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Chairman : Prince WAN WAITHAYAKON (Thailand).

Economic development of under-developed countries : report of the Economic and Social Council (chapter III) (A/1884¹ and A/1924) (*continued*)

(b) Land reform (A/C.2/L.76/Rev.1 and A/C.2/L.82) (*continued*)

[Item 26]*

1. The CHAIRMAN said that a revised draft resolution submitted jointly by Brazil, Israel, Pakistan, Thailand and the United States of America (A/C.2/L.76/Rev.1) was before the Committee as well as the draft resolution tabled by Poland (A/C.2/L.82). The revised draft incorporated the amendments accepted by Brazil, Pakistan, Thailand and the United States at the preceding meeting.

2. Mr. HUSAIN (Pakistan) did not feel that by adopting the joint draft resolution the United Nations would have done its full and final duty in the important field of land reform. On the other hand, at the current early stage of international efforts to solve the problem, it would be neither prudent nor practical to go further than that draft did. The system of land tenure obtaining in the world, as disclosed in the Secretary-General's report on land reform² had been bequeathed by a long and complex historical process, but only recently had its full significance, particularly its bearing on social and political stability been internationally recognized. By endorsing the practical recommendations of Council resolution 370 (XIII) and by urging all governments to carry them out so far as they were appro-

priate taking account of the particular technical and financial circumstances of each country, the joint draft resolution would set in motion a process which would gather increasing momentum and the recommendations would become a programme accepted and implemented by an ever-increasing number of countries.

3. Pakistan had a predominantly agricultural economy and the Pakistani Government was primarily concerned, in its agrarian and economic policies, with the interests of the tillers of the soil. The former rulers of Pakistan had left behind them a complex and outmoded agrarian system. In Eastern Pakistan, for example, which produced 80 per cent of the world's jute and where over 75 per cent of the population of 41 millions depended on agriculture, a so-called "Permanent Settlement" had been made some one hundred years ago, under which large areas of land had been given in settlement to a relatively small number of people at low rents fixed in perpetuity, thus creating an artificial feudal class. In course of time that had led to a complicated system of infeudation and sub-infeudation and the tenants had been at the mercy of their overlords. Attempts had been made to introduce palliative measures, but the authorities had been unable to abolish the "Permanent Settlement" by legislation, in view of the general legislation under which the sub-continent had been governed.

4. After independence, the Government of East Bengal had enacted a law abolishing private agricultural estates and bringing them under public ownership. The Central Parliament of Pakistan had then endorsed the action taken in East Bengal and the process of taking over the large estates had begun. The completion of the process would take time, as thousands of estates were involved, but already six of the largest had been taken over. The Pakistani Parliament believed in the right of property, and each dispossessed land-owner would receive some compensation, partly in cash and partly in bonds, but the rate was low in view of the ample benefits already derived and payment would be spread over a long period. In spite of the

¹ See *Official Records of the General Assembly, Sixth Session, Supplement No. 3.*

* Indicates the item number on the General Assembly agenda.

² See *Land Reform : Defects in Agrarian Structure as Obstacles to Economic Development*, United Nations Publications, Sales No. 1951.II.B.3.

considerable cost, his Government was determined to proceed with those measures of land reform.

5. In Western Pakistan the system of land tenure, in force before independence, had been equally unsatisfactory. There had been, for example, large estates called *jagirdaris* which had been presented by the former rulers to certain people as rewards for their services to the régime. In the North-West Frontier Province that system had been abolished and other preliminary reforms had been introduced. In the Punjab, the Government, elected on the basis of adult suffrage, had recently announced the abolition of *jagirdaris* and the introduction of extensive land reform measures. In Sind, legislation for land reform had been enacted in 1951 and it was anticipated that further measures would be taken when a new popular ministry was elected in 1953.

6. In Pakistan, land reform came within the purview of autonomous provincial governments and the Central Government's authority was indirect, but the latter had appointed an important Commission on Agriculture under the chairmanship of Lord Boyd-Orr, and the late Prime Minister of Pakistan had announced a decision to appoint a similar commission to examine the question of land reform in the various provinces and to submit recommendations on the matter.

