official selected by the Minister of Agriculture. The law gives the cooperative society wide powers. They are to provide loans to their members, and to organize the supply of seed, fertilizers, livestock, machinery and means of storage and transportation of crops -- all of which might, of course, be undertaken on behalf of independent farmers by a cooperative society of the ordinary supply and marketing type. But the functions of the cooperatives are also to "organize the cultivation and exploitation of the land in the most efficient manner, including seed selection, grading of crops, pest control and digging of canals and drains." They are also to sell the principal crops on behalf of the members, after deducting installments on land, government taxes, agricultural advances, and other debts. They are required to render all agricultural and social services on behalf of their members. Societies are to be free in the formation of general cooperative federation in conformity with the provisions of law No. 27 of 1944.

The Effects on Production and Investment:

The reform meant division of land into very small farms in place of the large estates. Not all were well farmed and well equipped with capital which the tenant cultivators do not possess. In a United Nations report it was mentioned that:

"Partly as a consequence of adverse meteorological conditions similar to those which affected farming in Lebanon, Jordan and U.A.R. (Syria) during the past two years, and in part as a result of the first-stages of an agrarian reform which has brought about a

dislocation of long-standing arrangements and the mutual division of responsibilities between landowners and farmers, the agricultural production of Iraq in 1958/59 suffered an extended setback following the bumper crops of 1955/56 and 1956/57."Il

The same report states the future of the agricultural policies of Iraq as:

"It is safe to say that the success of the agricultural policies of the Iraqi Republic will depend to a great extent on the establishment and efficient operation of a programme for helping the farmers to: (a) face the problems of transition from the old estates to the new communities of small owner-farmers; (b) improve their land, equipment and livestock and their practices in raising and marketing farm produce. This will involve not only capital investment but also guidance and advice on both technical matter and the introduction of new and recasting of existing community institutions for promoting self-help activities in the villages. As the traditional vote of the landlord as the main supplier of agricultural credit is shrinking, the Agricultural Bank's capital has been increased from ID 3 million to ID 6 million in the 1959/60 budget. In due course the lending authority of the Agricultural Bank might have to be doubled or trebled, to cope with increasing credit needs, but this would not raise major problems in a country like Iraq where lack of capital is not at present a limiting factor in economic development."12

Indirectly, the reform probably will cause some transfer of capital into industry, commerce and building from the agricultural sector of the economy. The limiting of potential for profit is agriculture for the landlords caused them to invest in other financial ventures, notably industry and commerce. Perhaps, on the other hand, it would be safe to

¹¹ United Nations, Bureau of Economic Affairs. Economic Development in the Middle East, 1958-1959. Supplement to World Economic Survey, 1959. New York, 1960.

^{12&}lt;sub>Ibid., p. 4.</sub>

presume that the activities of the cooperative societies, and their need to finance their members, would bring a new investment in agriculture.

CONCLUSION

Agrarian reform, in many developing countries, is the primary instrument of economic and social reorganization. The political importance of agrarian reform has been recognized. But the research and training to solve the economic problems of agrarian reform however, are less well defined.

It is essential to define the main items of "agrarian reform" as being: Changes in rural institutions with the objective of improving rural levels of living. These institutions include those of holding and transmitting rights in land; allocating returns to land between owners and tenants; extending credit for land purchase, farm operation and improvements; taxing land values and land income; conserving and developing agricultural and other resources; marketing of farm and other products; and broadening opportunities for educating and training rural people and promoting rural health and welfare services. Land reform and agrarian reform may be considered as the same phenomenon but to distinguish between the two terms, the latter is considered more comprehensive. A landreform program is directed toward the redistribution of wealth, opportunity, and private power as manifest in the ownership and control of land. However, according to the above definitions, Agrarian reform has come to have the broader meaning.

