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Chairman: Sir Douglas COPLAND (Australia).

AGENDA ITEM 25

Economic development of under-developed countries (A/2686, A/2702) (continued)
(d) Land reform (A/C.2/L.234) (continued)

1. Mr. USCOCOVICH (Ecuador) said that the problem of land reform varied from country to country according to geographical, economic and social conditions. In Ecuador and other countries where vast areas of very fertile arable land were still uncultivated, the main problem was how to attract large numbers of people to that land who would cultivate it. That called for the building of roads and drainage works in order to ensure settlers decent living conditions. The Ecuadorian Government had therefore undertaken the construction of a road network which would link the populated centres with the still unexploited virgin forest regions. The programme was financed almost entirely by national capital.

2. At the request of the President of the Republic, the Minister of Economy had, during the current year, submitted to the Congress preliminary draft legislation relating to land tenure, land settlement and the exploitation of forests. The main object of the draft legislation was to regulate conditions of ownership and the use and lease of land, in conformity with modern principles of law and with the real needs of the country. The draft legislation should be viewed against the background of one of the fundamental resolutions (LXXIII) adopted by the Tenth Inter-American Conference held at Caracas earlier in 1954, in which the participating countries had reaffirmed the need for opening uncultivated land to agriculture and stock-breeding and for abolishing, by means of a democratic land reform, the feudal systems that still existed. The Ecuadorian legislature was carefully considering that very important draft legislation which filled a gap in the country's land law and was in keeping with the purposes of the United Nations Charter.

3. State land was already allocated in plots of from 50 to 200 hectares, at prices ranging from 5 sucres¹ to 20 sucres per hectare. The social welfare authorities were considering the possibility of extending to rural

workers the social security system already enjoyed by urban workers. Agricultural trade unions did not yet exist, but their establishment was not subject to any restrictions. Despite the benefit of preferential legislation, such as tax exemptions and other material advantages, co-operatives had not made much progress, mainly because the rural population was educationally backward. The Government had therefore launched a drive against illiteracy in the rural areas. It was also energetically fighting malaria and hookworm.

4. With regard to agricultural credit, the Ecuadorian peasant could apply to the National Development Bank, whose head office was in the capital, or to the provincial banks or to branches and agencies throughout the country. In 1952, the development banks had carried out 31,323 credit transactions to the value of 258,975,000 sucres. With the object of facilitating long-term credit, which the development banks with their inadequate capital were reluctant to extend, the President of the Republic had prepared legislation to empower the National Development Bank, the mortgage banks and the mortgage loan departments of the private banks to issue ten-year bonds to the value of 150 million sucres, bearing interest at the rate of 8 per cent per annum. Those funds would be used for long-term investments spread over the years 1953, 1954, 1955 and 1956, at the rate of 25 per cent of the total, or \$2,500,000 each year. The bonds were redeemable, upon presentation, at par, by the securities equalization fund of the Central Bank of Ecuador. They were, so to speak, bearer cheques which yielded 8 per cent per annum and constituted a safe investment for foreign capitalists. Thanks to that assistance to agriculture, Ecuador would be able to step up its production and, consequently, its exports.

5. Land reform had very varied aspects. It involved not only an economic but also an intensely human problem. It could not be solved in isolation, independently of such other problems as housing, education, irrigation and road building. Hence it concerned all the specialized agencies and the Technical Assistance Administration, which should co-ordinate their efforts in their respective fields. But it also concerned institutions such as the United Nations High Commissioner's Office for Refugees or the Inter-Governmental Committee for European Migration, which could help to supply the under-developed countries with the man-power required for developing huge areas of unused land. Ecuador, for example could feed a population six or eight times larger than its present population. An influx of immigrants would help not only to increase national production and so to raise the standard of living of the rural population, but also to relieve the population pressure in over-populated countries and reduce the growing disequilibrium between the size of the world's population and the amount of food it produced.

6. Accordingly, his delegation would support any draft resolution recommending the study of further

¹ 100 sucres = \$6.60.

action to be taken by the specialized agencies under the programmes of technical assistance in planning co-ordinated schemes which would be carried out with the participation of immigrants in the countries that provided them with land. It was only by co-ordinated action, allowing for all the factors involved, that useful and effective work could be done in the matter of land reform.