7. It was therefore apparent that in Pakistan much had already been achieved in the field of land reform. At the same time, opposing forces were at work, representing mainly vested interests. By appropriate action the United Nations could strengthen the liberal forces in Pakistan and in other countries and help them to overcome the forces of reaction. The Polish representative had analysed at the previous meeting the unsatisfactory world agrarian situation and had indicated that determined opposition to progressive measures was to be expected everywhere. It was therefore all the more essential for the United Nations not to be thwarted by such reactionary forces, however well entrenched they might be at the moment. It was idle to expect that hundreds of millions of people, particularly in Asia and Africa, would continue to remain impervious to the forces which created social and political instability, unless the major problem of the relationship of the cultivator to the land which he tilled, was placed on a sound and honest basis with all reasonable speed.

8. The financing of land reform in countries which were earnestly intent on reform, but which were not wholly capable of financing it themselves, would have to be undertaken on an international basis. Several of the recommendations in resolution 370 (XIII) of the Economic and Social Council would require, for their implementation, financial and other material resources such as modern agricultural equipment, which the under-developed countries could hardly be expected to produce or secure unaided. The technical assistance hinted at, rather vaguely, in paragraphs 5, 6 and 7 of that resolution would not suffice for that purpose.

The General Assembly would soon have to give further and more serious consideration to the matter unless the decision taken at its current session was to remain a pious wish. In that connexion he welcomed the United States representative's statement (176th meeting) that his country stood ready, both through the United Nations and bilaterally, to help in carrying forward that great work. Pakistan would watch with great interest how that assurance would be carried out.

9. The complex problem of land reform and other related problems affected nearly 1,300 million people. Mr. Husain suggested that, although the time had not yet perhaps come to pursue the matter actively, the United Nations should, in due course, consider the desirability of establishing a special body to deal with those problems exclusively. Whether that body should be a new specialized agency or a subsidiary organization was a matter for decision after full consideration of all the implications of the proposal.

10. Mr. DULIN (France) recalled that, at the thirteenth session of the Economic and Social Council, the French representative had stressed the value of co-operatives in solving the problem of land reform.³

11. FAO had established that world food resources had increased by only 9 per cent as against a population growth of 13 per cent since 1938. In some areas famine was endemic while, throughout the world, daily *per capita* consumption of proteins and calories was lower than before the war. He fully agreed with what the Assistant Secretary-General in charge of the Department of Economic Affairs had said that the obstacles in the way of economic development and of higher living standards should be removed and, in particular, defects in agrarian structure. As Mr. Owen and several representatives had recognized, no standard solution was possible because of the different agrarian structures prevailing in various countries. The Economic and Social Council should nevertheless establish general principles on which agreement could and should be reached.

12. The agrarian structure in France was mainly one of medium-sized holdings operated by a landowner and his family. He intended to show that technical, economic and social progress could be fully achieved, without any coercion, under that system which was sustained by co-operation and agricultural credit.

13. One of the aims of the United Nations was to increase agricultural productivity with a view to improving the quality and quantity of the world's food supply. Such improvement could be effected only by technical progress. It was noteworthy that the countries with the highest agricultural productivity were countries with small and medium holdings such as Belgium, the Netherlands, Denmark, northern France and northern Italy. The smallholdings was therefore not an anachronism; methods of rationalizing that system had been the subject of detailed study in Switzerland. In France, several agricultural experts had proved that the small size of holdings was not an obstacle to improving methods. The European Confederation of Agriculture had found that the system of family holdings, which was predominant in all European countries, would need to be increasingly mechanized in order to be economically productive. It was essential to standardize agricultural machinery, since tractors and other machines in current use were not interchangeable.

14. The European Confederation of Agriculture had urged the competent authorities to exert every effort to improve the equipment of family holdings, especially agricultural machinery, farm equipment and household appliances. The public authorities and industry in France were beginning to appreciate the importance of

³ See *Official Records of the Economic and Social Council, Thirteenth Session, 536th meeting.*

producing machinery for smallholdings, particularly multi-purpose 10 to 15 cv. tractors. The extent to which machinery could be used was of course limited and the Confederation was against excessive mechanization.

