# Land Reforms in Pakistan

A HISTORICAL PERSPECTIVE

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**Editors** 

# Contents

		Pag
Acknowle	dgements	(i)
Preface		(v)
PART	I – LAND REFORMS IN PAKISTAN: AN OVERVIEW	7
Chapter 1	The Nature of Challenge	3
	The Reforms and the Reformers	4
Chapter 2	The Twilight of Independence	7
	The Tenancy Legislation Committee, 1945	8
Chapter 3	The Genesis	10
	Government Hari Enquiry Committee, 1947-48	10
	The Majority Report	11
	M. Masud's Minute of Dissent (1949)	12
Chapter 4	The Age of Chivalry	14
	Report of the Agrarian Committee of the Pakistan	
	Muslim League, 1949	14
	Short-term Measures	16
	Long-term Measures	17
Chapter 5	The Lull before the Storm	19
-	The Provincial Tenancy Acts (1950)	19
	The First Five-Year Plan (1955-60)	20
Chapter 6	Reconstructing the Jigsaw Puzzle	22
•	Report of the Land Reforms Commission for West	
	Pakistan (1959)	22
	Ghulam Ishaq Khan's Dissenting Views	25
	The Martial Law Regulation No. 64	27
Chapter 7	The Epilogue	28
	=	

### PART II - REPRODUCED OFFICIAL DOCUMENTS

REPORT OF THE GOVERNMENT HARI ENQUIRY COMMITTEE; 1947-48	33
HARI ENQUIRY COMMITTEE: MINUTE OF DISSENT BY M. MASUD	55
REPORT OF THE AGRARIAN COMMITTEE OF THE PAKISTAN MUSLIM LEAGUE	91
THE FIRST FIVE-YEAR PLAN (1955 - 60)	133
REPORT OF THE LAND REFORMS COMMISSION FOR WEST PAKISTAN	153

## **Preface**

HE socially divisive land-tenure system which Pakistan inherited and which, because of its inherent inequities, drives a wedge between a landlord and his tenant has been the subject of much concern and repeated studies by the country's policy-makers. The inequities of the land-tenure system were the results of the high degree of land concentration, absentee landlordism, insecurity of tenure for share-croppers, and the extraction of excessive surplus as rent through batai, abwab and begar labour that prevailed at the time of Pakistan's independence in 1947. Hence, land reforms have focused, since independence, on imposition of a ceiling on landholdings, distribution of land to the landless tenants and small owners, and a readjustment of the tenancy contracts through appropriate legislation to improve the precarious position of the As a result of these reformist measures, some of the worst characteristics of the system appear to have been removed. But a lot remains to be done to make the land-tenure system consistent with the dictates of growth and equity. The reformer's labour of love still remains to be crowned with complete success.

Land reformers in Pakistan have been divided on the issue of the most appropriate structure of land tenure. While a system of peasant proprietorship has been regarded as the ideal solution of the problem by some reformers, the 'reality' of tenancy contracts based on batai (share-cropping) arrangement has been accepted by others as the only workable system. This compromise between the ideal and the reality reflects the conviction of the reformers that, once the ceiling on landholding is sufficiently lowered and security of tenure provided to the tenant, the batai system can work effectively to the advantage of both the parties.

With the passage of time, a 'reformed' batai system appears to have been accepted by policy-makers in Pakistan as the preferred alternative. But, it is universally acknowledged that the struggle of the small peasant, as tenant and marginal landowner, to improve his own welfare and that of the society, cannot bear fruit without the intervention of the State on his behalf to remedy the most blatant features of the landlord-tenant

relations. This proposition has been at the centre of much of the literature on land-tenure reforms in Pakistan, which consists of several documents of official committees and commissions. We have made a selection of five such documents:

- 1. Report of the Government Hari Enquiry Committee, 1947-48
- 2. Government Hari Enquiry Committee: Minute of Dissent by M. Masud. 1949.
- 3. Report of the Agrarian Committee appointed by the Working Committee of the Pakistan Muslim League. 1949.
- 4. The First Five-Year Plan: 1955-60 (Chapter 17 only)
- 5. Report of the Land Reforms Commission for West Pakistan 1959.

The first report is an example of the official non-comprehension of the problem of land reform. The second document constitutes a watershed in the history of land reforms in that it exposes clearly and effectively the hypocrisy of official thinking at the time of its preparation. It proposes total abolition of the prevalent zamindari system and its replacement by a system of peasant proprietorship. The third document is a classic. We find in it glimpses of the noon-tide of idealism that had permeated official zeitgeist soon after independence, and of hardheaded realism. It forcefully states a case for peasant proprietorship as well as for a 'reformed' tenancy system. The fourth document draws on the Agrarian Committee's thinking to make policy proposals for bringing about structural change in the rural sector. The last document reproduced in this book is a remarkably lucid document, which presents a creative synthesis of the thinking on the subject. Putting together the relevant information about the existing land-tenure system in Pakistan. it builds a convincing case for land reforms in the country. A 'reformed' tenancy is proposed as a workable compromise between the ideal and the reality to satisfy the dictates of equity and growth.

These documents are being published together for the first time. To save space and make them more readable, parts of the original text have been suitably abridged. These reports are part of our intellectual

heritage which we have sought to preserve for posterity. To highlight their message, and the logical connection between them, we have written a longish overview. The literature we have assembled here for the interested reader portrays the evolution of official thinking on the subject of land reform. It is also a kaleidoscope through which can be seen the changing 'reality' of the economic and political power structure in rural Pakistan. What is even more significant is the potential of this literature for providing an excellent basis for future debate and policy on the yet unfinished agenda of land reforms in Pakistan.

**Editors** 

# PART I LAND REFORMS IN PAKISTAN: AN OVERVIEW

# CHAPTER

# The Nature of Challenge

AND-TENURE system defines patterns of relationship between a landlord and his tenants. It also determines the structural framework within which the various productive activities relating to agriculture take place. Private ownership of land, especially if it is concentrated in large estates, is at once the basis of almost all power, a dominant form of wealth, and probably the most important means of production. But, unlike other means of production, the ownership of land confers on its owner, in the form of rent, the right to a surplus, in the creation and enhancement of which he may have played no significant part. If the ownership and use of land are not regulated by the State, an exploitative configuration of forces can come into play which establishes a practically one-way flow of the benefits of agricultural growth from the tenant to the landlord. The most obvious form of this configuration is a feudal system in which the monopoly of land is held by absentee landlords and land is cultivated by landless tenants from whom the owner of land extracts a surplus, the size of which is significantly bigger than can be justified on economic or ethical grounds.

Land reforms refer to a conscious attempt by the government to alter the basic structure of the rural society. Such structural changes in the existing configuration of property relations on land and contracts about its control and use have been universally accepted as a necessary, if not a sufficient, condition for ensuring social justice and promoting agricultural growth.

The land-tenure system which Pakistan inherited at Independence represented in many ways a symbiosis of structural relationships that

permitted economic and social exploitation of the tenant by the landlord. It was based on private ownership of land, with two important variants. In the first, and the more dominant variant, large tracts of land were owned by the non-cultivating owners and cultivation was done by landless share-croppers. The zamindars (landlords) and nonrevenue-paying jagirdars (estate holders) supervised haris (tenants) or muzarieen in absentia through their agents, called kamdars (roughly, supervisors) or ahalkars (authorised persons). Most tenants held a temporary tenure at the will of their landlord and without any legal protection. Hence the appellation "tenants-at-will". A small proportion of the tenants, called occupancy tenants, had occupancy rights recognized in law. The batai (share-cropping) system determined the relative shares of the zamindar and his tenants in gross produce. addition, the landlord charged levies and perquisites and also extracted begar (forced and free) labour from his tenant, all of which had the effect of enhancing the zamindar's share. This system of land tenure was characterized by absentee landlordism, and led to the exploitation of tenants by the zamindars because of the highly uneven power structure inherent in the system. The second variant of the land-tenure system, found mostly in some areas of the Punjab and the NWFP, was based on peasant proprietorship, in which small parcels of land were cultivated by land-owners with the help of family labour.

#### The Reforms and the Reformers

There have been two major schools of thought in Pakistan about land reforms. One school has advocated abolition of tenancy contracts and their replacement by a system of peasant proprietorship as the only acceptable form of a land-tenure system. This has been referred to as the 'ideal' solution. This reasoning is based on two arguments. One argument is that, given the asymmetry of relations between the tenant and the landlord, the landlord-tenant system is unjust to the tenant. The other argument is that the existing system offers few incentives to either party to raise productivity. In contrast, the peasant-proprietor system contains all the productivity-raising incentives, which can be strengthened further through appropriate State intervention.

The other school of thought has, instead, argued for making significant adjustments in the tenancy contracts to provide greater security of tenure to tenants and to reduce the burden of extortionist cesses, locally called abwab and haboob. The adherents of this school do not consider

the system based on peasant proprietorship feasible. This is because (a) there is not enough land to redistribute to all tenants, (b) the redistributed parcels of land will be too small to be economically viable. and (c) a large-scale redistribution of land will cause major dislocation in the social and economic structure of the society. Furthermore, the system of peasant proprietorship also excludes from its purview small land-owners, like widows and orphans, who can usefully rent out their land to tenants without exercising any coercive powers over the latter. The main thrust of their argument is that the batai system can be rid of its exploitative content if the ceiling on private landholdings is lowered significantly. Coupled with a compensation formula that keeps the rate of compensation substantially lower than the market price of the resumed land, the prescription of a sufficiently low ceiling on land should rectify the power imbalance in the landlord-tenant relations. The position of the tenant vis-à-vis the landlord can be strengthened further if the revenue courts are empowered to adjudicate all disputes. This alternative can be referred to as a 'compromise' solution, because the proponents of this view consider it to be a fruitful compromise between ideal and reality which permits realization of the related objectives of social justice and economic progress.

The main exponent of the first school was Mr M. Masud, whose Minute of Dissent has become one of the best-known documents on the subject. Reacting to the extreme conservatism of official thinking at the time, he insisted on a system of peasant proprietorship as the ideal solution of the problem. The long-run measures recommended by the Muslim League Committee, led by Mian Mumtaz Khan Daulatana, also considered peasant proprietorship as the ideal tenurial arrangement for The Muslim League Committee's short-run Pakistan's economy. measures, however, reflected the second strand of thinking, which preferred the compromise solution. The 1959 Land Reforms Commission Report also advocated a 'reformed' tenancy system as a suitable object of land reforms. But the minority viewpoint of Mr Ghulam Ishaq Khan<sup>1</sup> sought to minimize the difference between the ideal and the compromise solutions in terms of their impact on equity and growth. He proposed separate ceilings on individual and family land-ownerships, and rejected the idea of granting too many exemptions to the prescribed

<sup>&</sup>lt;sup>1</sup>Mr Ghulam Ishaq Khan is at present Chairman of Pakistan's Senate, the upper house of the country's parliament.

ceilings. The 1972 and 1977 land reforms also subscribed to the second line of thinking.

Looking back, it appears that the majority of the reformers in Pakistan accepted private ownership of land, and believed that a "reformed tenancy" system emerging from the cathartic process of land reforms should be economically viable and ethically acceptable. However, there was a consensus among reformers that structural changes in the rural sector could only be brought about through purposeful State intervention.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> The narrative that follows is based on a forthcoming study by the present editors.

# The Twilight of Independence

HE inequitable and unproductive land-tenure system that Pakistan inherited in 1947 had been created by the British to "win friends among enemies" in India. The multiple claims on land, which had emerged with the decline of the Mughal rule in India, were systematized and unified by the British as they annexed new territories. The British "Settlements" recognised in general two forms of land tenure: the zamindari system and the ryotwari system. The former laid the foundation of the landlord-tenant system, while the latter formed the basis of peasant proprietorship.

The British government intervened in the Punjab in two significant ways during the later part of the 19th century. First, it introduced a legislation, called the Punjab Tenancy Act 1887, to regulate the landlord-tenant relations. The tenants of a certain category were given occupancy rights, and measures were introduced to protect them generally against illegal evictions and extortionist perquisites and levies. Later it enacted another legislation, called the Land Alienation Act 1901, to protect the small cultivating owners from loss of land to non-cultivating owners (money-lenders). Transfer of land from agriculturists to non-agriculturists, including money-lenders, reduced the former owners to the position of debt-ridden tenants and created a new layer of intermediaries — viz. absentee landlords — whose only interest in land was to maximize their share in total produce in the form of rent.

#### The Tenancy Legislation Committee, 1945<sup>1</sup>

The separation of Sind as a province in 1936 from Bombay Presidency, in which it enjoyed the status of backwaters only, offered favourable conditions for seriously considering improvements in the existing land-tenure system which allowed the haris to be exploited by zamindars and jagirdars through batai, abwab and begar labour. The activities of the Sind Hari Committee, a peasant organization formed in 1930, provided impetus to a serious examination of these questions at the official level. The earlier passage of tenancy reforms Acts in other parts of India had further encouraged the advocates of change in Sind. As a result of these pressures, the Sind provincial assembly appointed a Tenancy Legislation Committee in 1943, which submitted its report in 1945 along with two opposing notes of dissent. The Committee was asked to examine the problems and grievances of haris (in the Sind Province) and to suggest ways and means for improving their working condition.

The Tenancy Legislation Committee made the following recommendations.

- (i) Permanent tenancy rights should be given to *haris*, because "the assurance of undisturbed possession" was necessary "to secure more efficient cultivation of land by giving the *hari* a permanent interest in a piece of land".
- (ii) Permanent tenancy rights must be made heritable and given to all the *haris* who had personally cultivated at least 4 acres of land annually for the same *zamindar* for a continuous period of 8 years.
- (iii) Some protection should be given to the zamindars by stipulating certain strict conditions that the hari must observe to retain his tenure on land.
- (iv) Cash rents should be encouraged in place of the *batai* share, but the *batai* payment and the existing levies need not be altogether abolished.

<sup>&</sup>lt;sup>1</sup>The report of this Committee and the two minutes of dissent accompanying the report have only been discussed and not reproduced here.

The first note of dissent by Mr G. M. Sayed repudiated the position taken by most of the Committee members in the Majority Report. He urged that (a) tenancy rights should be granted to all haris without condition, (b) the batai system should be abolished and replaced by a State-controlled tenancy system, and (c) land should be gradually nationalized by expropriating large estates without paying any compensation to their owners. The second note of dissent by Mr Dialmal Daulatram favoured the opposite view: that the acceptance of the Majority Report would deprive the zamindars "of their ownership in favour of landless haris to turn them into peasant proprietors". He thought that the hari could work efficiently only under the supervision and patronage of the zamindar, and warned the Committee that the "rural economy should not be disturbed as far as possible".

No action was taken by the Sind Assembly or the government on the Report of the Tenancy Legislation Committee, which was published in 1945. One explanation for the official inaction perhaps, was, that with the partition of the Indian sub-continent looming large on the horizon, the native officials and politicians of the province had become sharply polarized into votaries of Congress (almost wholly a Hindu party) and Muslim League (entirely a Muslim party) who were more concerned with national political issues than with local or provincial problems. Furthermore, by the end of World War II, the British were concerned with only one question: how to withdraw honourably from India. However, the Report and the two notes of dissent did highlight clearly the deep division of opinion that existed before the creation of Pakistan even on the issue of giving limited tenancy rights to the tenants.

## CHAPTER 3

## The Genesis

T the time of Pakistan's independence in 1947, there was some concern expressed about rectifying the inequities of the landlord-tenant system, particularly in those areas of the Punjab and Sind where the exploitation of tenants was not prohibited by law. But, with the emergence of Pakistan as an independent Muslim state, the reformist movement received a shot in the arm.

Responding to the challenge of land reforms, a series of committees were appointed by the government from 1947 onwards to offer a solution to the problem. We now turn to a brief analysis of the main recommendations of such committees. The first one was the Government Hari Enquiry Committee which was created by the Government of Sind only a few month before independence. Its report was submitted in 1948.

#### Government Hari Enquiry Committee, 1947-48

The inaction on the Report of Tenancy Legislation Committee, published in 1945, increased the pressure on the government of Sind to resolve the problems created by the prevailing tenancy system. The pressure was intensified particularly by the activities of the Sind Hari Committee. Giving in to such popular pressures, the Sind government appointed the Government Hari Enquiry Committee in March 1947 to "examine all the alleged grievances of haris, whether express or implicit" (p. 2). The Committee had five members, and its Chairman was an English landlord.

<sup>&</sup>lt;sup>1</sup>Government of Sind. Report of the Government Hari Enquiry Committee, 1947.48. Karachi. 1948.

The members of the Committee were divided from the beginning into a majority of four and a minority of one. The majority decided to make only such "proposals" as were "not only practical but feasible without unduly disrupting rural economy". However, the dissenting member, Mr M. Masud, a district administrator in Sind, strongly urged the other members to recommend abolishing the *zamindari* system and replacing it with a peasant-proprietor system based on State ownership of all land. We first examine briefly the Majority Report, and then give the highlights of Mr Masud's viewpoint.

#### The Majority Report

The Majority Report<sup>2</sup> endorsed the view, expressed earlier by the Tenancy Legislation Committee, that the problems of haris were caused by natural forces, government's neglect, or haris' own bad habits and dishonesty. The landlord was seen as a friend of the hari: "Whenever the hari is in serious trouble, . . . . it is to his zamindar that he first appeals for help. It is a convention amongst the great majority of zamindars that they give their haris all the aid they can when the need is a real one (p. 7)". The Majority Report did not, therefore, consider it desirable to introduce a radical change in the existing land-tenure system because "they [haris] will lose more than they will gain by revolutionary tactics". While the Committee admitted serious faults with the batai system and absentee landlordism, it did not recommend their abolition. Instead, the Report made the following major recommendations:

- 1. The *batai* system should be retained, and cash rents should not replace it. (This recommendation was the opposite of what the Tenancy Legislation Committee had earlier proposed.)
- 2. The shares of the *hari* and landlord in the produce should be regulated according to the source of irrigation, varying with the type of irrigation system.
- 3. Abwab, haboob and begar labour should be prohibited. (This recommendation was not made by the Tenancy Legislation Committee.)
- 4. Haris should not be granted permanent rights of tenure, except as an experiment in some talukas (administrative units) after the settlement of refugee claims on the land.