In explaining the foundations of agrarian reform policies, among the issues we seek to understand are these: how to relate

considerations of land reform and agrarian reform policies to more inclusive issues in public policies, as well as to economic development; how to deal with the issues of freedom and economic power in institutions likely to evoke land reforms; the relation of land tenure to meaningful citizenship in new nations; and the problem of continued progress, after a land reform has been carried out, toward ideals or objectives that inspired the reforms. More particularly we seek to understand how to formulate categories which may be relevant to analysis of both the conditions that evoked reforms and the requirements of continued progress after the reform.

A major restructure of the agrarian economy inevitably, if not immediately, will require choices by policy makers. The role of the researcher may be; first to clarify the range within which two or more objectives must compete for resources; and second, to estimate the rate at which one objective may be obtained at the expense of others. The concept of substitutability though, as adopted by the economists, is not always conceded by policy makers.

A problem of integrating law and economic research is to discover ways of showing how the law of a country, from the highest constitutional statutory law to the lowest customary practice used in daily decision-making at the grassroots, affects economic performance. For in some countries, law and economics are not as completely separated as they are in the United States of America. They are somewhat joined

together in what might be thought of as a political economy.

As a minimum, those doing research in support of agrarian reform should have an appreciation not only for economic principles but also for the institutional heritage from which change must proceed.

Conditions prevailing in Iraq prior to the Revolution of 1958 could be summarized by saying that the people of Iraq for the most part suffered from dire poverty. Increased production had not touched the poverty of the peasants. They lived on a bare subsistance margin, in windowless mud huts built out of the earth.

Two things were responsible for this misery: the low level of production, itself the result of adverse physical conditions and primitive methods; and the land system. The fellah's (peasant) income was low because the land produced little, and because the land owners used to take most of what it produced.

It is the land system which was responsible for the great inequality of incomes, the lack of an expanding internal market, the low-wage influx into the slums, and the lack of an agricultural policy. Without land reform, the oil money can do little to raise the standard of living. If land reform were undertaken, the money could be used to equip farmers for better farming. Without it, the big dams will be a succession of "Keynesian pyramids," giving employment but not increasing production.

The high level of rents is the main cause of rural poverty and not the shortage of land. The area cultivated by one family should be sufficient to support a family and produce a surplus for sale, even with an extensive system of farming; but when two-thirds of the produce is taken as a rent, it is not sufficient. The proportion of the crop taken by the land owner varied with the type of cultivation. The condition of the peasants was worse in the regions where output per donum was low and where the sheikhs were powerful. Because population is spare in the north, the rents taken by the landowners were relatively low.

The future would hold little prospect for relief if the only available relief was a more equitable division of income. Fortunately, the future does afford the promise of a large increase in national income as a whole. The country has the natural resources-land, water and oil-which can bring a much higher standard of living to all. The revenues from oil can provide the means for potentially rapid development of other productive resources. The central objective must be the attainment of a much higher output in a manner that will benefit the people as a whole.

The agrarian reform law of 1958 was enacted in two months after the revolution of 1958. The motives behind the reform may be summarized in three parts. One was a sincere desire and determination to carry out reform for humanitarian reasons. The second was a revolutionary aim to break the

power of the old ruling oligarchy, with its roots in big estates. This was the crucial issue which necessitated a show down. The third reason was that prior to the revolution of 1958, land reform was the only solution and was very much in the air internationally.

Having no political tradition to appeal to, only to follow steps of a leading Arab State Egypt, the decree came out in curious modern dress, a combination of the abolition of feudalism with Keynesian economics. The abolition of feudalism, the main theme of the reform, then at first sight appeared.

The fact was that the law was a measure for the redistribution of income. In practice, this has not occurred. For the
redistribution enforced by the law is not apparently a revolutionary measure. It affects only about 25 percent of the
actually cultivated land. It allows landowners to retain a
maximum of land with sums of compensation which would give the
old landowner a respectable annual net income.

The reform could be viewed as revolutionary in its political effects. It was a political measure directed against the royal family and small number of very strong and wealthy landowners. The intention thus was to remove them from their dominating position in the life of the country, a position never previously challenged. This was the political significance of the reform. In economic terms, its significance was supposed to be a considerable redistribution of

property means that the land is nationalized. What is new as a consequence for that is the idea of a fair deal for the peasants, or at any rate a fairer deal. The real change is that the cultivator has a recognized legal status; that in itself is an immense change for the better, outweighing any criticism. If the reform can maintain this position, that is the greatest measure of success.