15. While endeavouring to achieve technical progress, it must be constantly borne in mind that the fertility of the soil must be preserved and even increased.

16. Intensive professional training, with special reference to the possibilities of mechanization, while maintaining the traditional character of smallholdings, was indispensable if the extremely complex problem of modernizing agricultural methods was to be solved. For that purpose the Confederation was studying the possibilities of professional training. Improved administrative organization would make it possible to increase the number of agricultural schools and to arrange for subsequent training by specialized courses and lectures given by appropriately trained itinerant instructors. Pilot farming projects should also be developed. As farmers became acquainted with modern methods, they would seek to improve their material circumstances, for example, by improving water supplies and roads, and by installing electricity, in which fields the public authorities had an important part to play.

17. The experience of France disproved the assertion that the system of family holdings could not withstand the competition offered by large estates. Family holding, being of medium size was flexible and tended to resist emergencies and crises; since it generally produced multiple crops, it was less dependent than the large estate on market fluctuations. It had been established, at the 1950 Congress of the Confederation, that small and medium holdings were profitable undertakings. Their capacity for profit depended on their productivity which was a wide concept, depending not only on output per worker but also on the maintenance of the fertility of the soil and improvement of the quality of the product. The family holding, as had been proved in many countries, was the best system of obtaining the highest general productivity.

18. Technical and economic progress was bound up with social progress, in which the family played an essential part. But progress also depended on the family being adequately educated; traditional rural education should be supplemented by lectures, the radio, films, literature, agricultural competitions and specimens of model crops. It was to be hoped that the authorities in the various countries would recognize the need to develop rural education and training to supplement the efforts of local professional and family organizations engaged in agricultural training. Special training for young girls in farming communities was of fundamental importance.

19. Freedom and the right of ownership were other aspects of social progress. It was advantageous for the farmer to own the land which he cultivated, particularly in moderately rich or moderately poor areas. When high output was impossible and the capacity for profit low, the best system was for the farmers to own their land, as they then extracted the utmost from it.

20. On the other hand, there were cases where it had appeared advisable for the farming family to hire rather than to own the land, for example, in rich farming or cattle-breeding areas with low birth-rates. In such cases production was sufficiently high to enable the

farmer to use his capital for equipment or for improving crops or livestock, while capital from other sources could be usefully invested in land development and building.

21. Although peasant ownership was the best system in many cases, there was no reason for systematically according it privileged treatment in comparison with other forms of ownership capable of promoting agricultural development. In that connexion, the agrarian structure in France had succeeded in maintaining a balance which should not be lightly upset.

22. One of the most serious disadvantages of the peasant ownership was the division of the land into too many small allotments. Division of land into smallholdings was not peculiar to any given system; it was to be found in countries at widely differing stages of economic development such as India and Switzerland. The phenomenon was particularly striking in certain areas in France. The remedy was to redistribute the land; the number of holdings would decrease as their area increased and the entire land structure of a given territory would be improved, in particular by the construction of roads. French legislation made such land redistribution possible while guaranteeing the position of the landowners, since it maintained the principle of private ownership.

23. It was frequently asserted that such procedure was difficult, one of the main obstacles being the conservatism of the farmers. But the Directorate of Farming of the French Ministry of Agriculture had established that, as at 1 October 1950, 1,405 operations for the redistribution of 1,069,000 hectares were in process and that 725 such operations covering 526,000 hectares had been completed.

24. According to the Economic and Social Council, agricultural production could be increased by improving methods and modernizing equipment. He hoped that he had shown that that objective could be attained by the farm-holding system.

25. The French farmer had understood that technical progress was only possible with the help of co-operatives. After the war the need to re-equip and to re-establish the farming industry in order to ensure food supplies had stimulated the setting up of co-operatives. The total number of agricultural co-operatives in France had been 7,500 in 1913; in 1950 they numbered almost 15,000. To that should be added 100 co-operative unions and 7,000 credit co-operatives.