<sup>&</sup>lt;sup>2</sup>Ibid.

This Report was perhaps the most serious set-back to the progress already made in other parts of Pakistan towards land reform. It also ran counter to some of the key recommendations of the Tenancy Legislation Committee. Mr M. Masud saw the Report in this light, and wrote his famous Minute of Dissent.<sup>3</sup>

#### M. Masud's Minute of Dissent (1949)4

In his Minute of Dissent, Mr M. Masud dwelt at length on the deplorable conditions of the haris and the excesses of the landlords. He saw haris and zamindars as "two extremes of mankind: one lives in the height of depravity and misery, the other in the height of luxury and extravagance" (p. 9). Mr Masud contended that "the present zamindari system is the greatest curse that any country can groan under; that it is utterly incompatible with freedom . . . that it creates poverty, pauperism and crime and checks all real progress in civilisation or in national prosperity" (p. 33). A complete solution of the hari problem in his view was a switch-over from the present land-tenure system to a system of peasant proprietorship.

The specific recommendations made by Mr M. Masud were as follows:

- 1. The zamindari system, particularly the batai practices, should be abolished.
- 2. Land should be expropriated from landlords and distributed among tenants to establish a system of peasant proprietorship. Some compensation may be paid to the former owners, and the new owners should be charged reasonable prices for the parcels of land they buy.
- 3. The ownership and occupancy of land should go together: the possession of land should depend on its use or cultivation. The absolute

<sup>&</sup>lt;sup>3</sup>The Sind provincial government published the Majority Report of the Government Hari Enquiry Committee soon after its work was completed in 1948, but disallowed the publication of the Minute of Dissent by Mr M. Masud. The Minute of Dissent was published in April 1949, thanks to the intervention of a new Chief Minister with an *urban* background, who was also a friend of Mr M. Masud. Its existence was approvingly acknowledged in the *First Five-Year Plan*. It is interesting to note in this connection that the Plan *rejected* the recommendations of the Government Hari Enquiry Committee.

<sup>&</sup>lt;sup>4</sup>Government of Sind. Hari Enquiry Committee: Minute of Dissent by M. Masud, I.C.S. (Pak.). Karachi, April 1949.

ownership of land should be vested with the State; hence, the question of leasing out land for rent simply did not arise.

4. The task of land reforms should be entrusted to a committee of experts to be appointed by the government.

The government of Sind took no action on the recommendations of the Government Hari Enquiry Committee to improve the legal status of the hari. The Minute of Dissent by Mr M. Masud was politely ignored. The government's insensitivity to the issue heightened agitation by the Sind Hari Committee in the province. The rural scene did not present a picture of harmony. Clashes between landlords (or their agents) and tenants were reported in several areas of Sind. (Mr M. Masud reported such clashes in his Minute of Dissent.) The influx of several million Muslim refugees from India created new problems, among which the most important problem related to their resettlement on lands vacated by out-migrating non-Muslims. The Muslim League government, therefore, had to take some decisive action to settle the issue of land-tenure reform in Pakistan.

# The Age of Chivalry

HE public pronouncements of the leaders of Muslim League, led by Quaid-i-Azam Mohammed Ali Jinnah, had assured the Muslim peasants, landless tenants and small owners that they would get their genuine rights in the new independent Muslim state. It was no longer possible for the Muslim League government to continue enjoying mass support without formalizing into a definite programme of action the pledges they had made before independence. The British ruler and the Hindu money-lender had gone. And an independent Muslim state could not be seen as compatible with a feudal land system that would permit exploitation of the poor tenants by landlords, even though the system was dominated by Muslim landlords. There was also the apprehension that agricultural stagnation, in the face of rising population, could undermine the stability of the new regime in Pakistan. replacement of a largely unproductive landed gentry by a land-owning class actively interested and engaged in farming appeared to be one of the most important pre-conditions of agricultural progress.

# Report of the Agrarian Committee of the Pakistan Muslim League, 1949

It was against this background that the first official commitment to land reforms at the national level appeared in the Report of the Agrarian Committee appointed by the Working Committee of the Pakistan Muslim League<sup>1</sup> in June 1949. The Council of the Muslim League at its meeting in February 1949 passed a resolution that "the present system of land tenure obtaining in Pakistan is antiquated and harmful and requires

<sup>&</sup>lt;sup>1</sup>Pakistan Muslim League. Report of the Agrarian Committee appointed by the Working Committee of the Pakistan Muslim League. Karachi, June 1949.

drastic changes" (p.1). A five-member Agrarian Committee was appointed, under the chairmanship of Mian Mumtaz Khan Daulatana, to examine in detail the existing land-tenure system and to recommend appropriate changes. The Report of the Committee was submitted in June 1949.

The Agrarian Committee, reciprocating the sentiments expressed by the Council of Muslim League, stated unequivocally that the prevailing land-tenure system — characterized by the *batai* practice, absentee landlordism and insecurity of tenure for tenants-at-will — was highly inequitable and inconsistent with the Islamic principles of social justice: ". . . an equitable and prosperous land system in Western Pakistan must be founded on a State regulated ownership of holdings by self-cultivating peasant farmers, coupled with the economic enlargement of the size of holdings, promotion of scientific methods in intensive farming and cooperation in various aspects of agriculture through the intervention of village communities. This must involve the gradual elimination from our economy of landlordism and all superior but idle interests in land above the actual cultivator" (p.18).

The Agrarian Committee, however, tempered its recommendations for drastic land reforms aimed at "a liquidation of feudalism" with an emphasis on the character of the Muslim League as a "representative organisation of every class and interest of the people of Pakistan". It stressed the need to "seek adjustments of the social structure in an evolutionary rather than in a violent manner". Thus the Agrarian Committee recommended both gradualistic and radical solutions.

The Agrarian Committee divided its recommendations into two parts. The first part contained the "minimum steps" necessary to "reform our present land tenure system and bring relief to the tiller of the soil from the most oppressive features of feudalism" (p. 23). This part focused on alleviating the immediate problems of landless share-croppers, small land-owners, and landless agricultural workers. The recommendations in the second part stated that "a real solution of our agrarian problems lies in a transformation of feudalism, and its substitution by a system of State controlled and regulated peasant-proprietorship" (p. 32). The Committee emphasized that the set of recommendations presented in the first part be implemented first to pave the way for a complete solution of the problem in the long run.

#### Short-term Measures

The Agrarian Committee made the following recommendations.

- 1. Jagir and Inam lands should be abolished without compensation.
- 2. Occupancy tenants, confined to the Punjab and the NWFP, should become owners on payment of a sum equal to four times the annual rent within four years.
- 3. Tenants-at-will, predominant in all regions of Pakistan, should be given greater security of tenure through
  - (a) an extension of the period of tenancy to a minimum of 15 years;
  - (b) a stipulation that all contracts between landlords and tenants shall be written;
  - (c) an assurance that conditions for eviction will only be those that had been established for the former occupancy tenants in the Punjab; and
  - (d) an undertaking by the lease-holder that he will be bound by a written contract
- 4. Landlord should be allowed to retain no more than 25 acres of khudkasht (owner-cultivated) land.
- 5. Landlords should only get such rents as have been agreed to by their tenants; and all levies, perquisites and services must be abolished.
- 6. Cash rents should replace *batai*, wherever possible, and, like the land revenue, cash rent should also be paid according to a sliding scale. In the transition to cash rents, the *batai* system should be modified as follows:
  - (a) the share of landlords should be no more than two-fifths of the gross produce;
  - (b) normal expenses of cultivation should be borne by the tenant, but his minimum share should be three-fifths in the gross produce;
  - (c) a contract which favours the tenant, if it already exists in practice, should continue; and

- (d) the total share of the landlord and lessor should not exceed two-fifths of the gross produce.
- 7. Small owners and cultivators should pay only land revenue, but owners of large farms should be subject to agricultural income tax as well.
- 8. Minimum wages, fixed working hours, unemployment insurance, health insurance, pensions, medical aid, etc., should be introduced for the benefit of agricultural labourers and village artisans.

#### Long-term Measures

The Agrarian Committee also recommended a series of long-term measures to solve the problem of land tenure in Pakistan. However, the Committee emphasized that the long run should be sufficiently short to ensure that the momentum of reform was not lost.

- 1. Large landed estates in private hands should be abolished as follows:
  - (a) the maximum ceiling on individual holding should be lowered to 150 acres of irrigated or up to 450 acres of unirrigated land;
  - (b) all land above the proposed ceiling should be resumed by the government;
  - (c) compensation to the former owners of resumed land should be paid according to a slab system, with a maximum of Rs 1.5 million. Part of the payment was to be made in cash and the rest was to be in bonds, at an annual interest of 4 percent and redeemable in 20 years;
  - (d) a legislation should be passed to prohibit acquisition of land above the ceiling by purchase, gift or inheritance; and
  - (e) the resumed land should be distributed to tenants, small land-owners and landless workers in individual parcels large enough to permit use of family labour and to provide reasonable income.
- 2. Because the Committee was undecided about the nature of ownership of land and the organization of production in the proposed land-tenure system, it recommended three alternative procedures for land redistribution.

- (a) The resumed land should be sold in parcels to individual tenants, small owners and landless workers.
- (b) The State should remain the owner of resumed land and rent out parcels of State-owned land to small farmers, tenants and landless workers.
- (c) The resumed land should be redistributed to homesteads of cultivators who form village communities organized on the basis of co-operative farming.

Of these three alternatives, the Agrarian Committee expressed its own preference for the third alternative. It also recommended that a team of experts should explore the alternative methods of redistributing the resumed land in the light of the principles of Islam and the objective conditions prevailing in the country. But the Agrarian Committee strongly emphasized that the tenancy reforms should be legislated immediately, and that the work of tenancy legislation and of the abolition of Jagirs should be "watched by locally-constituted and representative village bodies". It was also stated that "it would be appropriate if the steps to implement these recommendations are taken directly by the Central Pakistan Government and not left piece-meal [sic] to the various Provincial Governments" (p. 40). This recommendation was made as it was calculated to (a) create a uniform agrarian structure throughout Pakistan, and (b) reflect the broad policy commitment made by the Muslim League. The Pakistan Muslim League Council accepted the recommendations of the Agrarian Committee.

The Agrarian Committee made two solid contributions. Its first contribution was a Report that remains to this day one of the most progressive documents on the subject of land reforms in Pakistan and thus constitutes a lasting and significant contribution. It has inspired all subsequent reformers. Its second contribution was to exert pressure on the provincial governments to introduce *some* tenancy reforms, which they did in the early 1950s by the passage of Provincial Acts of 1950. We now relate this attempt at rectifying the landlord-tenant relations.

# The Lull before the Storm

OLLOWING the publication of the report of the Agrarian Committee, the provincial governments in the Punjab, Sind and the NWFP enacted laws to improve the conditions of tenancy. These laws sought to provide greater security of tenure to tenants-at-will, abolish occupancy tenure, award ownership rights to occupancy tenants, reduce the *batai* share of the *zamindar*, and increase the area a *zamindar* could himself cultivate.

#### The Provincial Tenancy Acts (1950)<sup>1</sup>

A few specific features of the Tenancy Acts are worth noting.

- 1. A fixed-term tenure, ranging from one to three years, was granted to tenants-at-will.
- 2. The eviction of tenants was subjected to strict conditions, although a landlord could evict a tenant from his land if he wanted to cultivate that land himself
- 3. The share of the landlord in the Punjab and the NWFP was reduced from 50 percent to 40 percent, but it remained unchanged in Sind.
- 4. Zamindars were forbidden to impose extra-legal levies and perquisites or to exact begar (forced and free) services from their tenants.

<sup>&</sup>lt;sup>1</sup> The text of these Acts is not being reproduced in this book.

5. Certain categories of occupancy tenants in the Punjab and the NWFP were granted ownership rights, free of charge in the NWFP but against a nominal payment in the Punjab.

The Provincial Tenancy Acts did not produce any significant change in the status of tenants because of the continued dominance of zamindars on land and of their control over the machinery of the State. Revenue records, incomplete and faulty as they were, did not help tenants in getting permanent tenure. In addition, as there was no effective way to impose on landlords the provisions of the Tenancy Acts, most of the old conditions governing the landlord-tenant relations continued to persist.

It may be noted here that the governments of the Punjab and the NWFP enacted legislations to abolish *jagirs* in 1952, but a similar action of the Sind government was successfully challenged in the High Court in 1955.

#### The First Five-Year Plan (1955-60)

The Tenancy Acts in the three provinces did not adequately reflect the concerns of the Agrarian Committee. The continuing demand for land reforms, at least among the progressive elements of the Muslim League, was expressed again in no uncertain terms in the First Five-Year Plan: 1955-60.¹ The Plan reiterated the position of the Agrarian Committee that "the problem of land reforms is fundamental to all development" and that the aim of land reforms must be "to build a rural society largely consisting of independent and self-reliant peasant proprietors" (pp. 314-315). It warned the policy-makers that "reforms can only be delayed but not prevented" (p. 317).

The major specific recommendations of the First Plan were as follows

1. A ceiling on private individual holding was necessary to "work towards the goal of owner cultivation by eliminating concentration of ownership" (p. 319). It specified the same ceiling on land ownership as was recommended by the Agrarian Committee — viz. 150 acres of irrigated land and 300 acres of semi-irrigated land and 450 acres of barani (rain-fed) land.

<sup>&</sup>lt;sup>1</sup>Government of Pakistan. National Planning Board. The First Five-Year Plan: 1955-60. Karachi. December 1957.

- 2. To avoid large-scale eviction of tenants, the *khudkasht* (owner-cultivated) area should be no more than 25 acres of irrigated land or 50 acres of unirrigated land.
- 3. The resumed land should vest in the government for distribution among landless tenants. Landlords should be compensated according to a formula similar to the one proposed by the Agrarian Committee. New land-owners should pay in easy instalments for the land they buy, and their ownership should lapse if they did not cultivate the land themselves.
- 4. To arrest the increase in land fragmentation, partitioning of an "economic holding" should not be allowed. Nor should the existing land holdings be reduced in size, because of fragmentation through inheritance etc., below the 'floor' set by the Plan.

While the Plan's conceptualization of the basic issues and problems of the land-tenure system was correct, its recommendations failed to make an impact mainly because of the ad hoc manner in which they were made. For instance, it recommended a clear-cut ceiling on land ownership; but, then, it practically withdrew this key recommendation by stating that the issue be decided by the Provincial Governments because "The problem has too far-reaching implications in terms of employment and prosperity to admit of solution by summary findings" (p. 321). Such an ambivalent recommendation could hardly form the basis of an appropriate land-reform legislation.

## CHAPTER 6

# Reconstructing the Jigsaw Puzzle

WO significant changes had taken place in Pakistan by the time the First Five-Year Plan was published in 1957: the Muslim League was no longer in power, and the three provinces (Punjab, Sind and the NWFP) had been merged in 1955 into "One Unit", called West Pakistan. It had become quite evident by 1957 that as long as those zamindars who had only their own interest in mind occupied a central place in the balance of power and their position remained intact in rural areas, no land-reform legislation could be enacted or implemented. And the political system itself created no new pressures, coming from a strong middle class, which the landed elite could not successfully resist.

# Report of the Land Reforms Commission for West Pakistan (1959)<sup>1</sup>

A Martial Law regime came into power in October 1958. As its very first act, a Land Reforms Commission for West Pakistan was appointed "to consider problems relating to the ownership and tenancy of agricultural land and to recommend measures for ensuring better production and social justice as well as security of tenure for those engaged in cultivation" ("Introductory", Part I). The Commission submitted its report, which was drafted by Mr Ghulam Ishaq Khan, to the President of Pakistan (who was also the Chief Martial Law Administrator) in January 1959. The Report was unanimous on a number of issues, but on the issue of specifying a ceiling on landholdings there was a serious division of opinion between Mr Ghulam Ishaq Khan and the other members of the Commission.

<sup>&</sup>lt;sup>1</sup>Pakistan, Land Reforms Commission. Report of the Land Reforms Comission for West Pakistan, Lahore, January 1959.

Considering the circumstances in which it was written, the Report is a remarkable document for its perceptiveness, clarity and frankness. It saw its task as analysing "the peculiar social, economic and political consequences flowing from what amounts to an institutional monopoly of land in a primarily agrarian society . . . " (p. 14). It duly emphasized that "Those who do not own land are relegated to a socially inferior position with all the disabilities of that position" (p.14). Recognizing that "the land tenure system provide[s] the institutional framework within which land is used" (p. 14), the Commission set itself the task of laving down the ground rules for a just tenancy system that would also be conducive to economic growth. It argued for a redistribution of land from zamindars to tenants in the belief that "if there is no proper adjustment in the terms of tenancy, production incentives are adversely affected" (p. 15). But the Commission did not aim at breaking the power of the "old ruling oligarchy with its roots in big estates" (p. 19). The Commission took a "pragmatic" and "middle-of-the-road" position on the question of imposing a ceiling on the private ownership of land and it hoped that the implementation of its recommendations would lead to "the creation of a strong middle class", and to laying "the foundation for owner-operated farms on holdings of economic size".

The Report made several specific recommendations.

- 1. All jagirs and other similar revenue-free grants should be abolished without compensation to owners of the resumed area.<sup>2</sup>
- 2. Occupancy tenants should be given permanent proprietory rights. All other tenants should be provided with legal protection against eviction. Collection of rent apart, zamindars should be prohibited from imposing on tenants the traditional abwab and haboob, as well as from exacting begar from them.
- 3. To arrest excessive fragmentation of land and to consolidate the existing land holdings, the "economic" and "subsistence" holdings should not be fragmented by sale, inheritance or gift. The criterion of impartibility of a holding was based on these two sizes. No holding below the "economic" size was to be fragmented.