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THE AGRARIAN REFORM IN IRAQ

bу

HADI ABBAS ALI

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AN ABSTRACT OF A MASTER'S REPORT

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Major Professor

This study is a critical analysis of the Iraqi land tenure system prior to the political revolution of 1958 and the subsequent changes which have occurred since the enacting of the new agrarian reform law of 1958.

In order to conduct this study, agricultural conditions evoking reforms and situations in which there have been such parities of power, welfare, income, and status as to lead to land reforms or agrarian revolutions were mentioned and reviewed: 1) Feudalism in the European sense was a land-based economy and society status; 2) inequalities created by grants for administrative purposes by presumed prerogatives of conquest was a policy of highly centralized hierarchical system based on large holdings of land in the new world; 3) the assimilation of land-ownership to tribal status intensified the position of economic power that resulted in the processes of economic development makes land valuable; 4) situation in which grants of land were made by colonial governments to their citizens (foreigners) for purposes of developing commercial agriculture was fairly common during the 18th and 19th centuries.

Approaches to agrarian reforms that resulted when direct and forceful attempts were made to alter varying situation in agriculture were stated and criticized: 1) Peasant revolutions which seem to be inspired to regain what the peasants have been deprived of by an extented landlordism; 2) military revolutions where military officers seize the government by a

"coup d' etat" and make land reforms; 3) communist revolutions which are like the military revolutions. The communist revolutionary government again became, by unlimited prerogative, party bureacracy. Rights in private ownership in agriculture disappear; instead of citizenship rights, party membership is for the honored few. Agrarian reform in the Western tradition could be thought of in terms of the whole structure of economy. This proposes that the agrarian reform problems would be related to fundamental structures and powers of government.

Situation in Iraq prior to the revolution of 1958 was described in this study, as an example for a situation in which an agrarian reform was needed. Conditions prevailing in Iraq prior to the revolution of 1958 could be summarized by noting that the people for the most part suffered from dire poverty. Increased production had not reduced the poverty of the peasants. They lived on a bare subsistance margin.

Two factors were responsible for the misery; the low level of production, which was the result of adverse physical conditions and the primitive methods utilized within the structure of the pre-revolutionary land system. The high level of rents was the main cause of rural poverty and not the shortage of land. Thus the land system was responsible for the great inequality of rural income, and the lack of a comprehensive agricultural policy. Without land reform revenues from oil can do little to raise the standard of living. If land

reform were undertaken, the money could be used to equip farmers for better farming.

The agrarian reform law of 1958 was enacted within two months after the revolution of 1958. The motives behind the reform may be summarized in three parts. One was a sincere desire and determination to carry out reform for humanitarian reasons. The second was a revolutionary aim to break the power of the old ruling oligarchy, with its roots in big estates. This was a crucial issue. The third reason was that prior to the revolution of 1958, land reform was the only solution and was being stressed internationally.

The law intended to redistribute income through change in ownership. In practice, this has not occurred. The redistribution enforced by the law is not revolutionary. It has affected only about 25 percent of the actually cultivated land. It allows landowners to retain a maximum of land and compensations for land taken by government which would give the old landowner a respectable annual net income.

The reform could be viewed as revolutionary in its political effects. It was a political measure directed against the royal family and small number of very strong and wealthy landowners. In economic terms, its significance was supposed to be a considerable redistribution of income in favor of the peasants. Its primary aim is apparently the redistribution of income, not agricultural development.

In practice, though not in theory, the redistribution of

property means that the land is nationalized for a limited period of time. What is new as a consequence for that is the idea of a fair deal for the peasants, or at any rate a fairer deal. The real change is that the cultivator has a recognized legal status; that in itself is an immense change for the better, outweighing any criticism. If the reform can maintain this position, that is the greatest measure of success.