26. The co-operative movement was characterized by extreme flexibility and by an absence of any form of compulsion. It could be asked whether co-operation in agriculture, which must be considered as essential, should be compulsory and take place within the framework of a co-operative organization. An autonomous farming unit could only thrive in an atmosphere of freedom and a co-operative was a free association.

27. The example of France, where the free establishment of co-operatives had been encouraged by the Government, and the example of Denmark, where the agricultural population had been entirely responsible for the remarkable increase in the number of co-operatives, proved that the voluntary co-operation of farmers ensured that small holdings enjoyed the same advantages as large ones as a result of the pooling of facilities. The European Confederation of Agriculture had emphasized that

the co-operative system, which was necessary to sustain a sound agricultural population, must respect the freedom of the farmer and his freedom to work the land.

28. To ensure the full development of agricultural co-operation financial assistance was necessary. One of the essential elements in agricultural mutual credit agencies was collective credit. The resources of agricultural co-operatives established by registered capital and reserve funds were frequently insufficient to meet requirements; the disproportion increased the more farming was directed at markets and the greater the investments required for modernization. The economic nature of co-operatives had led the state to afford them financial assistance in the form of subsidies, but, since those were limited, outside credit was necessary. The agricultural mutual credit agencies in France provided the co-operatives with financial assistance under the most favourable conditions.

29. Surveying the financial assistance supplied by the agricultural mutual credit agencies to the co-operative movement, ranging from long-term to short-term loans, he pointed out that the increase in the number of long-term loans over the past ten years had been particularly significant. However, in view of the agrarian structure of France, such measures could only be considered as complementary to individual credits for peasant holdings. Individual long-term credits had enabled a high proportion of farmers to own their land and had thus been a stabilizing factor in the rural population. The scope of such aid was illustrated by the fact that, by 30 September 1951, 171,000 farmers had become the owners of their smallholdings. There were also medium-term and short-term loans to provide farmers with sufficient working capital. Loans granted under the law of 24 May 1945 to young farmers with the necessary technical knowledge constituted an important contribution to the campaign against the exodus from rural areas.

30. He passed to a survey of the agrarian structure of France on the basis of information gained from the agricultural survey carried out between 1942 and 1946 and the general population census of 10 March 1946, showing the main characteristics of that structure. He cited figures to show that 86.8 per cent of peasant holdings covering 69.6 per cent of the total area ranged from one to fifty hectares. The most usual form of tenure was direct cultivation, where the land was worked by the farmer and his family and, in the majority of cases, without the help of any paid employees. A study of land ownership in France showed that approximately one out of every two families owned its holding. The fact that France was a country of medium-sized and small-holdings, worked by farmer-owners, was an obvious factor of social stability. The evolution of the number of landowners, calculated on the basis of figures established in 1882, 1929 and at the present time, showed that the concentration of holdings had been effected in the interest of owners of holdings ranging between ten and fifty hectares, which were essentially the type of holding within the possibilities of a family having the assistance of modern technical methods.

31. Turning to the agrarian structure of the territories of the French Union, he emphasized the fact that the improvement brought about in that respect constituted only one aspect of the work being carried out by France

in its territories to increase production, raise the level of food consumption, encourage health and education and ensure social stability.

32. The French representative to the thirteenth session of the Economic and Social Council had referred to experiments in community and collective farming being carried out in the under-developed tropical or sub-tropical regions.⁴ He would at the present stage give an account of some of the improvements made in agrarian structure in overseas French territories. It had become apparent that community or collective farming could only be considered as a phase in the evolution towards agricultural progress. In Africa as well as in Europe, such progress could only reach its climax when it was founded on autonomous peasant holdings with the freely given support of agricultural credit and co-operatives. Consequently, the French administration was making every attempt to develop a more rational working of the land and to improve the agrarian system, particularly by facilitating the ownership of smallholdings, while taking into account peculiar local conditions.