7. Mr. GARCIA (Philippines) said land reform was an important question. To own land was the desire of thousands of human beings, and as long as that desire was not reasonably satisfied it would constitute a permanent source of disturbance and discontent.

8. Land reform was one of the questions to which the Philippine Government was giving its most earnest attention. Land reform was closely linked to the development of agriculture, and the Government had taken practical steps to increase and diversify agricultural production by means of mechanization of agriculture, rural electrification schemes, soil conservation, re-afforestation, irrigation works and the establishment of agricultural co-operatives.

9. In a country like the Philippines, whose economy was based primarily on agriculture and where land was the main form of property, the introduction of a land reform to overhaul the agrarian structure inevitably raised difficult social and political problems which could not be solved from one day to the next. The Government had long been following a well-defined policy, based on the principles set forth in the 1936 Constitution, the particulars of which were laid down in certain laws and orders. But the effective application of that policy had been delayed by various factors, principally the shortage of funds. Post-war reconstruction having been completed and normal conditions having returned, the Government would concentrate on land reform.

10. On assuming office President Magsaysay had undertaken a survey of the country's system of land tenure with a view of freeing the peasants from oppression and injustice and giving land to those who had none. He had affirmed that the Government would do everything within its power to buy up large estates, to be resold on favourable terms to small-holders. He had also encouraged a back-to-the-land movement in order to end post-war migration from rural areas to towns.

11. As one of his first decisions, President Magsaysay had set up an Inter-departmental Committee on Land Tenure to prepare studies and submit a report containing practical recommendations. That report had served as the basis for the Agricultural Tenancy Act which the Congress had passed at its recent session. That act superseded all previous land reform legislation and laid the groundwork for a democratic system of land tenure; it gave tenant farmers and share croppers greater security of tenure and eliminated one of the principal sources of disputes between owners and tenants by prohibiting the arbitrary eviction of tenant farmers practised under the traditional *kasama* (share tenancy) system. For the first time the rights and obligations of both parties were defined in a single act.

12. The new act applied to all crops, including tobacco, hemp and coconuts, whereas previous acts had applied only to rice and sugar cane. It limited interest on loans to tenant farmers to 8 per cent. It also provided for a programme of education, to be carried out under the auspices of the Secretary of Agriculture, in order to acquaint the tenant farmers and landowners with their rights and duties.

13. The administration of the act was the responsibility of the Agricultural Tenancy Commission, which, among its other functions, acquainted the rural inhabitants with their rights, conducted on-the-spot investigations into the conditions of leaseholds and advised the authorities on problems encountered in the application of the act. The members of the Commission had just been appointed and were now touring the country in the performance of their duties.

14. The National Economic Council of the Philippines had included in its 1955-1959 Five-Year Economic Development Plan an agricultural development plan which would spur progress in land reform and safeguard the welfare of tenant farmers and plantation workers.

15. A number of State agencies were co-ordinating their efforts to deal with the many aspects of the general problem of land reform. A national resettlement and rehabilitation administration had recently been set up to settle such groups as landless farmers, former opponents of the régime and ex-servicemen on State-owned land. Great progress had been made, particularly on Mindanao. That administration was also planning the reclamation of certain lands, including the Candaba marshes in the heart of central Luzon, formerly the hide-out of the Huk rebels. It was also endeavouring to determine the rights and status of thousands of squatters who had taken possession of unleased land since the war.

16. The Rehabilitation Finance Corporation and the Agricultural Credit and Co-operative Financing Administration rescued small tenant farmers and shareholders from the clutches of usurers by granting them greater credit facilities. Small agricultural banks had been established in many localities with the help of the Central Bank and other State agencies. It was hoped that the postal savings funds would soon be authorized to use their resources for rural credit.

17. A homesite and housing corporation, which had been functioning for some time, was responsible for establishing urban residential centres and building low-cost housing for low and middle income families. The Bureau of Lands was responsible for accelerating the registration of deeds.

18. Naturally, far-reaching tangible results from the land reform measures that had been adopted could hardly be expected as yet, but it was already apparent that the Government's efforts had not been in vain and that the long-neglected rural population had regained faith and hope.

19. Mr. UMARI (Iraq) said that agriculture played a vital part in his country's economy and described the measures taken by his Government in this field. Two great rivers flowed southward through Iraq, which had once possessed an extensive network of canals that had been destroyed at the time of the Mongol invasion. The Nationalist Government of Iraq had made a special effort to deal with the fundamental question of irrigation. Considerable progress had been made in the north and the south through the installation of pumps and the construction of canals, but agriculture in the north depended largely on seasonal rainfall.