<sup>&</sup>lt;sup>2</sup> Jagirs had already been abolished in the Punjab and the NWFP in 1952. But legal bottlenecks had prevented their abolition in Sind. The Commission reported that Jagirs in Sind, in 1959, comprised an area of 1.1 million acres. In addition, there were 150 and 258 Jagirs in Bahawalpur and Baluchistan respectively. The Martial Law Regulation 64, acting on the unanimous recommendation of the Commission, abolished these Jagirs as well.

- 4. The ownership of the resumed land should vest in the government. The former owners of resumed land should be compensated through non-negotiable and non-transferable, but heritable, bonds redeemable in 25 years on payment of a simple interest of 3 percent per annum. The redistribution of land should be done on payment to tenants already cultivating the land, subject to the condition that these holdings should be consolidated. The remainder of the area, if left over, should be distributed to landless tenants and owners of uneconomic holdings. The Report recommended that new owners should be charged Rs 8 per Produce Index Unit (PIU), and that the instalments should be stretched over a long period. It was left to the Provincial Land Commissions to work out the exact details about redistribution and payment.
- 5. The Commission was divided on the issue relating to the ceiling on individual holdings and the disposition of resumed land. The majority of the members recommended that an individual land-owner should not be allowed to hold more than 500 acres of irrigated or 1000 acres of unirrigated land.<sup>3</sup> Additional allowances in excess of the prescribed ceiling were given to individual land-owners as follows: (i) an area of 150 acres (or 6000 PIUs) was permitted for orchards; (ii) transfer to heirs was allowed up to 18,000 PIUs while transfer to each of the female dependents was permissible up to 600 PIUs; and (iii) some area could be used for the homestead. The land owned by charitable, religious, educational, and research institutions, and private stud and livestock farms were also exempted from the proposed ceiling.

Concerned that they might face criticism, the majority of the members rationalized their recommendation for granting generous allowances to land-owners as follows:

"Even if we were to recommend a much lower ceiling than what we have suggested, the surplus land which would have become available for redistribution among landless tenants would have been too small to secure for each of them a subsistence farm unit. The ends of social justice, in the sense of securing land for the entire landless population, thus being unattainable, what we thought prudent was to fix the ceiling at a level which will on the one hand eradicate the feudalistic elements from the existing

<sup>&</sup>lt;sup>3</sup> This ceiling was also expressed in Produce Index Units (PIUs), allowing an area equivalent to 36,000 PIUs. By the definition of the term, the ceiling based on PIUs was invariably more liberal than the one based on physical area.

tenure structure, and on the other, by causing the minimum necessary disturbance of the social edifice lead to a harmonious change over and at the same time, by providing incentives at all levels, conduce to greater production" (p. 30).

#### Ghulam Ishaq Khan's Dissenting Views

The reformist colour was deeper in Mr Ghulam Ishaq Khan's dissenting views about the fixation of ceiling on land. He clearly saw that "The control of economic opportunity, in the form of concentration of landed wealth in the hands of relatively few, to the exclusion of the great majority dependent on it for a living, in turn, divides the society into economically and socially inferior and superior strata of 'haves' and 'have-nots'..." (p. 31). As a result of such a socially divisive concentration of land in few hands, "social progress is hampered and the society remains indefinitely stratified." (p. 31). Hence, he thought that the objectives of economic progress and social justice could be best achieved by fixing the ceiling on land held by individuals and families at a sufficiently low level.

Mr Ghulam Ishaq Khan opposed the much "too liberal" ceiling and the allowances and exemptions recommended by the majority of the Commission members because he thought that the "net effect of the proposed measures for a long time to come will be to leave [unchanged] the concentration of land in families instead of in individuals..." (p. 32; italics added). Hence, in line with the recommendations of the Muslim League Committee and the First Five-Year Plan, he proposed a maximum limit of 150 acres of irrigated or 450 of acres unirrigated land. Even more important, he recommended, for the first time, that a limit should also be set on the land owned by the family: 300 irrigated acres or 900 unirrigated acres. According to him, the lower ceilings he proposed for the individual and family was necessary "to break the monopolies" on land and "to make access to opportunity through land more free" to ensure greater social justice and economic growth.

Mr Ghulam Ishaq Khan also dissented from the views of the majority on the issue of exempting orchards from the prescribed ceilings because "exemption of orchards from the operation of ceiling will mean a further addition to the already liberal exemptions given to the existing landowners" (p. 35). He argued that, in the first place, orchards were highly profitable ventures and were not an especially risky investment.

In addition, the exemption of orchards from the ceiling limit would add to the corrupt practices of the unscrupulous owners and petty revenue officials in converting the ordinary agricultural land into orchards retroactively. He, therefore, insisted that the "area under orchards should be taken into account for the purposes of the fixation of ceilings on par with other agricultural land of the same class included in the owner's holdings" (p. 35).

Mr Ghulam Ishaq Khan also opposed the majority's recommendation about the transfer of land by gift to any or all of the presumptive heirs on the ground that it would lead to "the concentration of land in families" (p. 32) in spite of the ceiling. He saw no justification for such a recommendation because "large owners have already distributed their property among as many real or imaginary presumptive heirs as they could trust to hold the land for them" (p. 37). He, therefore, warned that the gifting of land would also amount to an expansion of the generous ceiling already allowed on other counts and would defeat the "fundamental purpose" of land reforms.

Although it is difficult to quantify exactly the effect of Mr Ghulam Ishaq Khan's proposal on the potential land resumed for redistribution, a fairly reliable guestimate can be made. Assuming that one-third of the large estates was located in the unirrigated areas, a ceiling of 150 irrigated acres and 450 unirrigated would be compatible with an overall ceiling of 250 acres. Applying this ceiling to the data on land ownership by size distribution reported in the 1959 Report, we estimate that about 6.0 million acres would have been available for resumption from holdings of 500 acres and above. The jagirs and farms between 100 and 500 acres would have added another 2.0 million acres, raising the extent of the resumable area to 8.0 million acres as against the 2.5 million acres actually resumed under the 1959 land reforms. Thus, Mr Ghulam Ishaq Khan's proposals, if implemented, would have yielded about four times as much land as was actually resumed under the 1959 land reforms! Needless to add, the resumed area of this magnitude would have correspondingly benefited nearly 0.8 million peasants, assuming a 10-acre size of the redistributed holdings.

The dissenting views of Mr Ghulam Ishaq Khan, though recorded in the main body of the Report with their impeccable logic, did not persuade the majority of the Commission members because they thought that "the premise from which Mr Ishaq proceeds does not correctly depict the conditions obtaining in West Pakistan . . . " (p. 33). Seen in retrospect, the non-acceptance of Mr Ghulam Ishaq Khan's views proved to be a great blow to the gradualist approach to the land-tenure problem in Pakistan. The crushing impact of Mr Ghulam Ishaq Khan's recommendations on the hold of feudal interests on the rural society would have far exceeded that of the earlier recommendations made by the Agrarian Committee and the First Five-Year Plan.

#### The Martial Law Regulation No. 644

Most of the recommendations of the Land Reforms Commission — the views of the majority that is — were accepted by the Martial Law government. The government promulgated the Martial Law Regulation No. 64, called the West Pakistan Land Reforms Regulation, on February 7, 1959. It was later amended by Martial Law Regulations 64-A and 64-B. The Martial Law Regulation was hailed by many as an historic event and was described by some as the first giant step on the road to the reorganizing and strengthening of Pakistan's economy. It completed the task of abolishing *jagirs* without compensation, and established limited individual holdings for the first time in place of the unlimited holdings which then existed in the country.

Under the Martial Law Regulation and its later amendments, about 2.5 millions acres were resumed, and 2.3 million acres distributed among nearly 183,371 tenants and small owners. This area constituted only 4.5-5.0 percent of the total farm area in Pakistan and the proportion of the beneficiaries in the population was even smaller. One reason for the limited area resumed was inherent in the generous allowances recommended by the Commission. The manner in which the land ceiling was defined—in terms of PIUs, that is—also tended to add ambiguity to the Commission's central recommendation about limiting the size of land that an individual could own. The other reason, amply demonstrated in the documents of the West Pakistan Land Commission, lay in the process of implementation, in which the zamindars illegally altered the land records in collusion with the revenue officials at the village level.

<sup>&</sup>lt;sup>4</sup> This document has not been reproduced in this book.

## CHAPTER 7

# The Epilogue

HE history of land reforms in Pakistan would be incomplete if it did not include the Land Reforms Regulation, 1972 and the Land Reforms Ordinance, 1977, promulgated by the Pakistan Peoples Party. Though not acknowledged in the official documents, these land reforms, in effect, marked the culmination of the reformative efforts discussed in this overview. The government announced on March 1, 1972, the Martial Law Regulation No. 115, which specified the land-reform measures to be implemented in all the provinces of Pakistan. This Regulation prescribed a ceiling of 150 acres of irrigated land and 300 acres of unirrigated land, or an area equal to 15000 PIUs. It resumed excess land without compensation, distributed the resumed land without charge to tenants and small owners, and redefined the contractual conditions between landlords and tenants, including protection against eviction.

A total of 1.3 million acres were resumed under the 1972 land reforms, of which only 0.9 million acres were redistributed to various tenurial classes. The number of the beneficiaries did not exceed 76,000.

By the fall of 1976, it had become apparent that the government's reform measures did not produce the expected results. To remedy the situation, the government promulgated another Land Reforms Ordinance, 1977 (Ordinance II of 1977) on January 5, 1977, with three new significant features. It reduced the ceiling to 100 acres of irrigated land, and allowed compensation to land-owners in the form of bonds. It made provision for distribution of the resumed land among landless tenants and small land-owners without charge or payment. But the military

<sup>&</sup>lt;sup>1</sup> These documents have not been reproduced in this book.

government which took over power on July 4, 1977, amended the 1977 Act in 1982 to exempt corporate livestock farms from individual ceiling. An additional area of 1.8 million acres was resumed under the 1977 Act, of which 0.9 million acres were distributed among 13,143 persons.

There ended the story of land reforms in Pakistan, at least for the time being. Looking back on the history of land reforms in Pakistan, it can be justifiably asserted that the reformer's vision has not been translated faithfully on the real world's canvas. The concentration of land ownership in families still remains too high from a social point of view;<sup>2</sup> the uneven power relations between zamindar and tenants continue to be unacceptably uneven; and there is some evidence that many a protective legislation is honoured more in the breach than in observance. Yet, the fact remains that the reformist action taken so far paints a picture of the land-tenure system that is, in some respects, significantly different from that in 1947, Jagir and Inam lands were totally abolished after the 1959 Land Reforms; the hereditary tenants became full owners; the worst features of feudalism like the imposition of extra-legal cesses - haboob, abwab etc. - and the widespread practice of begar labour have been abolished in law; the contractual arrangements between landlords and tenants - e.g. batai - have been redefined in a manner that makes them look more even-handed; and the eviction of tenant is no longer dependent entirely on the will of the landlord. Even more important is the lack of tolerance, at the intellectual plane, for the outrageous feudal practices that the reformers had protested against in the past.

We can conclude on a sobering note. Land reforms in Pakistan have been proposed and legislated with mixed feelings since 1947. Although they achieved a modicum of success on such vital issues as fixing a ceiling on individual holdings, providing security of tenure for the tenant, and redistributing most of the resumed land to the tenants and small owners, the end result of these land reforms is that they have not succeeded in significantly changing the *status quo* in rural Pakistan. The unfinished agenda of land reforms still remains large and challenging.

<sup>&</sup>lt;sup>2</sup>According to the Census data for 1959, 1972 and 1980, land concentration, as measured by the Gini Coefficient, has remained practically unchanged over the years. The values of Gini Coefficient for these years are 0.62, 0.55 and 0.54 respectively. The land-ownership concentration ratio varied from 0.64 in the Fifties to 0.55 in 1976.

# PART II REPRODUCED OFFICIAL DOCUMENTS

# REPORT OF THE GOVERNMENT HARI ENQUIRY COMMITTEE: 1947-48\*

<sup>\*</sup>Full reference to the Report is as follows:

Government of Sind. Report of the Government Hari Enquiry Committee, 1947-48.

Karachi. 1948.

### Editors' Note

HE Government Hari Enquiry Committee, appointed by the Government of Sind on March 3, 1947, initially consisted of the following members:

- 1. Sir Roger Thomas, C.I.E.,
  Agricultural Adviser to the Government
  of Sind ... (Chairman)
- 2. Mr M. Masud, I.C.S.,

  Collector of Nawabshah ... (Member)
- 3. Mr N. M. A. Siddiqi, B.A.,
  Manager, Incumbered Estates & Court of
  Wards in Sind, Hyderabad ... (Member)
- 4. Mr Agha Shahi, I.C.S. ... (Secretary)

Mr Agha Shahi relinquished the Secretaryship in May 1947 to take up some "more urgent duties" elsewhere and was replaced by Rao Sahib Gopichand L. Banwari. Khan Sahib G. S. Kehar was appointed an additional member of the Committee in October 1947. The Committee held nine meetings between March 14, 1947, and January 6, 1948, and its report was published by the Government of Sind in January 1948.

The Report of the Committee carried four chapters in all, of which Chapters I, III and IV have only been summarized here. Where Chapter II is concerned, we have reproduced its Parts A, D and E in toto, but given only summaries of a portion of Part B and of the entire Part C. There were six Appendices at the end of the Report, of which only a summary is presented here.

A couple of points need to be added here: (i) in reproducing the Report's chapters (or their parts), we have ignored the para numbers which the original Report carried, and (ii) we have given our summaries of chapters or parts thereof in a type distinctly bolder than the one in which the original text of the Report has been reproduced. Also, in the parts reproduced here, we have retained the original Report's spellings, punctuation, capitalization, italicization, etc. However, very obvious misprints in the original book have been corrected here.

### **Table of Contents**

INTRODUCTION (Appointment of Committee; Scope of enquiry; The Committee's procedure; Layout of the Report; Acknowledgements)

### **CHAPTER I:** THE BACKGROUND

- A. Some customs and practices (Population and tribes; The hari a share cropper; The batai system of farming; Abwabs (levies and perquisites); The hari a tenant-at-will; The hari's employer; Relations between the hari and his zamindar; Relations between the hari and Govt. officials; The hari's migratory habits; Forced and free labour; Irrigation of crops; Shifting cultivation; Franchise rights)
- B. Some economic conditions (Conditions of living; The hari's way of life; Supplementary sources of income; The hari's income and indebtedness; The disabilities of the hari)
- C. Some aspects of the land tenure system (The land revenue system: The zamindar; The jagirdar; The mukhadim; Maurosi haris; Leaseholders; Harap grants; Absentee landlords; Incumbered Estates and Court of Wards)
- D. Village amenities (Progressive zamindars; Village Hari Committees; Source of funds; Nature of village amenities; The zamindar's additional contribution)

### CHAPTER II: REFORMS IN THE ZAMINDARI BATAI SYSTEM

- A. The Grievances of haris (Cash rents)
- B. The Regulation of batai practices (SECTION A: Regulations governing batai cultivation and crop sharing; SECTION B: Regulations governing tenancy agreements; SECTION C: Regulations governing hari's accounts; SECTION D: Regulations governing the recovery of a hari's debts from the

cotton crop; SECTION E: Regulations governing recovery of a hari's debts from crops other than cotton; SECTION F: Regulations governing the termination of tenancy; SECTION G: Regulations governing tenancy rights on change of occupancy of the land; SECTION H: Regulations governing haris who abscond without paying their debts; SECTION I: Penalties; SECTION J: Settlement of disputes: Hari tribunals; SECTION K: General recommendations concerning the proposed regulations)

- C. Tenancy Legislation (Report of the Sind Tenancy Legislation Committee [1945]; Objections to granting permanent tenure rights; Areas of holdings; Need for pilot schemes and economic surveys)
- D. Proposed Tenancy Rights Act
- E. Conclusion

### CHAPTER III: DEPARTMENTAL ACTIVITIES

### Introductory

- A. Agricultural Department (Improved seeds; Improved live-stock; Mechanised farming; Agricultural engineering)
- B. Veterinary Department (Training of Veterinary staff; Administrative re-organisation of Agriculture and Veterinary Directorates)
- C. Rural Credit
- D. Rural Education (Child Education; Tools of knowledge; Skill in reading; Handicrafts; Nature Study; The teacher; Training for leadership; Adult Education)
- E. Rural Health
- F. Cottage Industries

- G. Publicity Organisation (Methods of publicity; Pilot publicity scheme)
- H. Economic Enquiry Board (The need; Functions; Constitution; Staff; Finance)
- I. Commissioner for Rural Development
- J. Cattle Lifting (The patharidar; Bhung; Bribery and corruption; Remedial measures; Vigilance Committees)
- K. Administrative Reforms in Rural Reconstruction
- L. Agriculturists Relief Code

### **CHAPTER IV: LONG RANGE DEVELOPMENT**

### Introductory

- A. Government policy in land utilisation
- B. Government policy in land settlement
- C. State management of land
- D. Forms of managing agency
- E. Recent trends
- F. Collaborative farming in Sind (Some obligations and rights of Government; Agricultural Development Corporation; Objects and functions; Powers; Form of organisation; The Council; The Board; Tenants; Division of produce; Finance; Capital requirements; Expenditure and Income; Other features)
- G. Pilot Collaborative Scheme
- H. Incumbered Estates and Court of Wards (Management by Corporation)

### SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

### **APPENDICES**

- I. Glossary of vernacular words
- II. Questionnaire
- III. Extracts from the Report of the Bengal Administration Enquiry Committee, 1944-45
- IV. Large Scale Farming Schemes (A) Sudan Gezira Scheme;
  (B) Sudan Alternative Livelihood Scheme; (C) Sudan Gash Board Scheme;
  (D) Africa Groundnut Scheme;
  (E) Some lessons
- V. Rough Estimates of proposed Collaborative Farming Scheme in Sind
- VI. Record of attendance at meetings of the Committee

### Editors' Summary of Chapter I

### THE BACKGROUND

HAPTER I contains four parts. Part (A) gives an account of some customs and practices; Part (B) presents some economic conditions; Part (C) discusses some aspects of the land tenure system; and Part (D) describes village amenities.