33. With that end in view, optional registration of land had been introduced in French Africa. Actively carried out in Tunisia and Morocco and even in Madagascar, there had been some difficulty in effecting registration in Central Africa. However, as the Secretary-General's report (E/2003/Rev.1) indicated, the traditional collective land system was being replaced by private ownership and cultivation.

34. The immense progress achieved in the development of technical methods in agriculture was of even greater importance than the legal problem of land tenure and constituted a prominent part of the programme for the economic and social development of the overseas territories. The work being done by the *Sociétés indigènes de prévoyance* provided a transitional step until a sufficiently advanced stage of development was reached for direct contact between agriculturists and the agricultural credit institutions and co-operatives. A network of agricultural co-operatives did, however, already exist to a varying extent in the overseas territories. In North Africa, that movement was already developed to a considerable extent and had proved of great value in improving production. There were several types of produces which it had thus proved possible to cultivate more intensively. Although the co-operative movement was meeting with the growing approval of the indigenous population, it had hitherto reached only a relatively small proportion of the rural masses.

35. It was therefore essential to educate the native population to the idea that their interests would best be represented by such an expression of collective responsibility. Vocational training was also necessary to provide leaders for such a movement. The report prepared by the International Labour Organisation on co-operatives in the Non-Self-Governing Territories had rightly stated that governmental action was called for in that field.

36. The considerable long-term loans granted in overseas territories to facilitate the ownership of small rural holdings were a significant aspect of the results achieved by agricultural mutual credit institutions. Although those results showed a happy trend, they were still

⁴ *Ibid.*, 536th meeting.

insufficient in view of the scope of the work yet to be done. The part to be played by the International Bank for Reconstruction and Development in assisting under-developed areas was therefore essential, given the gravity of the situation which called for urgent measures.

37. His delegation had given its support to the proposals made by the delegation of Ecuador inviting the Bank to arrange continuous and effective co-operation with the national agricultural and industrial credit institutions of the under-developed countries (A/C.2/L.79/Rev.1). If, in the overseas territories, economic development was not very advanced and the standard of living remained low, the blame should be laid on the lack of sufficient technical and financial means for promoting agricultural improvement and on the insufficient training of those who worked the land, rather than on the agricultural structure itself.

38. He agreed with the Netherlands representative that a study of the problem of agrarian structure and the efforts to improve the prevailing situation should be considered as one of the aspects of the economic and social situation without being linked too closely with other aspects of technical assistance which could not be any further delayed. The conclusions of the FAO emphasized the need for granting a considerable measure of technical assistance. In order to further social progress in the under-developed countries, assistance which would organize co-operatives, introduce a satisfactory régime of agricultural credit, facilitate the necessary investments, ensure higher returns to farmers and develop the teaching of agricultural methods were the essential prerequisites of land reform. As his delegation had already pointed out, such technical assistance should be incorporated in a general plan of economic and social development, of which land reform would constitute one of the aspects.

39. In accordance with Economic and Social Council resolution 370 (XIII), his Government would maintain its efforts to accelerate the development of under-developed countries. It would therefore wholeheartedly support the joint draft resolution submitted by Brazil, Israel, Pakistan, Thailand and the United States of America (A/C.2/L.76/Rev.1), while recognizing, together with the Egyptian delegation, that a single type of land reform could not necessarily apply to every country.

40. Mr. STADNIK (Ukrainian Soviet Socialist Republic) pointed out that the question of land reform had been settled over thirty years ago in the Ukrainian Soviet Socialist Republic and the land now belonged to those who worked it.

41. Speaking to the Polish draft resolution (A/C.2/L.82), he declared that land reform in the under-developed countries was a problem which grew yearly more acute. It should be settled urgently as the future economic development and the food supplies of those territories depended on its solution. As stated in General Assembly resolution 401 (V), the agrarian conditions which persisted in many under-developed countries and territories constituted a barrier to their economic development because those conditions were a major cause of low agricultural productivity and of low standards of living for the populations of those countries and territories.