20. In 1952 the Government had set up a development board to carry out large-scale schemes for the development of both agriculture and industry, such as the construction of reservoirs, dams and hydroelectric power plants, and various flood control works. Seven per cent of the country's revenue from petroleum had been allocated to that body.

21. As vast areas belonged to the State, the Government had launched a programme for the distribution of land to landless peasants. The Dujaila settlement near the Kut Barrage, where experiments in agriculture, social organization and education were in progress, had been established under that programme. Other plans for the distribution of fertile, arable lands had been prepared or were being executed. Co-operatives had been formed to provide agricultural implements and seed and had proved very useful. The farmers settled on the recently distributed land could obtain advice and information.

22. The development board was also promoting road building, as roads were another prerequisite for the development of agriculture and industry.

23. Those were long-term undertakings, and the development board committee had been criticized in some quarters for not producing more spectacular results. The Government had therefore taken steps to disseminate information on the projects among the people. For that purpose, it had exhibited models of large-scale works at present under construction at a large trade and industry fair recently held at Baghdad.

24. The Government had also built an oil refinery near Baghdad which would facilitate the use of agricultural machinery and ensure the successful operation of industries based on agriculture as well as other industries.

25. He stressed the important part played in the development of his country by international bodies and by the United States Foreign Operations Administration, and wished to express the gratitude of the people of Iraq for their valued assistance.

26. Mr. NASH (United States of America) said that in his country, which was known as an industrial nation, agriculture was and had always been one of the most important phases of the economy. The interest of the United States in land problems was therefore understandable.

27. The expansion of agricultural production after 1850 had contributed directly to the development of the internal market and it was partly due to the development of its agriculture that the United States had passed, in an orderly and gradual manner, from an essentially rural to a more highly diversified economy.

28. The well-being of the rural population and the improvement of its standard of living could easily be explained. In the United States, the farmer himself owned the land. It had been his country's policy, from the earliest times, to make it possible for a farmer to own a farm of sufficient size for his own needs. It was relatively easy for anyone to purchase Government land on reasonable terms by means of long-term payments of from twenty to forty years and with interest rates of 5 per cent or less. Moreover, after 1862, thanks to the homestead system practised in the West, any person could become the owner of 160 acres of land by merely staking a claim, working the land and living on it for a year or more. In 1948, over 70 per cent of the farms were being operated by their owners.

29. If agriculture was to develop, land had to be fertilized, terraced and watered; the type of crops grown had to be in harmony with the climate of the locality. In view of the importance of research and study, agricultural colleges and experimental stations had been established throughout the country. Furthermore, the construction of railways and roads had facilitated the transport of agricultural produce and, most recently,

electric power had been made available to practically every farm in the country.

30. The question of credit was also very important. In the United States, commercial banks and certain federal agencies made farm credit available at a rate of interest not exceeding 6 per cent. There now existed a co-ordinated system of farm credit at reasonable rates as well as a system of crop insurance against unavoidable losses due to weather, insects and plant disease.

31. That was the United States programme of land reform. It was a programme of continuing concern for the people who made their living off the land.

32. Since three quarters of the world's population depended on agriculture for a livelihood, and since that population was increasing rapidly, it was understandable that the United Nations should endeavour to find a solution of the land reform problem. No effort should be spared to find means of increasing agricultural production.

33. Many people thought of land reform primarily as a problem of redistribution of land, especially in terms of breaking up large land-holdings. In fact, in certain areas, large-scale agricultural enterprises might be the most efficient method of operation. In any event, whatever redistribution of land was a sound policy the owners should receive fair compensation, as confiscation could not be the basis of a sound land reform programme.

34. Any programme of land reform had to provide for the improvement of all the economic and social institutions bearing upon the welfare of the farmers. The task was therefore enormous, as it might include, *inter alia*, the consolidation of land, the granting of credit, the encouragement of agricultural research and education, the establishment of co-operatives and so forth. All those objectives of land reform had indeed been recognized by the United Nations from the beginning.