The discussion in Part A is based on factual information and custom-determined practices. It gives the total population of Sind according to the Population Census of 1941, along with the population of various Muslim tribes living in rural areas and of Hindu agriculturists belonging to different castes and engaged in different occupations.

Against a 50-percent customary share in produce less various abwabs, the hari (landless agricultural labourer) agrees to supply seed, implements, his own labour and the labour of his bullocks. The common abwabs include deductions for harvesting, weighing, guarding of standing and harvested crops and lighting facilities for irrigation by night. It is claimed that "Whenever the hari is in serious trouble... it is to his zamindar that he first appeals for help" (p. 7), and that by a well-established convention, the zamindars "give their haris all the aid they can when the need is a real one" (p. 7). In spite of the existence of mutual trust, disputes among haris and zamindars are quite natural and are settled by appeal to the local custom. Eviction of haris is only occasional and is usually the result of a misconduct on his part. There are also occasional demands on the hari's labour besides those related to cultivation.

Most of the *haris* live in mud-built houses on the *zamindar*'s land. They usually subsist on *batai* (crop share) of the land they cultivate, supplemented by loans from the *zamindar* and income from animals. With his meagre income, a *hari* in general is not in a financial position to afford educational and health facilities for himself and his family.

The discussion under "Some Aspects of the Land Tenure System" is centred mainly on the rights and privileges of the various land tenure classes except that of the haris. These classes include zamindars (landowners who pay land revenue to the government), jagirdars (those holding revenue-free grants), mukhadims (those occupying jagir lands and paying land revenue to jagirdars), maurosi (hereditary), haris (having a permanent right to cultivate a parcel of land), leaseholders (leasing land from landlords against cash rent), peasants (holding harap, i.e. free grants from the government for occupancy and ownership rights on completion of purchase), and absentee landlords (that is those without proper residence on or direct interest in land).

The provision of a large number of village amenities including schools, dispensaries, water pumps, radio sets, library, shady trees, village roads, midwives and night watchmen is the focus of this part of the chapter. It is suggested that the provision of these amenities must be ensured by collaborative efforts of the *haris* and the *zamindars* under the supervision of the village hari committees.

### CHAPTER

H

### Reforms in the Zamindari Batai System

"We have to deal with abuses that have been developing for two centuries. We cannot correct them overnight. But we can begin."\*

N the terms of reference we have been directed to examine the alleged grievances of haris, to recommend such feasible measures as will improve their standards of living without unduly disrupting rural economy, and to consider the advisability of creating safeguards for the protection of the zamindars if we propose to give rights to haris which may operate to the zamindar's disadvantage.

We have interpreted the term "zamindar" to connote all employers of haris including jagirdars, mukhadims and lease-holders. In the recommendations which we make in this Chapter we use the term "occupant" in conformity with its definition in the Land Revenue Code. For the purposes of our Report the terms "zamindars" and "occupant" may be considered as being synonymous.

### A – THE GRIEVANCES OF HARIS

"We may progress in science and in wealth, in knowledge and intellectual attainment, but useless is this, nay, worse than useless mischievous, if it widens the gulf between the rich and poor and make [sic] more impossible the Brotherhood of Man" — Annie Besant.

In the questionnaire formulated by us (Appendix II) we indicated those potential causes of the grievances of haris which appeared to us to demand our attention. It was distributed to 203 persons who comprised

Note: Here we reproduce Chapter II of the original Report with the difference that a part of Section B and the whole of Section C have only been summarized here.

<sup>\*</sup>Report of the President's Committee on Farm Tenancy U.S.A., 1937.

officials and non-officials, including zamindars, jagirdars and office-holders of non-official Hari Committees, whom we judged to be competent to give useful information on the nature of the grievances of haris and on the measures to be adopted for composing these grievances. Fortyfive persons gave their written replies to the questionnaire. The oral evidence of 44 persons was taken. These included 12 zamindars, 22 haris and 10 officials.

Though the alleged grievances of haris are many, only a few of their real grievances are manifest. Their explicit grievances are mainly concerned with their day to day relations with their zamindars and are to be attributed in large part to the fact that the practices of batai farming are based on verbal understandings and therefore subject to frequent misunderstandings. Haris have a high regard for established custom and usage however exacting these practices may be. But they resent, and justifiably so, any demands made on them which are a breach of custom. Inwardly they deplore heavy exactions from their share of crops, the heavy infantile mortality and the incidence of disease in their families, the loss of their bullocks by theft or by disease, the shortage of essential domestic and consumer's goods, their own illiteracy and lack of education, the heavy demands of social customs on their hard earned incomes, and various other disabilities which are their present lot. Having no collective voice they stoically endure those hardships imposed by the prevailing socio-economic system. They have diligently and meekly followed in the footsteps of their forefathers with one notable advantage in that the productivity of their labour on those canals which now enjoy an assured water supply has been greatly enhanced. But even in these favoured areas their standards of living show little improvement. On the rice inundation canals in the non-Barrage area their economic condition has substantially deteriorated in recent years owing to the greater precariousness of the water supply in those areas. projected new Barrages on the Indus will help to alleviate distress in these tracts. In the desert areas and hill tracts, where farming is dependent on very precarious rains, there has been no notable change in their economic condition and no material improvement can be expected in these zones unless alternative livelihood can be found for the people. As a class, haris are unorganised and lack leadership. In consequence their claims to social justice have hitherto suffered by default.

During the past few years agitation amongst haris has been encouraged and organised by non-official hari committees. There is

a Provincial Hari Committee and also District Committees. The agitation is strongest in the Nawabshah, Hyderabad and Thar Parkar Districts. The leaders move amongst the haris and occasionally use motor transport with loud speakers for mass propaganda. In the earlier phase of this campaign the agitation was mostly confined to jagir lands in the Hyderabad District where haris were encouraged and assisted in demanding cultivating (maurosi) rights which were implicitly During the past few years the activities of the (mukhadim) rights. committees have been expanded to demand rights for all haris. appears from a Sindhi pamphlet issued by a hari committee that the main ostensible objects of these committees, are (a) to ensure that haris receive what the committees consider to be a fair deal from the zamindars, (b) to encourage hairs to demand permanency of tenure in the lands which they cultivate, and (c) to abolish the landlord and tenant system of tenure which they wish to replace with a system of peasant proprietors.

One of the prominent hari leaders who gave oral evidence to our Committee affirmed that any measures adopted by Government to regulate batai practices between haris and their zamindars would be ineffectual unless permanent rights of tenure were first given to all haris. He associated these tenure rights with cash rents and free franchise rights to haris. He asserted that the aim of his committee in this regard was to achieve representation to haris in the legislature independently of the zamindars and to broaden the franchise so as to include all adults above the age of 18. He observed that the object in demanding the broadening of the franchise was to increase the number of voters to such numbers as to make it impossible for candidates for the legislature or their patrons to approach haris independently and to make it excessively costly to feed the haris at the time of voting for election. This, in his opinion, would ensure that haris would exercise a free vote.

These committees are financed by a levy of one anna membership fee per hari, but those haris who participate in the activities of the organisation are expected to contribute Re. 1 per head each year at harvest time. Some sympathetic and influential patrons in the town contribute substantial donations towards the Committee's funds.

One member of our Committee maintains that there are signs of class hatred being engendered by some misguided agitators who place

political and party interests before the national interests. We are in agreement that social justice demands that haris should receive a fairer deal than many of them have been accustomed to. There are peaceful and evolutionary means whereby the legitimate grievances of haris as a class can be resolved; they will lose more than they will gain by revolutionary tactics. In so far as the leaders of hari organisations can help in redressing the legitimate grievances of haris, they deserve the full support of Government; but if their activities threaten to be subversive of law and order, they will need careful watching. Should class hatred be allowed to show its ugly head amongst haris, whether under the banner of the Sickle and Hammer or otherwise, the trouble in store for Government will surely be multiplied many-fold [sic].

There is nothing anti-social with the principle whereby a labourer shares in the fruits of his labour provided his share of the fruits is an equitable one. A hari may be considered as receiving an equitable share of the produce which he grows provided he is afforded the facility to earn enough to maintain himself and his family at a reasonable standard of living. As with all citizens, adequate food, clothing and shelter are his essential needs, but he is justified in expecting an income from his labour which will enable him not only to meet these needs but to enjoy some of the amenities of life.

There are so many imponderable factors which determine the hari's income that it is impossible to fix a uniform percentage of the crop which will always be equitable. The same applies to the determination of equitable cash rents. We agree that having regard to the comparatively large areas allotted to most haris, to the natural fertility of most of the lands, and to the available water supply for irrigation, a net 50 per cent. of the crops harvested by a hari should normally suffice to meet his reasonable needs. This will, however, be expected to suffice only when crop yields are not below average and when reasonable parity exists between crop prices and prices of consumer goods. No statistical evidence is available either to support or refute the belief that 50 per cent. of the crop will suffice to meet the hari's needs. economic surveys which we have recommended in Chapter III reveal that this share of their crops on an average over a period of years is inadequate to meet the moderate needs of haris in any tract or under any particular system of farming, then Government should give regard to the feasibility of increasing to the desired level the share of the haris

concerend. The surveys would reveal the economic causes of disadvantaged haris, and Government policy should be determined in the light of the findings of the surveys.

In the oral evidence taken by us, some haris declared that they or their acquaintances had suffered from the unjust demands made on them by their zamindars. As in all classes of society there are good zamindars and bad. Likewise there are good haris and bad. The reform of those relatively few zamindars who are unscruplous and ruthless in their dealings with their haris, and also of those who harbour thieves, is, in our opinion, limited by the strictness with which existing laws are enforced. The rule of law becomes inoperative in those cases where members of the subordinate Police Force connive at false cases against haris. It is to the rising generation with its higher code of honour and its more humanistic sense of values that we have to look for the progressive elimination of ill-will and bad faith in zamindars and in haris. One member of our Committee recommends an Anti-Corruption Act in the belief that, even if inoperative, it will still have a strong moral effect on the activities of corrupt officials and dishonest members of the public.

### **CASH RENTS**

In course of the evidence taken by us, some of the zamindar and hari witnesses recommended cash rents in lieu of the batai system. They did so on the plea that cash rents would eliminate many of the disputes attributable to the batai system. They suggested that cash rents should preferably be fixed in parity with the land revenue assessed on each crop and that the hari should be held responsible for paying to Government its dues as well as the rent of the land. Government would then pay the zamindar the rent collected less collecting charges. The amount of the rental values suggested by the leader of a hari association was one land revenue assessment, and the rental suggested by some zamindars was two land revenue assessments.

If Government enforced a system of cash rents in parity with the land revenue assessment, it would either have to fix the rent at twice the assessment, in parity with the zamindar's net income on which assessment rates are based, or, raise the present ratio of 33 1/3rd per cent. of the zamindar's net income for purposes of determining its assessment rates. This is only one of the many complication of the cash rent system.

If compulsory cash rents are introduced, then we envisage that the majority of land owners will lose incentive in the management and development of their lands to the detriment of national productivity. It would accentuate the evils of absentee land-lordism, which we have denounced in Chapter I. For this and other equally cogent reasons, which we consider unnecessary to amplify, we are unable to commend the adoption of a system of cash rents to replace the batai system.

### **B** – THE REGULATION OF BATAI PRACTICES

We attribute most of the vocal discontent amongst haris and the disputes between them and their zamindars to three main causes, namely the excessive levies (abwabs) made by some zamindars from the hari's share of the produce, the high rates of interest charged by some zamindars and the manipulation of the hari's accounts at the time of settling his debts. Most of these causes of discontent and the disputes arising therefrom will continue and are likely to become aggravated with the passage of time unless the contractual relations between haris and their zamindars are regulated and have the force of law. We therefore make our recommendations accordingly.

It is neither desirable nor feasible for Government to regulate all the innumerable day to day activities of the hari in relations with his zamindar. We have limited our recommendations to such aspects of the batai system as appear to us to need regulating. We have reduced them to what in our opinion is the simplest form which they can assume.

If all zamindars were as beneficient [sic] and as considerate towards their haris as the best zamindars in the Province, there would probably be no need for Government intervention in regulating batai practices.

The measures which we recommend in this Chapter are designed not to prop up a system of farming which has some inherent defects attributable to the Land Tenure System, but, rather, to regulate the major activities of the two parties to the batai system so as to ensure that, as long as the system continues to be practised, either party can appeal not to custom but to a Tribunal on which haris and zamindars will sit. In so doing, we believe that many of the remedial defects of the system will be removed, the justifiable grievances of haris in their relations with zamindars will be more easily resolved, and the goodwill between zamindars and the haris will be improved.

Our recommendations governing the regulation of batai practices are for convenience divided into Sections (A) to (K). Each section is a corolarry [sic] to one or more of the other sections. In their totality they cover the major activities of the hari in his relations with his zamindars.

[The rest of Part B consists of a large number of sections. Section A deals with twenty-two detailed responsibilities and rights of the haris. They included (a) provision of manual and animal labour by the hari, (b) weeding of crops and maintenance of watercourses, (c) sharing of costs of mechanization and wage labour with the consent of the hari, (d) prohibition of begar (forced and unpaid) labour of the hari, and (e) distribution of shares in output, including payment in cash or kind, between the zamindar and hari.

Section B outlines the exact legal requirements of contract between a zamindar and his hari to be written and signed by both the parties in the presence of two witnesses. This was the only legal document to be recognized by the State.

Section C gives details of accounts and ledgers to be maintained by the *zamindar*, specifically providing for the credit and debit accounts of the *hari*. The debit limits and charges on borrowed money are specified. These accounts were to be verified once a year by two witnesses, at least one of whom would be the *hari*'s representative.

Sections D and E deal with the conditions of settlement of a hari's debts from his share in cotton and other crops.

Section F notes that eviction of tenants was considered an "unusual" occurrence. Voluntary withdrawal by a hari was allowed. Termination of an existing contract was to be mutual with at least three months' notice by either party. A hari's debts had to be cleared before termination, and he was to be compensated for his contributions to permanent improvement in land due to his labour and for his share in the unharvested crops.

Section G recommends that whenever "the ownership of leasehold or land cultivated by a hari" should change hands, "the hari who is a

sitting tenant should be given prior cultivating rights over other haris" (p. 46).

Section H suggests that a hari should be legally charged as a criminal if he absconds before termination of his existing contract and that he should lose the right for compensation provided for in the normal termination of tenancy.

Section I puts penalties on *haris* but not on *zamindars*, including one month in jail for the first offence, three months for the second, and six months for subsequent offences, or a fine of up to Rs 500, or both.

In Section J, the Committee recommended establishment of *Hari* Tribunals to settle disputes between *zamindars* and *haris*. These tribunals in each *taluka* would be chaired by the *mukhtiarkar*, who would be assisted by a panel of two advisers representing equally the two parties. These advisers would be nominated by the Collector. The powers of the *Hari* Tribunal were to be large and binding.

Section K recommends that the regulations about tenancy should apply to all areas of Sind and include all crops.

The recommendations of the Sind Tenancy Legislation Committee (1945) have been discussed in Part C. The Report rejected the idea of permanent tenancy rights to haris on the ground that these recommendations "may unduly disrupt rural economy without raising the standard of living of haris or in [sic] raising agricultural standards" (p. 55). Instead, it was proposed that tenurial rights amendments should be implemented in pilot schemes and that the decision to grant permanent tenancy rights to haris on a province-wide scale should be finalized only in the light of the experience with those pilot schemes. — Editors]

### D - PROPOSED TENANCY RIGHTS ACT

The majority of the members of our Committee agree that Government should legislate through a Tenancy Rights Act to take powers to regulate batai practices of cultivation and to grant rights to haris. It would, in essence, be an enabling Act. The regulations governing batai practices would take the form of Rules under the Act. These could be

framed, amplified or amended from time to time to suit changing conditions without recourse to the Legislature.

### **E** – **CONCLUSION**

If the proposals which we have made for the regulation of batai practices are adopted by Government then all haris will derive material benefits out of proportion to the benefits they would receive from the grant of permanent rights of tenure which are proclaimed by some ideologists to be a condition, precedent to the granting of any other rights to haris. In our approach to the problem of allaying the legitimate and just grievances of haris, whether explicit or implicit, we have endeavoured to preserve a sense of realism and to make proposals which are not only practical but feasible without unduly disrupting rural economy. We have knowingly weighed the scales in favour of the hari by giving him substantial rights to which he is unaccustomed. Where we deem that these rights will operate to the disadvantage of zamindars we have considered the advisability of creating safeguards for their protection; but we have recommended relevant safeguards only in those cases where in our opinion they are demanded by civic justice.

### Editors' Summary of Chapter III

### DEPARTMENTAL ACTIVITIES

HE Committee thought it necessary that the government should play a central role in improving the standard of living of the haris in The government activities which aimed at such improvement included (a) provision of improved seeds and livestock with extension services from the Agriculture Department, (b) provision of health care etc. for animals from the Veterinary Department, (c) provision of credit for production and consumption needs of the haris, either directly or through zamindars. (d) provision of education for children and adults and training of teachers, including financial assistance to the children of the haris, (e) provision of health care through mobile dispensaries, training and employment of dais (midwives), and intensive campaigns against malaria and similar diseases in rural areas, (f) encouragement of cottage industries for an appropriate utilization of the time and resources of the hari families, and (g) general publicity campaigns on matters related to the welfare of the haris and their families. The Committee also recommended that the government should improve the social and economic environment by (i) establishing an Economic Enquiry Board to gather and analyse information on the condition of the haris, (ii) establishing the office of a Commissioner for Rural Development, and (iii) enforcing strictly the laws against cattle lifting, use of illicit drugs, corruption and bribery in government offices.