42. There were over one thousand million farmers in Asia, Africa and Latin America and the large private

land holdings, including those held by foreign landlords and monopolies, formed an obstacle to the economic development of many under-developed territories and to the expansion of food production for the indigenous populations. Large tracts of land remained uncultivated and that situation had a negative effect on the general agricultural situation in the under-developed countries and contributed to the low standard of living of the indigenous population.

43. Supporting the Polish draft resolution, he pointed out that it contained practical measures for the implementation of previous resolutions and proposals on land reform. It also emphasized the need for returning to the local population agricultural lands appropriated for the use of foreign companies, for providing them with large-scale assistance in the form of agricultural equipment, draught animals, seeds, fertilizers and low-interest agricultural credit and for developing various forms of co-operatives for the production and disposal of agricultural products. His delegation furthermore welcomed the recommendation in the Polish draft resolution calling for the introduction of legislation in the field of wages and social insurance with a view to improving conditions of work and raising the standard of living of agricultural workers. Such legislation would lead to a democratic solution of the problem of land reform.

44. In conclusion, Mr. Stadnik formally proposed that the authors and sponsors of the two draft resolutions and the amendments which had been submitted thereto should prepare a single joint draft resolution on land reform.

45. Mr. ZOLOTAS (Greece) said that Greece had initiated land reform at an early date. The object of that reform had been to make all landless cultivators landowners, and therefore, since 1833 the Greek Government had distributed to landless peasants or to tenants lands belonging to the state, the church or large private owners.

46. That policy had been pursued when new provinces (Thessaly, Macedonia, Thrace and Epirus) had been annexed. Radical steps for land distribution in general, particularly in the new provinces, had begun in 1917 and had been completed by 1923. All the large private estates were distributed to peasants and refugees, to whom special payment and credit facilities were granted. The compensation paid to former landowners was comparatively small, and as a result of inflation had become insignificant.

47. Land reform in Greece had been combined with the development and expansion of all types of co-operatives and the establishment of a state-owned agricultural bank. Altogether 300,000 families had become farmer-owners, technical services had been re-organized and expanded, and a substantial increase in production had been achieved.

48. Greece was at present a country of small farms and farmers. There was a serious lack of land, which the Government was trying to overcome by drainage, irrigation and intensification of cultivation. The new Constitution, adopted by the Greek National Assembly a few weeks previously, provided for a further distribution of large private estates.

49. Greece, like other countries and notably France, had found that the problem of land reform required solution through a combination of several measures—

agricultural credit, equipment and machinery, fertilizers, technical advice and co-operatives. It was not sufficient to give peasant landowners security of tenure.

50. Replying to the Indian representative's statement at a previous meeting (165th meeting) that the Greek representative's proposal for a self-development programme would introduce a new type of slavery, he pointed out that he had suggested that such a programme should complement and not be an alternative to a general development programme for the under-developed countries. He felt that peasants who were under-employed and undernourished wished to be assisted and would be grateful for any employment, which would enable them to promote their own economy. Such a self-development programme would be a short-term one and would be directed by government technicians and the government concerned would also provide the peasant land-holders with implements and machinery.

51. Of the two draft resolutions on land reform which had been submitted to the Committee, he preferred the revised joint draft resolution submitted by Brazil, Israel, Pakistan, Thailand and the United States of America to the Polish one as he found the former more comprehensive. He was in agreement with the purpose of the Polish draft resolution but it mentioned only a few of the recommendations contained in Economic and Social Council resolution 370 (XIII) and, therefore, weakened that resolution, whereas the joint draft resolution referred to all the recommendations. Furthermore, paragraph 2 (f) of the Polish draft resolution which referred to legislation in the field of wages and social insurance, might prove dangerous in under-developed countries, as it would involve expenditure and impose bureaucratic machinery which might prove burdensome to the inhabitants of rural areas.

52. Mr. KIDRON (Israel) said that one of the more encouraging features of current political and economic thought was the growing realization that the fundamental dependence of mankind on the products of the land implied an equally fundamental study of its problems, in order to make it possible for the world to support an increasing population at a standard which a twentieth century society had the right to expect.