35. Countries desiring to undertake a reform of their agricultural structure should endeavour to keep in mind certain fundamental propositions. Firstly, the farmer should be helped to help himself. Secondly, any land reform programme had to be designed and shaped by the people concerned, who had to understand the importance of land problems in their national development. Thirdly, it was only in those circumstances that outside help could be effective. The United Nations and the specialized agencies could render useful assistance only if their help was actively desired by the countries concerned and if they received the full co-operation of the particular Government. Fourthly, there was no formula which could be applied universally. Every country had its own problems and the solutions had to be determined by the peoples concerned. For those reasons, the United Nations could not impose a specified land reform programme. Finally, land reform programmes would be most effective if they were related to other programmes of general economic development.

36. Although the United States had no special competence in helping to solve agricultural problems in other countries, it had encouraged and supported programmes of agricultural improvement. It would continue to do so, both directly and through international organizations.

37. The problems of agricultural improvement were very complex, but the task was worth undertaking as its rewards would include a more satisfying life for

millions of people, more efficient economies and more stable democratic institutions, which would all contribute to the maintenance of peace.

38. Referring to the draft resolution proposed by the five Powers (A/C.2/L.234), he said that the United States delegation would not be able to support it as it stood. He reserved the right of his delegation to make further comments on the draft when the Committee came to consider the text.

39. The CHAIRMAN announced the closure of the debate and invited comments on the draft resolution proposed by the delegations of Bolivia, Costa Rica, Egypt, Indonesia and Pakistan (A/C.2/L.234).

40. Mr. EL-TANAMLI (Egypt) said that, wishing to save the Committee's time, his delegation had refrained from taking part in the debate on land reform although the question was of great interest to Egypt. If it was remembered that only 2,115 persons in Egypt had owned over 80 hectares of land in 1950 it would be readily understandable why the Government's principal concern was the rural population of 15 million who depended for their livelihood on the cultivation of a mere 2,400,000 hectares.

41. The magnitude of Egypt's problem explained the active part taken by the Egyptian delegation in the efforts made both in the Economic and Social Council and in the General Assembly to reach satisfactory solutions at the international level. In keeping with that position, Egypt had once again joined other Members in preparing the draft resolution before the Committee.

42. The draft was based on the very broad view that land reform involved not only what the term traditionally implied—a simple redistribution of land—but also, in conformity with more modern ideas, a whole series of technical agricultural development projects conceived as part of a general plan of economic and social development. That was not a novel approach; the General Assembly in its resolution 625 (VII), and the Economic and Social Council, had given it their blessing. Indeed, the preamble of the draft resolution did no more than to reproduce and amplify the ideas expressed in the Council's resolution 512 C (XVII).

43. The recommendation to States Members contained in operative paragraph 1 of the draft resolution had appeared in the earlier relevant resolutions of the General Assembly, while paragraph 4 literally repeated one of the provisions of the Council's resolution. Paragraph 5, which specified what action the Secretary-General and the specialized agencies were to take, was intended merely to give the Council's earlier recommendations the full backing of the General Assembly.

44. Perhaps the only novel feature was the emphasis on the principle of equal treatment in the sixth paragraph of the preamble and in paragraph 2 of the operative part. That idea had not been mentioned explicitly in earlier resolutions on land reform, but since land reform could not be dissociated from world-wide action to improve economic and social conditions, it was evident that the draft resolution respected the spirit of earlier resolutions. It was also wholly in keeping with the provisions of the United Nations Charter and of the Universal Declaration of Human Rights.

45. He pointed out to the United States representative that the redistribution of land did not necessarily create problems of financing, especially international financing. In recommending that States Members should institute, when necessary, appropriate land reforms in the interest of landless peasants, the authors

of the draft resolution had not intended to prescribe that type of measure; the choice of measures was a matter within the domestic jurisdiction. They had simply wished to encourage Members to adopt that particular type of measure if it was in line with their overriding interests.

46. Mr. STANOVNIK (Yugoslavia) said that the Yugoslav delegation had not thought it necessary to speak in the debate because its Government's position had been clearly set forth in the Secretary-General's report *Progress in Land Reform* (E/2526).

47. In general, the Yugoslav delegation supported the five-Power draft resolution, but it would make some comments on it in the hope of assisting the authors to work out a generally acceptable text.