### Editors' Summary of Chapter IV

LONG RANGE DEVELOPMENT

HIS chapter emphasizes the need to better utilize the old and the vesttled lands. The Committee stressed that the government should

newly settled lands. The Committee stressed that the government should get directly involved in the management of large-scale farming schemes such as the Gezira Scheme in Sudan and the Groundnut Scheme in Tanganyilla.

Tanganyika.

### Editors' Summary of Appendices

HE Report contains six appendices.

Appendix I presents a glossary of the terms normally used in the Sindhi language about farming conditions in the province.

Appendix II includes a questionnaire which was sent by the Committee to individuals, focusing on (a) grievances of the *haris* in their relations with *zamindars* and *jagirdars*, (b) responsibilities of the government, and (c) specific examples of acute grievances, particularly with regard to *jagir* lands.

Appendix III reproduces extensive extracts from the recommendations of the Rawlands Report of the Bengal Administration Enquiry Committee, 1944-45, to help in reorganizing civil administration in Sind.

In Appendix IV the Committee gives outlines of the management of four large-scale farming schemes in Africa which may be used for similar experiments in Sind. These schemes are: (1) Sudan Gezira Scheme, (2) Sudan Alternative Livelihood Scheme, (3) Sudan Gash Board Scheme, and (4) Africa Groundnut Scheme. At the end of the Appendix, a section is devoted to "Lessons from Existing Large-scale Development".

Since the Committee favoured undertaking of large-scale farming projects in Sind, it made rough estimates of the costs and benefits of a 50,000-acre collaborative farming scheme to be run by a government corporation in Sind. These estimates are presented in Appendix V.

Appendix VI records members' attendance at the nine meetings held by the Committee between March 14, 1947, and January 6, 1948.

# HARI ENQUIRY COMMITTEE: MINUTE OF DISSENT BY M. MASUD\*

### SYNOPSIS

INTRODUCTION.

PRELIMINARY.

CHAPTER I. – The background of the problem.

The Hari and the Zamindar.

CHAPTER II. — Evils of the zamindari system.

Fear of eviction and insecurity of tenure demoralise the Hari, drive him to a career of crime. Make him uninterested in cultivation — deplete his efficiency — reduce land productivity — create laziness among zamindars — destroy incentive to hard work — exploitation and oppression — Ruthless exploitation by the lessees — Weakness of the tenant exploited for illegal demands — no legislation can help him — freedom and emancipation only solution.

CHAPTER III. - Merits of peasant proprietorship as opposed to zamindari system.

The grievances of the Haris - Haris long for land - Scenes at Revenue Officer's Camp - acute land-hunger among Haris. Happy condition of the Haris who became peasant proprietors – Evidence from Kandiaro and Shahdadkot Talukas — Disabilities of the peasant proprietors in Sind - The big zamindar an inveterate enemy of the peasant proprietors -Happy condition of the peasant proprietors in the Punjab - Testimony of the Revenue Officer - Conditions of peasant proprietors in Switzerland -Germany - History of the zamindari system - Zamindari a creation of imperialism. Peasant proprietorship old and ancient system - prevailed before the British rule - Survey of tenancy legislation - Legislation unable to help the weak tenants - Freedom from the zamindari system and peasant proprietorship the only remedy.

CHAPTER IV. - Peasant proprietorship in the light of the Qoran.

CHAPTER V. — Land reforms in some countries of the world.

Peasant proprietorship a universal cure — Examples of America — Mexico — England — Turkey — Yugoslavia — Rumania — Poland — Ireland — Scotland — Germany — Austria and Bulgaria.

CHAPTER VI. – The solution.

# Editors' Summary of Introduction and Preliminary

HE Minute of Dissent by M. Masud was preceded by a note by Sir Roger Thomas, Chairman of the Government Hari Enquiry Committee, refuting the allegations raised on pages 1–10 of the Minute of Dissent. The introduction to the Minute gives, in the words of M. Masud, details of the working of the Government Hari Enquiry Committee

The section entitled "Preliminary" contains a discussion of the terms of reference of the Government Hari Enquiry Committee. Mr Masud was convinced that the Committee's terms of reference were "wide enough to include nationalisation of land or the abolition of zamindari" (p. 2). However, the Committee chose to be conservative.

## Editors' Summary of Chapter I

HAPTER I points to the miserable condition of the hari vis-à-vis the landlord. The Minute of Dissent begins with the following quotation that aptly describes the then existing condition of the haris: "They are human beings and as such rational animals and though they drudge like domesticated animals, they enjoy no privileges of rationality, nor any rights of human beings" (p. 3). Most haris were no better than serfs and enjoyed no social, political or economic rights. They constantly faced uncertainty of tenure, charges of theft, oppression, and kidnapping of women by the landlords.

### Chapter II

HE hari and zamindar represent two extremes of mankind; one lives in the height of depravity and misery, the other in the height of luxury and extravagance. The population of haris is roughly 20 lacs and that of the big zamindars owning land over 500 acres is about seven thousands. The luxurious life of a small section of zamindars has created a very great misery for the majority of human beings living in Sind, namely the haris. The hari is degraded to the lowest level because the land on which he depends for his existence is under the absolute control of the zamindar who can evict him at any time. He is mortally afraid of eviction as it causes him not only a loss of holding but also the loss of his old association with the village, his ancestral home in which he was born and bred, and separation from his friends and relations. He loves his land and village and he will not leave his holding at any cost except under most cruel and oppressive circumstances. When the zulum [sic: correctly, zulm, meaning tyranny] of the zamindar, the atrocities of his kamdars, and illegal abwabs combine to make living impossible for him, he has to leave his holding in the hope of finding a kindly zamindar under whom he would get somewhat better treatment. The cases of voluntary relinquishment of land are extremely rare among the haris. The fear of being uprooted by eviction is so deep rooted in his mind that he dare not speak a word against the zamindar even in his absence. A hari who had been called to give oral evidence before the Hari Committee was afraid to speak his mind when he was asked as to how he was being treated by the zamindar. It was only after repeated assurances that his evidence would remain secret that he was able to give some facts about the zamindar and he ended by saying "If the zamindar finds out what I have said, he will evict me."

The insecurity about his future and his inability to enjoy the fruits of his labour react on his character and morals. *Moral values* go hand in

hand with economic and social values and when the conception of social and economic values is absent in people their moral values also weaken. Poverty and want drive a person to the path of kufr [infidelity to Allah] (saying of the Holy Prophet كادالفقران كونكفر). The constant threat of eviction makes him desperate and a ready [sic; already] living on a bare subsistence level, he is driven to a career of crime: he commits crime and is ready to be hired for crime (theft, dacoity and even murder). When insecurity and starvation stare him and his children in the face and he looks round and finds no possible relief, the desperate expedient of crime offers him a solution. Some of them find that it works for a time, and many more suffer at the hands of law. Whatever virtues survive in him are due to the healthy influence of religion.

Since he is insecure in his possession of land and is always unsettled in mind, he does not take keen interest in cultivation. The thought that the crop which he grows after long sweat and toil will have to be surrendered to another who would take away a large part of it, depresses him and destroys the incentive to hard work. He is not therefore anxious to grow more. It is a universal law that security to enjoy the produce of a man's labour is the only incentive to 'industry' and that incentive has been systematically denied to the hari. "The magic of private property turns sand into gold. Give a man a secure possession of a bleak rock and he will turn it into a garden; give him a 9 years' lease of a garden and he will convert it into a desert." Says Arthur Young.

The standard of cultivation in Sind is generally poor and many an expert on Agriculture have described the hari as a 'primitive farmer'. He is said to be indifferent, and unwilling to work hard on land. In the tracts where we have Punjabi peasant proprietors settled down recently we see a glaring contrast between their cultivation and that of the haris living next door. The Punjabi peasant proprietors endeavour to outstrip one another in the quality and quantity of produce, in the preparation of the ground and in the general cultivation of their respective portions. All the little proprietors are eager to find out how to farm so as to produce the greatest results; they diligently seek after improvements and each proprietor soon adopts a new improvement introduced by any of his neighbours. Compared with them the haris make a very poor show of industry and eagerness to make improvements. They take no interest in the preparation of land; they broadcast the seed without properly ploughing the land and they do not care much about weeding. The

result is that their produce per acre is much less than the produce of the Punjabi peasant proprietors. The haris are unwilling to make improvements or to work hard for the reasons stated above. The batai system is the main cause and to quote from the Majority Report:—

"The batai system as at present practised is defective in that it offers no incentive to the hari to invest capital or expend labour in any permanent improvement of land or in preserving its natural fertility."

It is not an uncommon experience of many zamindars that the haris who are given the best pieces of land, in a short time, render them unfit for cultivation because of inadvertence and lack of interest. The reason is obvious, and it is analysed properly in the Majority Report,

"If the zamindar presses him too hard in the matter of improving his agricultural practices, the hari will relinquish his tenancy and engage in work with another zamindar. He finds it easier and more profitable to cultivate a large area perfunctorily than to engage in intensive cultivation on a smaller area. In this regard his personal interests are opposed to national interests."

The reason for this perfunctory cultivation lies in the defective system in which he is denied the basic rights of humanity. He has tilled for several generations the land which he has never possessed, nor has he any hope of possessing it ever. Why should he therefore be interested in better cultivation of the land, why should he worry himself about national interest and the nation which he has to feed by his sweat and labour only to kill himself?

[Here M. Masud compares the conditions of the *haris* of Sind with those of Lombardy peasants who complain in their petition to the minister-incharge: "But can the land, where even the hardest labour cannot earn food, be called a native country?" (p. 10). - Editors]

The fertility of land and the richness of the soil of Sind are not being fully exploited for the benefit of the poor people of Sind because of a paralysing system of land tenure which retards all progress. The productivity of land is suffering greatly, and also its development, because of the zamindari system of Sind. Many of the zamindars have too vast areas to be looked after properly. The idleness and parasitical tendencies which have developed in their character because of a bad tenure system make them incapable of managing their lands. They have to leave their entire estates in the hands of the agents, the kamdars, who are generally more interested in making money for themselves and the zamindars, than in the development of land. They are the instrument of oppression and the main cause of the misery of the peasantry, and to quote from the Majority Report: "The direct cause of discontent among Haris is not infrequently their harassment and unjust treatment by kamdars."

Further, in the description of absentee land-lordism the same Report makes a few observations:—

"Absentee land-lordism can take two forms, namely, a land-lord who does not reside on his land and a land lord who though he may reside on his land takes little or no interest in its management and development. In Sind it is the second category which is more prevalent. An American Economist asserts that

'next to war, pestilence and famine, the worst thing that can happen to a rural community is absentee land lordism. It is the final stage in the decline of plantation before its actual disintegration' "(Majority Report).

The zamindar's only interest in land is to make huge incomes at the cost of the hari's labour. He is too lazy, unenterprising and busy in traditional pursuits, to devote any attention to the improvement of land. He is incapable of supervision and has to leave it to his kamdars, who cheat him out-right and, as middlemen between him and the Hari, also take a fair slice off the zamindar's share of profit: the result is that the zamindar also becomes a victim of exploitation at the hands of his parasites. This prompts the zamindar to resort to the illegal sources of income as enumerated in the foregoing lines.

Many of them soon get tired of the kamdars and finding it a fruitless job to supervise land—owing more to their own inefficiency—lease it out to some agriculturist and very often to merchants who are generally banias. Very large tracts of land were given on lease to the bania exploiters, and though no figures are available of such leases, from my knowledge of Nawabshah, I can say that all over Sind the leased area should exceed several lacs of acres. The Court of Wards department alone is managing an area of 92,500 acres which is annually leased out. According to one estimate, over 40% of the entire area of the zamindari holdings were given out on lease. The lessees who take land on 5 years' lease, have no interest except that of exploiting the tiller of the soil to the fullest extent, and in this pursuit they commit great zulum [sic] on the Haris. This class is not in the least interested in the well-being of the Hari nor the betterment of agriculture and the sufferings of the Haris under such lessees have been enormously greater. "They unscrupulously exploit both land and labour and no doubt are the least desirable members of our organization." Being money-lenders-cumzamindars their exploitation surpasses all limits. I have personally visited the houses of the Haris of such lessees and I have witnessed their terrible misery and suffering. The responsibility for the ruthless exploitation of the Hari by the lessees, devolves on the zamindar and nobody else. It is the zamindar's laziness and greed that make him lease out land for easy profits to such ruthless exploiters who have no mercy, no kindness for the poor cultivators.

The above facts amply show how inefficient is the zamindar and how detrimental is his control over land to the national interests. The production of Sind can be doubled and even trebled if the zamindar's control is removed. Large areas of cultivable land remain fallow every year because the zamindar cannot manage them. This fact is also indicated in the Majority Report:—

"The apathy and conservatism of Haris are no greater than those of majority of zamindars. We can see little hope for the survival of large agricultural estates unless the land owners move with the times. If the zamindari system is to survive then zamindars will have to take a much deeper interest in the welfare of their people than many of them have done in the past."

and

"The advantageous position of big land owners in relation to the Haris which they employ demands that all such zamindars in virtue of the privileges which they enjoy should take a personal and paternal interest and adopt an enlightened and progressive attitude in matters concerned with the welfare of their Haris. This is already being done by many zamindars but their numbers are all too few."

For these reasons the Committee was constrained to recommend.

"We are agreed that the Government should consider the feasibility of assuming to undertake the management of any agricultural land that it can be proved that proper use is not being made of it. This will apply to all free-hold lands irrespective of their area of holding."

The present 'batai' system is basically wrong: it is opiate for the cultivator. The underlying principle of this system is the exploitation by the have's of the labour of the have-nots'. Justice and equity cannot support this system, nor any humane code of honour. The misery, unhappiness and lack of interest in agriculture on the part of the Hari, the laziness, inefficiency, corruption and exploitation on the part of the zamindar are the direct results of the batai system. If such an oppressive system has stayed over a long period in the agricultural population of Sind, it is not because of any inherent merits or utility of the system but because of the power and the majesty of the law which was enforced by the agents of imperialism which thrived on zamindari. Now that imperialism has gone, the batai system should also go with it. The rule of democracy (Government of the people) presupposes that exploitation of man by man should cease at once.

### [Here M. Masud gives a quotation from Charles Russell, in which he condemned a similar system in Ireland. – Editor]

The vicious atmosphere which breeds around the zamindar on account of his illegal pursuits in life has a very bad influence on those who live under him or near him. The Hari who is closely connected with the zamindar is ruined in morals and character. The germs of corruption emanate from the zamindar and permeate the entire society. Exploitation and oppression unchecked and untrammelled spreads the disease of

demoralisation and degeneration all-round and for the sake of a few exploiters, the entire fabric of society suffers. The cultural, economic, social and political progress of Sind is retarded by the zamindari system. The dearth of genius and first-rate talent in art and science, the absence of Sindhis from the armed forces and the armed police and their negligible share in the civil service, are all the inevitable effects of the faulty system of zamindari.

The law has given to the zamindar complete power over the land he holds, to deal with the peasants as he pleases. Millions of people who possess no land nor any other property are absolutely dependent, not for happiness only but for the power to live, on having a portion of this land to cultivate. In these circumstances, the zamindar is master of the situation. He can demand what he pleases for his land; and he can subject his haris to any rules or regulations he or his agents think proper. The people must have land to save themselves from starvation; they agree to any terms and are consequently always virtually, if not actually, slaves of the zamindars, hence the perennial misery and crime of Sind.

As long as the hari lives in the position of a tenant at will he cannot press his rights, nor defend the rights conferred on him by any law regulating his relationship with the zamindar. The weak economic position of the hari, the insecurity of his tenure resulting from the faulty land tenure system makes it impossible for him to invoke the help of law which is not inexpensive. He is never sure of winning a legal case however strong, but he is sure of losing his land, his means of livelihood and getting involved into a series of troubles at the hands of the powerful zamindar against whom he seeks the aid of law. It becomes a very sad and costly experience to him and if he has tried it once he is never going to repeat the mistake. To secure relief of the law one must have the means and the courage and when he is denied both by an oppressive system of life, no law can come to his help. This is a sad fact which one can glean from innumerable cases in the present day law courts, civil and criminal.

In the previous paragraphs many serious and wide-spread evils resulting from the divided interest in land of landlords and haris have been illustrated by some typical cases and I have shown how these evils do not result from any special ignorance or ill-conduct of individuals but are inherent in the system itself. The great zamindar is necessarily a monopolist and a despot. The land is his own property to be dealt with as he pleases and the greater share he can secure to himself of the produce of other's labour upon it, the more respect and admiration he usually receives. In every step he takes to secure this end he is supported by the power and the majesty of law. His haris have no rights on the soil but such as he allows them. If they offend him in any way, if they refuse to act against their political convictions, if they are too demonstrative in their claims for religious equality, he may — and not infrequently does — eject them from houses in which they and their forefathers were born and from the land which they have industriously tilled for generations more for his benefit than for their own.

The only solution is to give the hari independence and to make him a master of his own destiny. As long as he is kept tied down in a relationship of subservience to the zamindar, no protection of any kind given by law would be of any avail to him. Legislation enacted in the past with high hopes of relief to the poor people soon became dead letter of law. The expensive legal procedure makes it out of reach for the On the contrary the resourceful exploiters use it more to strengthen their stranglehold on the poor people. Their clever legal advisers discover many a loophole in such legislation, which nullify its very object. Many such legislations as were intended to protect the cultivators and the debtor have gone into the cold storage. Tenancy laws passed in various parts of the sub-continent have been successfully evaded by the landlords, and the tenants have profited very little; debt legislations have failed to redeem the debtors from the exploitation of the money-lenders. The money-lenders regulation Acts have made the money-lenders even more powerful.

The Deccan Agricultural Relief Act of 1875, the Land Improvement Loans Act of 1883 and the Agricultural Loans Act of 1884 have been on the statute book for three quarters of a century yet no substantial relief has resulted to the poor peasants for whose benefit the Acts were chiefly designed. Under the Agricultural Loans Act, loans can be advanced to the peasants and the land-less haris, but in my experience never such a loan has been given by any authority to the poor borrower from these classes. The amount of taccavi advanced during the five years (1940–1945) to the zamindars is Rs. 16,00055/-. I know of a recent case in which one zamindar of Nawabshah was given two lacs of taccavi. The poor hari by whose sweat and labour the revenue of the Province is

made can get no loans from the Provincial revenues although the law provides for such a relief.