53. The primary importance of land reform had been reflected in the urgent and intensive study given to the problem during the past year. After the debates which had culminated in General Assembly resolution 401 (V), a valuable report on *"Land Reform: Defects in Agrarian Structure as Obstacles to Economic Development"* had been prepared by the Secretary-General in conjunction with FAO and an exhaustive discussion had taken place at the thirteenth session of the Economic and Social Council. There and elsewhere, there had been general agreement that land reform, especially in the under-developed countries and territories, was an essential part of any effective implementation of comprehensive programmes for economic development and of economic and social progress. That conception, with the addition of a reference to the political instability caused by inequitable systems of land tenure in some countries, was expressed in negative form in paragraph 2 of the preamble of the joint draft resolution of which the Israel delegation had the honour to be co-sponsor.

54. The Israel delegation, however, did not regard the question of land reform as an economic problem only. It was a political question of the first magnitude in

many countries in Asia, Africa, the Middle East, Europe and America. The common denominator in many of those countries was that their principal industry was primitive agriculture. They were characterized by large poorly cultivated estates, absentee landlords, usury, immense wealth for the few and grinding poverty for the many. There was no hope for the landless peasant in such countries because his landlord and his ruler were one and the same person. Land reform might well be the last chance of warding off violent upheaval in many countries of the world.

55. Israel had few problems in that sphere and had been able to develop its own social, political and economic systems unhampered by the deadweight of old and outworn traditions. Private ownership of land existed but the most usual system of land tenure adopted in Israel was based on nationalization of a unique kind. Under that system the land was not owned or administered by the State, but by the Jewish National Fund, whose rights to acquire and dispose of land were defined by statute. The Fund was financed by voluntary contributions and loans and the land acquired by it, while regarded as the inalienable property of the nation as a whole, was leased on long lease to individual tenants. The conditions under which land was leased to the individual tenants were flexible although based on certain fixed principles. The first principle was the national ownership of the land itself. That implied a prohibition of land resale and a right of control through the Fund if the usufruct passed from one tenant to another. The lease was contingent upon the annual payment of rent. The tenant was subject to certain obligations and restrictions. The land was thus protected against over-utilization, and if there was a rise in land values, a new evaluation might take place. If by changes in the technique of cultivation a farm proved to be too large, which had happened frequently in the past with the spread of irrigation, the tenant had to consent to a reduction of the area allotted to him.

56. The use to be made of the land was always specified in the lease contracts, and the terms could not be changed without the permission of the Fund. A tenant could not transfer his rights to another tenant without the agreement of the Fund. Contracts were made for a period of 49 years and were renewable for another 49 years at the end of that period. Annual rent depended on the value of the estate. It was usually 2 per cent in the case of agricultural land and 4 per cent in the case of urban land. With the approval of the Fund a tenant could transfer his rights to another person, and could also mortgage rights on the land or dispose of them in favour of his heirs.

57. A little over 80 per cent of Jewish villages in Israel were established on National Fund land. Settlers had security of tenure and were interested in the improvement of their holdings. The sizes of the farms—about 2 1/2 hectares for irrigated farms and 10 to 12 for unirrigated—were more or less equal. The use of the land was controlled and the accumulation of land into big estates was impossible.

58. The nationalized form of tenure in Israel found expression in the social organization of the new villages and settlements in Israel. Such social organization was an original device to cope with a particular problem—the settlement of an essentially urban people, lacking in capital, skill or experience in agriculture, on a land

which had wasted from neglect. The forms of settlement chosen on National Fund land were all of a collective or co-operative type, and ranged from the commune in its simplest form, namely the *Kibbutz*, in which the means of production were commonly owned and where there was a common household, to the *Moshav* type of settlement, in which buying, marketing and agricultural machinery only were co-operatively organized. Those various forms of settlement were of a voluntary nature,

and the State had no right of ownership or control of them.

59. He supported the proposal of the representative of the Ukrainian Soviet Socialist Republic that an attempt should be made to consolidate the various draft resolutions and amendments on land reform into one agreed draft.

The meeting rose at 1 p.m.