48. First, the draft resolution did not place sufficient emphasis on two major ideas. One was that there should be the broadest possible base for land reform. Experience had shown that measures affecting only the agricultural sector might prove ineffectual and that, in most cases, they had to be combined with a programme of industrialization if they were to produce the desired results. Industrialization, carried out concurrently with land reform, in fact facilitated the reform in that it created a market for surplus agricultural labour and also led to the production of the technical material—equipment and fertilizer—required to increase the yield of the land. The draft resolution should be explicit on that point, and he therefore suggested that an additional paragraph be inserted, recommending that Governments plan land reform within the general context of economic development.

49. The second point which the authors of the draft resolution had failed to mention was the diversification of agricultural production. Yet diversification was very important, especially for under-developed countries, most of which were seriously hampered in their economic development by the fact that they were single-crop producers.

50. He further pointed out that agriculture was generally the most important source of the national income of under-developed countries or territories, not just an important source of that income as stated in the third paragraph of the preamble. He therefore suggested the deletion of the last part in that paragraph, beginning with the words "where agriculture . . .".

51. He expressed criticism of the fourth paragraph of the preamble, which suggested that co-operatives were useful only in the early stages of land reform, in the phase of land redistribution. In his view, however, the co-operative movement was one of the most powerful and effective instruments of economic development. Moreover, the paragraph apparently only recognized the importance of sales co-operatives, whereas other forms of co-operatives, particularly producers' co-operatives, had demonstrated their effectiveness in many countries like Israel, Burma and Poland, and should be given the same consideration by Members as sales co-operatives.

52. The fifth paragraph of the preamble placed undue emphasis on the ownership of land and conveyed the impression that land redistribution was the sole object of land reform. He pointed out that in some under-developed countries a mere redistribution of the land would not, *ipso facto*, promote the advancement of the people. For example, if all the arable land of Asia were distributed to the inhabitants of the continent, every family—on the assumption that an average rural family consisted of four persons—would have less than

two hectares, too small an area to be productive, and the land reform, although on a very broad scale, would prove futile from the economic point of view. While it was true that land reform definitely had a social purpose—to ensure ownership of the land by those cultivating it—it also had an economic purpose no less important—to increase agricultural production. He suggested that the paragraph should perhaps be revised in the light of those considerations.

53. In the last paragraph of the preamble a reference to the part played by the co-operative movement in the very countries where large land reform programmes had been applied should be inserted.

54. In paragraph 2 of the operative part, the authors of the draft resolution had circumscribed the problem by injecting the idea of respect for the traditional institutions of the indigenous populations. In the first place, the resolution dealt not only with Non-Self-Governing Territories but was meant to apply to all the Members of the United Nations. Secondly, the paragraph was hardly necessary, for land reform, wisely carried out, would inevitably lead to the disappearance of traditional institutions incompatible with progress and modern techniques, but would respect other institutions. The main thing was to ensure that a rational policy would be applied.

55. He noted, in connexion with operative paragraph 3, that the Governments themselves decided what priority was to be given to the projects for which they were seeking United Nations technical assistance, and, if they deemed it necessary, they would certainly take the initiative in calling upon the United Nations to help them in carrying out programmes of land reform.

56. He was not submitting any formal amendment, but hoped that the authors of the draft resolution would

bear his comments in mind. If they amended their text accordingly, it was more likely to be acceptable to the Yugoslav delegation.

57. Mr. O'NAGHTEN (Cuba) suggested that the Committee suspend debate on the draft resolution so that its authors and Committee members wishing to make proposals relating either to substance or to form could meet informally and try to work out a text which would meet with unanimous approval.

58. Mr. CASTRILLO JUSTINIANO (Bolivia) said that it would be premature to interrupt debate on a text before all the Committee members had had the opportunity to state their views, or before formal amendments could be tabled.

59. The CHAIRMAN, Mr. EL-TANAMLI (Egypt), Mr. LIRA MERINO (Chile), Mr. BLUSZTAJN (Poland), Mr. HALIQ (Saudi Arabia), Mr. HEGDE (India), Mr. NASH (United States of America) and Mr. UMARI (Iraq) participated in a procedural debate.

60. The CHAIRMAN thereupon proposed the adjournment of the meeting, on the understanding that while the Committee was discussing technical assistance, a small working group composed of the five authors of the draft resolution, the representatives of the United States, India, Poland, Yugoslavia and any other interested members would meet informally and try to work out an agreed text. The working group would report to the Committee on Monday, 22 November. If it had not completed its work by then, it would so inform the Chairman, who, in turn, would inform the Committee.

It was so decided.

The meeting rose at 6.10 p.m.