The Deccan Agricultural Relief Act provides that a written receipt shall be given to an agriculturist making payment of his debt, whether he demands it or not. The penalty for breach is Rs 100/-. Hardly a case under this provision has been recorded by a court in Sind though several thousand of such cases occur every year in a district when haris make payments of their debts and get no receipts from the money-lender-cumzamindars.

The Agriculturists Relief Act, 1940, makes it a penal offence for any one to charge interest to an agriculturist on loans advanced for productive purposes. The provisions of this Act remained dead letter of law. Not to say of the haris, most Magistrates do not know this provision. Nobody has enforced it, and the result is that the charging of interest from the agriculturist has gone on unchecked.

Should a legislation be passed to regulate the batai system prescribing in details the respective obligations of the haris and the zamindars, it would bear no fruits. Like other enactments it will be another dead letter before long. The Majority Report recommends regulations on a very elaborate scale covering almost every aspect of the batai system. I should think the regulation will make the system more oppressive by giving it the sanctity of law. The zamindar will benefit by it more than the hari who will have no means nor courage to resort to a legal course. I do not propose to discuss the recommendation as, in my view, the entire system is vicious and deserves to be abolished. Nevertheless, I may cite here one interesting recommendation of the Committee,

"It should be made a penal offence for a hari to abscond without paying his debts in conformity with these regulations. The penalty should be attachment and sale of livestock owned by a hari other than one pair of bullcoks [sic] and in addition on conviction before a magistrate simple imprisonment not exceeding one month."

Section 21 of the Deccan Agricultural Relief Act provides that no agriculturist can be arrested or imprisoned in execution of a decree for

money. The hari is given a special protection against imprisonment — even in execution of decree for money passed by court of law, (a protection not enjoyed by all) but the Committee's recommendations propose imprisonment for him even for the mere act of absconding without discharging his debt — a stage where no liability stands proved against him.

This is how they have given the hari substantial rights and to quote from the report,

"We have knowingly weighed the scales in favour of the Hari by giving him substantial rights to which he is unaccustomed."

Not only the hari, the occupant who engages an indebted Hari without paying off his debts is proposed to be punished with one month's imprisonment or Rs. 1000/- fine or both.

These recommendations savour of the slave traders of the medieval ages!

#### Chapter III

AND is a national heritage. The preservation of its potentialities and improvement in the welfare of agricultural labour are matters with which the State is intimately and deeply concerned."

This is the view expressed by the Majority Committee and I am in full agreement with it. I have indicated in the above paragraphs how the zamindars are mismanaging land, how productivity and fertility of soil is suffering under their control, how the incentive for better farming and improvement of holdings is being destroyed by the zamindari system and how the entire fabric of social order in Sind is suffering badly. Lord Hastings passed a similar judgement regarding zamindars in these words, "The landlords have subjected the whole of the landless classes throughout the Provinces to the most grievous oppression, and oppression, too, so guaranteed by our pledge, that we are unable to relieve the sufferers." If we aim at improvement and the welfare of the agricultural workers we have only one solution – that is to give the cultivators independent status in their holdings by giving them a stake in land, by putting them in possession of land as virtual owners. This would mean expropriation of the zamindars. It might be contended that by such a measure the nation will lose the benefit of the experience of the zamindars, who have long experience of farm management. The quality of their management being extremely poor and their control over land having been shown, in the above lines, to be harmful in all ways it would be rather our good fortune to get rid of their experience and ability! Besides, by expropriating them we shall only lose the benefit of experience of about 7,000 zamindars while we shall gain the experience, interest and initiative of twenty lacs of haris, who would at once become interested in their holdings and would take immensely greater interest than the zamindars

were ever capable of. I do not propose that we may completely disown the zamindars. They will have to be left with some reasonable size of holdings on which they could employ their experience in farming.

Once I happened to go on a shoot with a big zamindar of my district and we were accompanied by a group of Hari beaters. After the shoot I sat down with the Haris for a chat. I seized the opportunity of questioning the Haris about their zamindar who was also present. A few of them said smiling cynically that he was nice and fatherly while others kept quiet. I asked them if they would like to remain as Haris or would like to own their holdings if Government helped them. This question evoked a loud and unanimous response from all "Oh, ves we should like to have our own lands. There would be nothing better than that." I warned them that if they got their own land and left the zamindar they would cease to get any help or loan from him in time of need, and they replied, "We will never ask him for loans or help if we had our own lands. Give us lands and we shall not depend on anyone." Then I asked them if they would like the Government to take away the land of the zamindar and distribute it amongst them. Though the expression on their faces betrayed a positive reply yet the fear of the zamindar made them say only this much, "This is a matter for the Government to decide. We can say nothing about it."

The Hari longs to have his own land and if he gets an opportunity of buying it he will do so at any price, provided he had the means. He hates to remain as a Hari and his only ambition is to own land. Last year the Revenue Department decided to distribute about 24 thousand acres of Government land on harap (peasant proprietor) grants to one thousand Haris. The selection was to be made by the Revenue Officer, Lloyd Barrage, who toured round Sind to receive applications and choose suitable grantees on the spot. He camped in Nawabshah for a few days and thousands of Haris flocked round his camp from morning till evening. Never before, such a congregation of Haris was ever seen at a camp of any officer, nor even at an official darbar or a political gather-The swarming numbers of haris broke the discipline of the bungalow and hundreds of them trespassed into the garden and very nearly into the private room of the Revenue Officer. They were like hungry men grappling for food. The Revenue Officer had to secure the aid of Police to keep them at a distance and though he announced many a time that the requisite number of applications had been received and he was not going to accept any more, yet Haris hovered round the bungalow for many days like hungry hawks who smell meat which is beyond their reach. The Revenue Officer has informed that forty thousand applications were received by him. The number of applications might have run into a few lacs if the news of harap grants had reached all the Haris; it is probable that many of them did not come to know of it. The following extract from the annual report of Mr. Nazir Ahmed, I.C.S., Revenue Officer, Lloyd Barrage, will bear testimony to the acute land hunger which possesses the Haris:—

"I was literally mobbed at each camp by unprecedented throngs of Haris eager to obtain harap grants. The number of applicants who were actually selected could not exceed a very insignificant percentage of those who trekked to my camps in search for land. There is no doubt that Hari is now awake, and is intensely anxious to better his lot by discarding the inferior and insecure status of a tenant-at-will in favour of an independent holder even on a humble scale. On a separate reference to Government in the Revenue Department, I have suggested that we may, as far as possible, satisfy this legitimate desire on the part of the landless cultivators of Sind to become peasant proprietors by reserving some more area for grant on harap conditions."

What are the grievances of the Haris? — is a question which needs no investigation or enquiry for a reply. The answer is obvious. Their main grievance is insecurity of tenure, state of landlessness. It is no use enquiring into the pain of a patient who has an open bleeding wound which any one can see. The Hari has a bleeding wound in his body — that is his state of landlessness. He is land-hungry and he can be uplifted and improved in his humanity and his utility to the nation only by giving him a holding of his own. The great evil of his having no independence, no fixed home, nothing to fall back upon in time of depression, nothing on which to employ his spare time and that of his family are only to be cured by giving to every one of them to enjoy and cultivate a portion of his native soil. By it a great and important class of the Haris may be at once raised from chronic pauperism to comparative affluency, comfort and independence.

I cannot but conclude that in order to effect a real and vital improvement in the condition of the great masses of Sind, not only as

regards physical well-being but also socially, intellectually and morally, we must radically change our system of land tenure. It is only when the cultivator of the soil is its virtual owner and the produce of his labour upon the land is his own that the maximum of human food is produced by it; the maximum of human enjoyment is derived from the cultivation, while the cultivator is as a rule healthy, moral and contented. In order that the largest possible number of people may be thus benefited and that the evils necessarily resulting from the opposite system of zamindari may be totally abolished it is essential that the ownership of land should be shared by every farmer and every occupier and he should be a virtual owner of the land he cultivates or dwells upon.

The Haris who have become peasant proprietors by purchasing small holdings are prosperous and contented. A large number of them in Kandiaro Taluka (Nawabshah District) owning small farms live in far better conditions than the neighbouring Haris. I had many an occasion of visiting their farms and I saw that they are hardworking, industrious and eager to improve their small holdings. They feel themselves men; no man can threaten them with ejection as long as they are active and economical. They walk, therefore, with a bold step; look you in the face with the air of a free man, but a respectful air. Similarly in Shahdadkot Taluka (Larkana District) the peasant proprietors, as observed by Mr. Pearce, I.C.S., during his oral evidence before the Committee, are better farmers than the Haris; growing more yield per acre. This fact also found corroboration in the oral evidence of a few other experienced officials of this Province. The small peasant proprietor wherever he is allowed to exist in Sind is a happy and contented person. His indebtedness is not as heavy as that of the Hari. In the recent war boom many of the small holders have paid off their debts and have purchased some more land, while the poor Haris have benefited little by the boom. But they are often compelled to abandon their holdings and to revert as haris. because of the 'zabardasti' of the neighbouring big zamindars who make things very difficult for them. Water supply is intercepted, disputes over petty and frivolous matters are started, the small holders are constantly threatened and being afraid of the power of the big zamindar they have to quit and become haris again. The big zamindars see in the new peasant proprietor a potential danger to their domination over the Haris. who would soon begin to aspire for a similar status when they saw the pride and the flourishing condition of the peasant proprietor who was only recently a Hari like them.

Mr. Nazir Ahmed I.C.S., who had been deputed by Government to study the colonization schemes of the Punjab, observes in his note on his visit to the Punjab,

"The prosperity and contentment noticeable in most of the peasant villages I visited, presented a sharp contrast to the squalor and disorderliness of the villages inhabited by the tenants of the land-lords and capitalists who had purchased their land in auctions...... In brief, where the insistence is exclusively on securing the highest rates for land, the results are very often badly tilled fields, low production, miserable villages. a poverty stricken and sullen peasantry, and a general lack of any life, or material advance in the country side. Things are very much different in what are called peasant villages. I saw quite a large number of these and was greatly struck by their clean houses, substantial household belongings, well kept farms and a general appearance of prosperity, mutual co-operation in communal spheres, and a noticeable feeling self confidence."

and [sic] making a few general observations about the Punjabi farmer he writes,

"The standard of farming in the Punjab is undeniably superior than what we observe in Sind. It can be attributed partly to the qualities of industry and enterprise possessed by the Punjabi cultivator and partly to the fact that the Punjab is predominantly a country of small holders who own the land and have learnt to make the best possible use of it. The Punjabi cultivator has a far better appreciation of the value of water and the manner in which it can be utilised to the utmost advantage. This was more than amply proved by the fact that whereas the complaint about scarcity of water in some channels is as emphatic and plaintive as it is in Sind, the intensity of cultivation achieved in many regions is much higher than that prescribed under the project. The cultivator knows how to plan his crops in a manner so as to get the maximum area under cultivation and frequently I was told that they cultivated more than 100 per cent annually in a number of tracts. Even the owners who employ tenants to cultivate their lands have nothing to complain about the inefficiency of the latter. This may be due, only partially and not wholly, to constitutional superiority. The fact that the Punjab tenant is better protected against unjust eviction and harassment by statutory laws, and what is more important, is liable to pay half assessment himself, contributes substantially to a sense of responsibility which ensures zeal and hard work in the management of land."

[M. Masud at this point notes that in Switzerland and Germany every farmer owns the land he cultivates. He also quotes from Mr Arthur Young, who strongly argued for ownership as against tenancy on economic, social and moral grounds, — Editors]

From the observations made by various agricultural experts all over the world, ample evidence is available to show that wherever large estates cultivated by tenants-at-will exist there is bad farming, discontent and pauperism; and wherever land is cultivated by its owners or permanent occupiers the result is good industry, economy, great productiveness and contentment. "The climate, soil, civilisation and Government may vary but the results of the two systems of land tenure (zamindari and peasant proprietorship) never vary in kind but only in degree."

Peasant proprietorship is the birth right of the Hari, which he possessed for long centuries before the advent of the British Empire. The ryots of India enjoyed peasant proprietorship both under Hindu and Muslim rule. In the A-in-e-Akbari the zamindar is called a mere "collector of the royal or Jagir lands" and the Glossary of the fifth Report of the East India Company (1813) calls the zamindar, "an officer who under the Mohammadan Government was charged with the superintendence of the laws of the districts officially considered."

The Pitt's India Act also gave the ryots the first right on land. The laws and constitution of India as regards land holding may be summed up in -

- (i) peasant proprietorship and
- (ii) land taxes to be realised in kind as a share of the actual produce.

The East India Company disregarded both, for their sole object was to supply-cash [sic] for the Company's dividends. The Muslim and the Hindu principle regarding the ownership of land, viz, —

"The field is the property of the man who first brings it under cultivation"

was brushed aside by the new rulers. They wanted ready money for their dividends. Their main interest vested [sic] in securing revenue in money and to achieve this end they confiscated the ryots proprietorship and gave out land by annual public auctions to the highest bidders, on lease. It mattered little to them if the ryots, the native land holders of Pitt's India Act were reduced to mere serfdom by a single stroke of They handed the ryots hand and foot bound by the most bloodcurdling regulations to the tender mercy of the few cruel zamindars. The Permanent Settlement of Lord Cornwallis in 1793 converted the original cultivators to the position of tenants and the rent-collectors into zamindars. The land lord assumed arbitrary powers of eviction and the tenants were left to their mercy. This led to a great amount of agrarian discontent. The State was therefore forced to intervene with measures to protect the tenant in the land lord estates by giving him fixity of tenure and protection from arbitrary enhancement of rent and illegal exactions.

The first Rent Act of 1859 and the Tenancy Act of 1885 in East Bengal marked the beginning of this policy. Some rights were conferred on the tenants and they were secured against arbitrary eviction. More rights were conferred under the Acts of 1928 and 1938. Similarly in Agra a beginning in this direction was made in 1859 and occupiers of twelve years standing were given rights to stay on land. Some more Acts were passed in 1921 and 1926 which gave rights to all the tenants except those working on the land-lord's private lands. In Oudh the Rent Act of 1886 conferred similar rights. In the United Provinces an Act was passed in 1939 which consolidated and amended all the Tenancy laws in Agra and Oudh. Under it, all ordinary tenants were given the status of hereditary tenants and begar and abwabs were prohibited. In Bengal and Orissa the Ryot Act of 1859 and the Bengal Tenancy Act of 1859 were made applicable. The Madras Estates Land Act of 1908 gave a permanent and heritable right of occupancy to all ryots who either possessed land or were admitted to its possession subsequently by the zamindars. The Congress Ministry in 1935 brought a bill declaring the right of the ryots to the soil.

The above survey of the tenancy legislation shows that the progress in all the zamindari Provinces has been made on parallel lines. In all of them a privileged class of tenants known as occupancy tenants has been recognised and in the United Provinces even the non-occupancy tenants have been given the life tenure. Strangely enough in Sind no legislation has been so far passed to confer any rights on the tenants. A Tenancy Committee was set up by Government in June 1943 which submitted its report in the later half of 1945 recommending to Government that tenancy rights should be conferred on the Haris. I do not know what decision Government took on it but at least up to now they have taken no action over this report and they set up another Committee of which I was a member in 1947, with different terms of reference. The Majority Report of this Committee has, surprisingly enough, gone a step back and has opposed the recommendation of the Tenancy Legislation Committee on the ground that "granting of permanent rights of tenure to Haris may unduly disrupt rural economy without raising the standard of living of Haris or raising agricultural standards." The note of dissent written by Mr. Dialmal has been favoured by the Majority report. This note contains all the hackneyed arguments against conferment of rights on the tenants. The main argument is based on the oft-repeated contention that the conditions in Sind are different from those prevailing in other Provinces of India where tenancy legislation is in existence. In my enquiries to discover the differences I have noticed that this argument is only a side In actual fact there is no difference in the condition of the peasants in Sind or elsewhere. The land, water and the human beings are the same and the batai system exists in many parts of the sub-continent as well as in Sind, The objections raised against the tenancy legislation in the Report of the Majority Committee and also in the note of dissent, referred to, written by Mr. Dialmal, are the common objections which were faced by the legislatures of the various Provinces where tenancy legislation has been enacted and such objections were given no weight. Tenancy legislation has been regarded as the first step towards the improvement of the conditions of the tenants. In Sind we have not conceded even these small concessions to the tenants, which in other Provinces were conferred on them about 75 years ago. reactionary views of the opponents of tenancy legislation will also stand in the way of other reform such as the creation of peasant farms by expropriation of zamindars. Objections there can be many to any sound proposition but sincerity and truth can never be found in such objections as are opposed to the very idea of justice.

The tenancy legislations designed for the benefit of the tenants in various Provinces of India have failed to give sufficient benefit to the tenants who were ignorant and illiterate and thus unable to defend their rights; nevertheless, a small number of tenants did profit by such legislation. The landlords imposed illegal abwabs and the cultivators had no means to fight litigation. The law was circumvented by the zamindars who took 'nazar' on the occasion of every transfer or renewal of lease and a sort of Pugree system — now current in Karachi in connection with houses - soon came into being. However, these factors did not deter the well-intentioned Governments from trying to do good to the tenants and a series of legislation were passed from time to time to amend and rectify the defects of the previous tenancy legislations. This process has gone on for a long time, and now most of the Provinces of India and some of Pakistan have realised that the solution lies beyond tenancy legislation, and hence the general clamour, which is noticeable all over against the zamindari system and the demand for its abolition. The Majority Committee Report, though agrees that insecurity of tenure is the main cause of the misery of the Haris, yet thinks that the conferment of permanent rights of tenure would not solve the difficulty,

"There is a small minority of zamindars who treat the Haris as serfs to obey all their commands however unjust. The threat of eviction of dissident Haris is generally sufficient to make them conform to the zamindar's wishes...... A Hari, in these circumstances, having permanent rights of tenure in the land he cultivates could easily be harassed by impunity by such landlords to an extent which may lead him to the voluntary abandonment of his rights."

This view of the Hari Committee coincides with the view expressed by me in the foregoing lines that the weak position of the tenant prevents him from claiming rights conferred on him by legislation, but I am surprised that the Committee did not keep this fact in view when they recommended that batai system should be regularised. If the enjoyment of tenancy rights were considered impossible for a Hari on account of his weaker position, would it not be still more impossible for him to press for any rights under the proposed Batai Regulations especially when he is just a tenant-at-will?

# Editors' Summary of Chapter IV

HE author argues the case for a land-tenure system in Sind based entirely on peasant proprietorship. He makes selected citations from the Holy Qura'n and ahadith (Holy Prophet's traditions) in support of his argument. According to the author, the message in the Qura'n is clear: land, like all natural resources, has been given to man as a trust by God, Who alone is the Owner of universe. Land is, therefore, for the use and enjoyment of "all peoples" and is to be shared "equally by all". As long as a person cultivates a piece of land with his own labour, he can keep it as a trustee of God. M. Masud uses selections from various ahadith and opinions of the Imams (leading religious scholars and interpreters) to reinforce the idea that land should be used only by the holder (owner) himself and should not be given on lease to others for rent.

# Editors' Summary of Chapter V

• Masud cites examples from Europe and the USA in support of a co-operatively managed agriculture based on privately owned family-or peasant-farms. His examples are not always consistent, because he gives examples which imply a collective ownership of land.

#### Chapter VI

HE only conclusions any rational and unbiassed [sic] thinker can arrive at are that the present zamindari system is the greatest curse that any country can groan under; that it is utterly incompatible with freedom, that it takes away the chief incentive in industry and thrift: that it creates poverty, pauperism and crime and checks all real progress in civilisation or in national prosperity. There is a country-wide demand for the abolition of the zamindari system and the general trend of policy in most Provinces of the sub-continent appears to be in the direction of doing away with this system. This development is inevitable, sooner or later, whatever might be the consequence of this wholesale abolition of zamindars. The conditions in Sind are particularly favourable to the abolition since the relations between the Haris and the zamindars are none too cordial. Last year there were some agrarian disturbances in Nawabshah and Sanghar Districts in which Haris took law into their hands to get a fair share, at the time of batai. In the latter district a few cases occurred in which the Haris forcibly took away their legitimate share of batai defying the zamindars; and some deputations of the zamindars saw the Collector in this behalf, and later reported the matter to Government in Karachi. Incidents of this type on a minor scale also occurred in Nawabshah district. It was stated that Communist workers were behind these incidents and investigation established that they had something to do with it. Timely action taken by the District Magistrates of Nawabshah and Sanghar saved the situation from further deterioration. The incidents were significant of the disturbed relations between the zamindars and the Haris and evinced proof that the latter is no longer happy under the former and that if he became desperate he might resort to violent means

The Communists exploit a situation which already exists, and is favourable to their work. They have no scope where the general mass of

people are content and happy, but where discontent and suffering of the peasants is at its height and they are ready to act as willing tools, the Communists exploit the situation. If we have to redeem our Province from the influence of Communism, we must make the peasants happy While I was Collector of Nawabshah I adopted such and contented. measures as would ensure the Haris a reasonable share of the produce. and stop the atrocious practices of the zamindars. Considerable success was achieved in this direction and though I had to be rather stern with some zamindars at the risk of incurring displeasure of them generally, this policy ultimately benefitted the zamindars in so far as it restored peaceful relations between them and the Hari. With the stoppage of zulm the Haris were a bit satisfied and contented, and this stopped the agrarian disturbances in my district, while in Hyderabad and Sanghar minor disturbances continued. The Hari Association is gaining momentum and its activities are spreading with speed in all the districts of Sind. In Hyderabad it is particularly active because the tenants on the jagir lands are being treated very badly by the jagirdars. There is an allround awakening among the Haris and they are now ready to take over their proper share in land. The achievement of freedom has raised their aspirations and they demand an equitable share in the native soil which they have tilled for centuries.

A recent report from the N.W.F.P. reveals a pitched battle between the Haris and the land lords, and to quote from the Statesman of 8th May,

This news has come in time for my report and it supports the view that violent disturbances are likely to occur in Pakistan if a suitable solution of the tenants' problems is not soon found out.

In their oral evidence Mr. Jamshed Mehta, a veteran in the field of social service and a man of considerable experience of Sind, Mr. Roger Pearce, ICS, a District Officer of great experience, Mr. Nazir Ahmed ICS, whose whole service has been spent in Sind and who is fully conversant with the indigenous problems, Mr. Pribdas Tolani, a notable zamindar of Larkana, expressed a strong opinion in favour of the abolition of zamindari, and some of them were of the view that if zamindari were not abolished, it would lead to a violent revolution. I may quote specifically the opinion of Mr. Nazir Ahmed, "I do think that zamindari should be abolished. The middleman should be removed. The zamindari has outlived its utility."

Another interesting point was made out by the Director of Public Instruction, Mr. Daud Pota, who himself hails from a Hari family, that the main cause of the illiteracy and lack of interest in education on the part of the Hari is his weak economic condition. Mr. Daud Pota was strongly of the view that in the present zamindari system it was impossible for the Haris to improve themselves as far as education goes. The present economy should be changed if the Hari is to be improved. This view found corroboration in the evidence of the Director of Industries as well as of the Director of Public Health. Both of them were of the view that the Hari was not interested in industry or health and sanitation as he had no real interest in life because of the paralysing system of zamindari thrust on him. The Director of Public Health thought that if the Hari had his own land and was made independent, he would take a greater interest in health and sanitation. He went to the length of saying that poverty and ignorance were the chief causes of malaria among the Haris.

There is a widespread agitation in the Punjab as well as in East Bengal in favour of the abolition of the zamindari system and in the latter Province of Pakistan the recent legislation called "The Estates Acquisition and Tenancy Bill" has provided for the abolition of the rentreceiving zamindars. Their interests will be bought out and it is intended to have only one class of tenants under the Government with occupancy rights with the option to commute rent and become free peasants. Khas lands exceeding 200 bighas — or 10 bighas for each member of the family as is greater — will be acquired and distributed to tenants with uneconomic holdings, baghedars and landless labourers. Transfer of land is prohibited except to small cultivators so as to make their holdings up

to 60 bighas or 5 bighas per member of the family. Sub-letting is prohibited and consolidation of holdings and assessment of fair rents are provided for. The Bill clears the way for many useful projects long overdue, including better and greater outturn of agricultural products. This is a big step forward towards the expropriation of zamindars of East Bengal.

In Bihar zamindari has been abolished and a controversy is now raging as regards compensation to be paid to the zamindars.

"The Congress Working Committee on the 1st May met in Dehli [sic] for 4 days under the Chairmanship of Dr. Rajendra Prasad, the Congress President. The Committee, it is understood, discussed the implication of the abolition of the zamindari system with particular reference to the Bihar Government's Bill for State's acquisition of zamindaris. Dr. Rajendra Prasad received a deputation of the Bihar MLAs, who urged him to expedite the passing of the zamindari Bill which is now before the Upper House of Bihar." (STATESMAN – 5th May)

In the East Punjab, Lala Bhimsen Sachar, the former Leader of the Congress Assembly Party, has urged that landlordism should be abolished in the East Punjab and to quote his words,

"So far as I have been able to ascertain, there is strong opinion against the problem to distribute Muslim Evacuees' land amongst refugees in proportion to their holdings in West Punjab. Since the Congress is pledged to the abolition of zamindari, it will definitely retard social progress if landlordism, which has been uprooted from the Punjab, is sought to be rehabilitated in East Punjab. Steps should be taken to abolish landlordism in East Punjab. If Muslim Evacuees' land is distributed evently [sic] amongst those who will be prepared to till lands, thus we would be able to give land at the rate of at least 2 acres per head or in other words, 10 acres per family. If this is done it will not only settle on land 20 to 22 lacs of people but will mean assured prosperity and security for East Punjab." (STATESMAN 3rd May 1948.)

The refugee problem in the West Punjab is engaging the anxious attention of all leaders as well as the Provincial and Central Governments

and the problem is not showing any signs of a solution. We have over a million of unsettled refugees in various camps of the Puniab being fed at State expense. One Refugee Minister of the West Punjab has recently resigned because he saw no solution of the problem except by expropriation of the zamindars. Here in Sind the problem is even more complicated because the Hindu Evacuees' land which should have been distributed among the refugees equitably, has been grabbed by the Sindhi zamindars, who are eager to expand their already bulky. unmanageable holdings of which they leave considerable areas uncultivated every year. The Sind Observer of the 9th May 1948, states that nearly 70% of the total jagir area in Sind remains uncultivated. The lack of co-operation from the zamindars of Sind and their greed for more land, have rendered the solution of the refugee problem well-nigh impos-Many thousand [sic] of the refugees who came here to seek shelter and food have had to go back. These uprooted people who were driven out of their homes because of their allegience to Islam, found no shelter in the "promised land", for the sake of which they suffered untold miseries and tribulations

The cause of their suffering in Pakistan lies chiefly in the zamindari system. I am of the view that we can take in Sind several lacs of refugees provided we overhauled our land tenure system. The shortage of agricultural labour in Sind has been due to the existing insecurity of the tenant, this factor discouraged immigration, - and now the shortage of labour has been accentuated by the exodus of about two lacs of Koli. Bhil and Maighwar Haris. Tharparkar district is threatened with a big drop in the cultivated area this year, and consequently a serious fall in food production as well as in the state revenues. This gap could be filled up by the refugees but they are prevented from settling down in Sind because of complete insecurity of tenure and hostile surroundings. A situation such as this threatens the prosperity and productivity of the whole of Sind - and in her own interest more than in the interest of others it is necessary that a new approach should be made to the problem. By the expropriation of zamindars and the creation of peasant proprietorship Sind will not only solve the problem of its 20 lacs Haris but also help the cause of refugee resettlement on a very large scale. which is now the foremost problem of Pakistan.

Our primary aim should be the creation of a class of independent self-respecting farmers with sufficient land to enable them to accumulate capital and adopt modern ways of husbandry, and who would have a desire born of prosperity to better their standard of living. With this object in view I agreed with the recommendations of the Majority Committee contained in Chapter IV pertaining to the disposal of the State owned land in the two new Barrage Projects. The original recommendations as agreed upon were:—

- (a) that the land should be distributed to landless Haris, as also to small khatedars to give them economic holdings, and
- (b) to such persons who have ceased to be agriculturists because of no land but would be prepared to take up agriculture if land was given to them.

After the demand of these classes was fully met the remaining land of the 2 projects should be distributed in accordance with the proposals contained in paragraph 353 sub-sections 2, 3, 4 and 5 of the Majority Committee Report. It is surprising that the recommendations agreed to have not been properly put in the final Majority Report submitted to Government. The priority in the scheme was to be given to peasant proprietorship as in accordance with the general agreement but in actual recommendations it is suggested that Government should *initially* demarcate and reserve for its own use such lands as it may require for collaborative farming or other form of State management. This is contrary to the wishes of the Majority of the members. We were all agreed that our first aim should be to create peasant proprietors in the new Barrage lands. After this had been done the remaining land could be disposed of on a system of State management or collaborating [sic] farming or otherwise.

Let me now state what are the necessary requirements of a complete solution of the Hari problem enunciated in these pages:—

- (1) In the first place, it is clear that zamindari must be replaced by peasant proprietorship. No less a [sic] radical reform will get rid of the widespread evils of our present system.
- (2) Arrangements must be made by which every genuine cultivator may secure a portion of land for personal occupation (cultivation) at its fair agricultural value. The land should be acquired for this purpose by:—
  - (a) expropriation of big estates,

- (b) immediate expropriation of estates owned by noncultivating owners,
- (c) appropriation of lands which are not cultivated according to good rules of husbandry, including lands which are left fallow or uncultivated without sufficient reason, and
- (d) distribution of the unalienated Barrage lands among landless peasants and cultivators to make their holdings economic – this would imply the immediate cancellation of all large scale leases given by Government to landlords.
- (3) The leasing of land should be absolutely prohibited as it is forbidden by Islam.
- (4) Occupancy and virtual ownership must go together. A person must own land only so long as he occupies (cultivates) it personally, *i.e.* he must be a perpetual holder of the land, not its absolute owner; and this implies some superior from whom he holds it. State must be the only land owner.
- (5) The state alone as the universal landowner, will be able to provide means by which every man from the labourers upwards, may procure suitable land for his personal occupation; and unless this is done fully, half the benefit of a good land system will be lost.
- (6) The expropriation of the zamindars may be with compensation to be determined by the State in accordance with expert advice.
- (7) A maximum limit of holding should be prescribed and no person should be allowed to own an area of land more than the prescribed limit.
- (8) The details as to how these recommendations should be enforced be worked out by a Committee of experts to be appointed by the Government as soon as possible.

# REPORT OF THE AGRARIAN COMMITTEE OF THE PAKISTAN MUSLIM LEAGUE

\*Full reference:

Pakistan Muslim League. Report of the Agrarian Committee appointed by the Working Committee of the Pakistan Muslim League. Karachi. June 1949.

#### Editors' Note

OLLOWING a resolution of the Council of the Pakistan Muslim League in February 1949, an Agrarian Committee was appointed on April 12, 1949. The Agrarian Committee was made up of the following members:

- 1. Mian Mumtaz Mohammad Daulatana (Convener)
- 2. Begum Shah Nawaz
- 3. Khan Abdul Qayyum Khan
- 4. Qazi Mohammad Isa
- 5. Haji Ali Akbar Shah

The final Report does not have the name of Haji Ali Akbar Shah among its signatories. The Committee had three meetings between April 28, 1949, and June 26, 1949. The Report was published soon after the last meeting.

Chapter I, consisting of introductory remarks, has been summarized here. So has been Chapter II, which deals with the policy of the Muslim League. Chapter III has been reproduced here in its entirety. The texts of Chapters IV, V and VI have also been reproduced but either with minor omissions of certain portions not relevant to Pakistan or with editorial summaries of some of their parts. It may be noted that the recommendations of the Committee, given in Chapter V, consist of two parts: Part I lists what are "short-term measures", and Part II deals with "long-term measures". Appendix I, which gives a brief and facile account of the laws of inheritance and fragmentation of land-holdings in some European countries, has neither been reproduced nor summarized here.

Our previous remarks about the style of reproduction and summarization of the text apply here as well. Very obvious misprints in the original text have, however, been corrected here.

#### **Table of Contents**

CHAPTER I: INTRODUCTORY

CHAPTER II: POLICY OF THE MUSLIM LEAGUE

CHAPTER III: LAND TENURE SYSTEM IN WEST PAKISTAN

CHAPTER IV: LINES OF APPROACH TOWARDS A SOLUTION

CHAPTER V: RECOMMENDATIONS (PARTS I, II AND III)

CHAPTER VI: CONCLUSIONS

APPENDIX I: Fragmentation and the Laws of Inheritance to Agri-

cultural Property

[Note. The original Report carried no list of contents. It has been provided here for the guidance and convenience of the readers. -Editors]

#### Editors' Summary

of

Chapter I: Introductory

and

Chapter II: Policy of the

Muslim League

HAPTER I of the Report gives details of a resolution adopted by the Council of the Pakistan Muslim League to bring the land tenure system in Pakistan in harmony with the Islamic principles and to draw up a charter of rights for the tiller of the soil to remove his grievances. The Working Committee of the Muslim League took up this question in April 1949 and appointed an Agrarian Committee. The Committee consisted of five members, three of whom were from the landlord class. Mian Mumtaz Daulatana, himself a landlord, was the Chairman of the Committee. The Report was finalized in June and was submitted in July 1949 to the Working Committee.

In Chapter II, the Report gives a historical account of the position of the Muslim League on questions of social justice for the poor and peasants in an independent Muslim state. It makes references to the 1937 resolution of the All India Muslim League and the 1944 manifesto of the Punjab Muslim League on the radical reforms required in the land-tenure system, and then cites from the speeches of the Quaid-i-Azam Mohammad Ali Jinnah, the Founder of Pakistan, and of Liaquat Ali Khan, the first Prime Minister of Pakistan, for eliminating the existing inequities in the society, including the exploitative character of the zamindari system. The Agrarian Committee contended that the ideology of the Pakistan Muslim League was based on "the democratic and equalitarian principles of Islam in which there was no room for oppression,

exploitation or enslavement" (p. 6). It added that the implementation of this ideology would only mean "a liquidation of feudalism, an establishment of the dignity, independence, prosperity and importance of the cultivator who directly tills the soil and produces the wealth of the nation . . . . " (p. 6).

#### CHAPTER III

### Land Tenure System in West Pakistan

EFORE proceeding to our recommendations, it would be appropriate to give a brief outline of the prevailing land-tenure system in Western Pakistan. It is not our intention to go into any detail because a broad understanding of the main outline is sufficient for an appreciation of the recommendations, and we are luckily assisted in treating Western Pakistan as a whole as there is substantial similarity in the conditions obtaining in the various provinces and states; except for the mode of land-revenue assessment which shows some variation in the case of Sind. With this however we are not directly concerned.

Proprietorship in land is mainly divided between two classes:— (i) Peasant proprietors who are the owners of small areas of land which they till directly, that is, without the necessity of leasing it out to tenants and in a few cases with the only very occasional and seasonal help of agricultural labour. (ii) Landlords who own much larger areas of land which they do not till directly, but lease it out on various terms to tenants, who do the actual cultivation.

Peasant Proprietors.— Peasant proprietors play a larger part in the economy of Western Pakistan than they did in any other region of United India except in the ryotwari areas of Madras and Bombay. In particular in the West Punjab and N.-W.F.P. a substantial portion of the cultivable area of the provinces is owned by peasant proprietors. Conditions in Bahawalpur State are similar where the extention of irrigation in recent years has led to an influx of 'abadkar' population from the districts of the Punjab, and in certain areas created conditions similar to the neighbouring canal colonies of the West Punjab. At present it

may be roughly calculated that about 50% of the agrarian population of Bahawalpur consists of 'abadkars', a large proportion of whom are peasant proprietors. A smaller proportion amongst them hold areas large enough to be able to lease them out to tenants. The largest of such holdings, however, do not generally exceed 100 acres.

It was sometimes customary to call the Punjab a land of peasant proprietors. This happy designation is more of a euphemism deduced from a favourable comparison with conditions in more completely feudal provinces of United India like the U.P., Bihar and Bengal. In actual fact in 1938 it was calculated that 58 per cent. of the cultivated area of the province of United Puniab was farmed by tenants, out of which just about 50 per cent. was held by tenants-at-will (Land Revenue Committee Report 1938 -p, 32). More precisely out of a total cultivated area of about 29 million acres, 15 million acres were cultivated by tenants. The total number of tenants in 1931 stood at 1.128.014 as compared with 1,707,744 cultivating owners and 192,531 non-cultivating owners. (Figures given in Dr. Radha Kamal Mukerji's note to Indian National Planning Committee, p. 110-111). At the same time the tendency has been for the tenancy to increase. Thus the number of persons living on agricultural rent rose from 626,000 to 1,008,000 during 1911-1921 (Mukerji's note - ibid). The figures given are for the United Punjab about which the data is [sic] more readily forthcoming, but this only fortifies the general argument that the West Punjab is a land more of the tenants than of the peasant proprietors, because in the United Punjab the areas most largely dominated by landlords were the districts which are now included in West Punjab, particularly the districts of Dera Ghazi Khan, Muzaffargarh, Multan, Jhang, Sargodha and Mianwali. The proportion of tenants cultivation to peasant proprietorship holdings is therefore larger in the West Punjab, although this tendency may be slightly modified when the 15 lakhs surplus refugee influx in the West Puniab is given permanent rights in present evacuee holdings.

The vast majority of the holdings of the peasant proprietors are extremely small. Overwhelming pressure on land, particularly in the central districts of Lahore Division and the arid regions of Rawalpindi division, further aggravated now in the more favourably situated districts by the vast influx of refugees and coupled with the steep increase in population and the [Islamic] Law of Inheritance which affords a share to each heir has naturally had this inevitable tendency. A study of the

figures of land-revenue payment for United Punjab would emphasise this point. In 1938 it was calculated that out of a total number of 34 lakhs of revenue payers, roughly 24 lakhs or over 71 per cent. paid Rs. 10 or less, and over 50 per cent. paid Rs. 5 or less. Similarly 32 lakhs of revenue payers paid less than Rs. 50 in land revenue, and 24 lakhs or almost two-thirds paid Rs. 20 or less. It is interesting to bear in mind that a payment of Rs. 250 annual land-revenue represents broadly the ownership of an area of 50 acres in a canal colony and about 200 acres in an unirrigated tract. Payers of land-revenue above Rs. 250 amounted to about 9,000 out of a total of about 34 lakhs, while the number of land-holders who paid above Rs. 500 in revenue was only about 2,000. (Figures taken from Land Revenue Committee Report 1938, page 11-12, 85, 80). It has further been estimated for the United Puniab that 18 per cent. of the land-owners possessed about half an acre. 40 per cent. 2½ acres and 26 per cent. 8½ acres (Bengal Land Revenue Commission Report, Vol, II, page 38). The figures cited above represent conditions in the United Punjab, but the variation in proportion for West Punjab would be too slight to affect the general argument. The following figures may, however, be given for conditions in West Punjab after partition:-

Table showing number of land-revenue [sic] and acreage (in lakhs)

Group	No. of owners	Acreage
Up to 5 acres	9.06	18.0
5 to 10 acres	2.27	16.0
10 to 15 acres	0.52	8.0
15 to 25 acres	0.64	13.5
50 to 100 acres	0.656	14.5
	Total owners 13.5	Total acreage 146.0

Thus out of 13.5 lakh old land-owners of West Punjab, more than 9 lakhs own land less than 5 acres, and 11.3 lakhs own land less than 10

acres each, while there are about 1.81 lakhs of middle peasants owning between 10 to [sic] 50 acres.

The conditions in N.-W.F.P. are largely similar where out of a total cultivated area of 25,25,713 acres; about 47 per cent. (11,98,560 acres) is cultivated by tenants-at-will, i.e., held by large owners; about 42 per cent. (10,48,523 acres) is directly cultivated by peasant proprietors (khud kast malikan); and about 11 per cent. (2,78,630 acres) is held by tenants with occupancy rights. The holdings of the peasant proprietors show an identical tendency as in the West Punjab of progressively getting smaller and less and less economic.

The cultivated area cultivated by peasant-proprietors in the case of the settled tehsils of Baluchistan is as follows:—

				per cent.
Quetta		 	 	48
Pishin		 	 	61
Shahrig		 	 	74
Sinjawi		 	 	84

In Sind, peasant proprietors play a much smaller part in the agrarian economy of the province. The overwhelming cultivable area of the province is leased out to tenants-at-will and even in the areas recently brought under irrigation and newly-settled, the proportion directly cultivated by peasant owners is much smaller than may be expected because the newly-settled holdings tend to be fairly large and have to be worked through tenants.

Landlords.— Landlordism, as we know it today, is a recent growth in the history of India, and moreover it is a growth of the days of decadence. In the days of Ancient Hindu India village communities were made up of individual peasant proprietors whose rights to land were limited only by the demands of the State. By individual tenure of land was generally meant tenure by family in the person of the head of the family who owned the land and could transmit his rights to the heirs. Land-grants by Kings which were the fore-runners of the landlord-tenant relationship were rare and by no means the general rule and were in most cases of a temporary nature.

Under the great Muslim Kings, the chaos of the preceding epoch of disturbance and anarchy was first resolved to order in the agrarian field by the reforms of Firoze Tughlak who led the way in agricultural improvement and rural reconstruction. He removed iniquitous States cesses and levies and generally stabilised a system primarily based on peasant-proprietorship. This was followed by the brilliantly modern, just and detailed system of land-revenue assessment introduced by Sher Shah Suri and extended and improved by Akbar. Akbar's system, however, was primarily a system of state-landlordism aiming at direct settlement with the individual cultivator without the intervention of a middleman who was to be known in later history as the zamindar.

The decay following the break-up of the Mughal Empire and the rapid deterioration in the authority and efficiency of the Central Government and the various regional Governments led to the emergence of the zamindar as a person to whom the State farmed the duty, the privilege and the profit of collecting revenue on its behalf. With further chaos and decay, these rights had the tendency to become heritable and in some cases transferable.

The grant to the East India Company of the Dewani of Bengal, Bihar and Orissa by Shah Alam in 1765 sounded the death knell both of a free India and of an independent peasantry. After an unprofitable experiment to collect the revenue through State-employed supervisors in 1769, the predatory exploitation of a foreign imperialism discovered from 1772 onwards a system of auctioning the right of revenue collection to the highest bidder. As is clearly shown by the famous controversy between Grant and Shore in the eighties of the 18th century in which Grant maintained that the State had supreme proprietory rights in the soil and that the zamindars were nothing more than agents for collecting the revenue, while Shore deceived by the heritability and transferability of zamindar's rights claimed a limited but not an absolute proprietory right for them, the zamindar did not emerge as the legal owner of absolute right of proprietory in the soil till after the Permanent Settlement of 1793. It was thus the English landlord Lord Cornwallis who elevated a functionary of the State to the status of an absolute owner on the English pattern. The whole basis of economic relationship in land was completely rooted out of the past context of Indian history, transformed and disastrously transformed by the theory and practice of British administration after 1793.

The traditions of Bengal were transplanted to the rest of India as the virus of British infection travelled deeper into our body-politic. Thus the landlord as the real and de jure owner of land emerged everywhere. Feudal relationship in land therefore despite periodical and partial illustrations in the past history of India are not an indigenous growth. The truth of this is forcefully borne out in Western Pakistan by the fact that almost no large land-owning family of this region can trace their proprietorship to beyond the Mutiny, and only a few can claim it otherwise than through British benefactions. We have, of course, amongst landlords a few descendents of old and superseded ruling families which is a historical anamoly and a few descendents of eminent religious heads which is a spiritual breach of trust.

Landlordism is at present a force of the greatest importance in West Pakistan. It is not often realised that a very substantial part of the cultivable area of West Pakistan is directly owded landlords, and their political and social influence is even wider and more extensive. Taking the Punjab as an illustration, it was estimated before partition that about 40% of the cultivable area of United Punjab was in the hands of owners of above 50 acres. (Prof. Mukerji's note in Report of Indian National Planning Committee, p. 110). The Punjab Board of Economic Enquiry found in 1923 that 61% of the cultivable area of the province belonged to only 15% of the owners (Board's Rural Publications No. 4 p. 3). The present position in the West Punjab can be gauged from the following table:—

Table showing number of land-owners and acreage (in lakhs)

Group	No. of owners	Acreage
50 to 100 acres	0.200	17.0
100 to 500 acres	0.123	23.0
Over 500 acres	0.076	36.0
	Total number of owners	Total acreage 146.0

Thus 20,000 middle land-owners own more than 17 lakh acres of land, while the bigger landlords numbering less than 20,000 own 59 lakh acres of land. Those who own more than 500 acres number less than 7,600 but they possess over 36 lakh acres of land.

It is true however that the very large landowners do not predominate in the West Punjab to the extent that they do in certain other parts of the Indian sub-continent. Thus on the basis of data collected for United Punjab in 1938, it can be calculated for the West Punjab that persons who pay land revenue in the West Punjab of Rs. 10,000/- or above are only 9, and their total revenue payment amounts to Rs. 1,21,139; while land-revenue payers between Rs. 5,000/- to Rs. 10,000 number 16 with a total yearly assessment of Rs. 1,08,574.

West Punjab has been taken as an illustration. Conditions in N.W.F.P. and Bahawalpur State are broadly similar, while in Sind, there is a much larger preponderance of large owners.

We may, therefore, draw the conclusion that considerably more than half of the cultivable area of West Pakistan is owned by landlords who do not directly till the soil, who live on rent, and who cannot therefore be called the producers of national wealth. While the number of the very large owners is comparatively small, the main class who dominates the rural life in the country are substantial landlords owning 100 acres or above; and it is no comfort or alleviation to the tenant to know that his landlord comes more frequently from the second class than the first.

Tenants.— The land owned by the landlords is tilled by the tenants. In West Pakistan, there has been no tenancy legislation comparable to that in the United Provinces and the Bengal Province of British India which has led to a numerous classification of various kinds of tenants. We may, therefore, confine ourselves to a brief description of the two main classes of tenancy—occupancy tenants and tenants-at-will.

(a) Occupancy Tenants.— They are privileged tenants and in practice in very much the same position as landlords. Occupancy rights have nothing to do with occupation for a certain length of time. For the West Punjab and the N.W.F.P., the terms on which occupancy rights can be acquired are laid down in Section 9 of the Punjab Tenancy Act, 1887. Occupancy rights can also be acquired by contract with the landlord. The occupancy tenant pays in terms of land-revenue, i.e., he

pays the land revenue *plus* a certain additional sum to the owner in recognition of the fact that the owner has a proprietory right. This is called *Malikana*, which varies with the extent to which the occupancy tenant is privileged. The variation is from 2 annas in the rupee of land revenue to 12 annas in the rupee.

There is hardly any occupancy tenancy in Sind and Bahawalpur State. In United Punjab, in 1927, only 7% of the cultivable area of the province was tilled by occupancy tenants, and the proportion for West Punjab is about the same. In N.-W.F.P., 11% of the cultivable area of the province is held by occupancy tenants, although in the Hazara District, they are in enjoyment of as much as 33% of the cultivable area of the district.

About Baluchistan, information is available only in respect of the settled tehsils of Quetta, Pishin, Shahrig and Sinjawi. The percentage of area cultivated by occupancy tenants is 4% in both the Quetta and Pishin tehsils, there being no occupancy tenants in the other two tehsils. Apart from occupancy tenants, there are other privileged tenants in Baluchistan known as Lathband and conditional tenants. Persons who convert waste lands or barani lands into Sailaba by constructing embankments and bands are known as Lathband tenants. Once installed, and as long as they continue to cultivate the land and keep the embankments in repairs, they enjoy tenancy occupancy rights and the landlords are not entitled to eject them. These rights are heritable and alienable. but in the latter case, the owner has the right of pre-emption. Conditional tenants of which the Lathband tenants are really a special class are those who generally incur considerable expenditure on reclaiming waste lands or on improvements and are in return given a lease securing to them rights of occupancy for a specified number of years. These tenancies are not, ordinarily, transferable, but are heritable within the currency of the lease. The conditions of tenancy which vary in each case, are settled before hand between the landlord and the tenant. The area cultivated by these privileged tenants in proportion to the total cultivated area is as follows:-

Quetta Tehsil	 	 	8%
Pishin Tehsil	 	 	8%
Shahrig Tehsil	 	 	1%

(b) *Tenants-at-will.*— The main problem of agrarian reform in West Pakistan is the amelioration or rather the transformation of the condition of the tenants-at-will.

This report has already indicated that they form the most substantial portion of the agrarian population in West Pakistan. They are the vast majority of the tillers of the soil in Sind, they cultivate over 50% of the cultivable land in West Punjab and Bahawalpur State and 47% of the land in the Frontier Province. Only in Baluchistan do the tenants-at-will form a less significant proportion. They cultivate 40% of the total area in Quetta, 27% in Pishin, 25% in Shahrig and 16% in Sinjawi.

The terms on which the land is cultivated by the tenants-at-will, vary from locality to locality. But nowhere are the terms regulated by law, and in each case they are based on a contractual agreement between the landlord and the tenant which in most localities has acquired a customary basis.

Leasing of land to tenants-at-will for a cash rent is rare, but where cash rents are paid they generally amount to little less than half of pro-In Western Pakistan, over three-quarters of the area cultivated by tenants-at-will is leased on the 'batai' system that is to say, in return for a fixed share of the produce. The 'batai' share that falls to the tenant varies from place to place, but in each case, it has only a contractual or a customary basis. In unirrigated tracts, where cultivation requires much greater labour, it may be as high as 3/4th or 2/3rds of the produce. But by and large and particularly in the irrigated areas, the division, at least in name, is 50% to the tenant and 50% to the landlord. There are varying arrangements for the payment of Government dues. In some cases, they are divided half and half, in some unirrigated areas, the landlord pays the land-revenue and half of the water-rate, but in most parts, particularly in West Punjab, the tenant pays the water-rate and the landlord pays the revenue, which in view of the much heavier rate of water-rate (in 1938, the average incidence per acre of water-rate in the Punjab was Rs. 3/8 and the average incidence of land-revenue was Rs. 1/9) means a larger burden on the tenant. The direct costs of cultivation, namely, the provision of cattle, implements of production, seed, etc., is usually borne by the tenant.

In actual fact, however, the nominal division of share between the landlord and the tenant very rarely represents the real share which falls

to the tenant. For apart from the legal dues of the landlord, there are in most cases, particularly in Sind and the landlord-dominated districts of the West Puniab and Bahawalpur, a variety of legally unjustified dues and services which are sanctioned by custom and enforced by the superior bargaining power of the landlord. These dues and services are extremely oppressive and include 'begar', 'khurcha', 'munshiana', 'kamiana' and 'karaya'. In certain parts, there are other taxes which the landlords exact from the tenants, for instance 'faslana', 'bhunga', and a tax per hearth, window or even for every domestic animal or chicken. Landlords in backward areas are even known to charge a homage on the marriage of their children, and even a tax on the marriage of the tenant or his children. When all these exactions and dues are multiplied, the share of the tenant falls considerably below his nominal share, and an investigation recently carried out by the Punjab Board of Economic Enquiry found that in the net income accruing from a plot of land, the landlord's share is often as high as 75% and sometimes as pre-posterous as 90%.

The law has given no security of tenure whatsoever to the tenantsat-will in Western Pakistan. He may be ejected by the landlord legally at the end of any agricultural year, but as he has no bargaining power and no power of resistance, this in practice means at any time at the sweet will of the landlord. In the United Provinces of India, the Tenancy Act of 1939 practically gave all tenants the minimum status of statutory tenants which meant that the tenants and their heirs would have a heritable occupancy rights in their holdings. In Bengal, the raiyat is even better off because apart from heritable rights, he also possesses the right to transfer and sub-let his holding. The tenants-at-will of Western Pakistan, therefore, stand lowest in the scale of tenancy rights in the whole sub-continent of India. The result is that the complete dependence of the tenant for his livelihood on the will of the landlord gives the latter practically power of life and death in the village economy and leads to the utter degradation of the actual tiller of the soil morally, physically and economically.

The salient features of the relationship between the landlord and the tenant-at-will in Western Pakistan may be summarised thus:—

1. The 'batai' system gives the landlord a direct interest in the management of land and therefore landlordism has remained a live force

in Western Pakistan as opposed to other parts of the Indian sub-continent, retaining a close contact with the day-to-day life of the village and largely dominating it.

- 2. The actual practice of 'batai' gives the landlord a pre-posterously large share of the produce and leaves the tenant with a pittance from which he can hardly scrape a bare living. This leads to gross mal-distribution of purchasing power in the village with all the attendant social and economic distempers.
- 3. The tenant-at-will has no bargaining power vis-a-vis the landlord. Intense pressure on land makes the law of demand and supply operate wholly in favour of the landlord. At the same time, the tenant has no legal security of tenure afforded to him and such provisions as are made in his favour in respect of the procedure of ejectment (e.g. Section 42 to Section 49 of the Punjab Tenancy Act, 1887) or compensation for improvements (e.g., Section 64 and following section of the Punjab Tenancy Act, 1887), are in effect inoperative due to the weakness of the tenant's power of bargaining and resistance. This has the effect of reducing the tenant-at-will to a person without claims, rights or recognition.

Agricultural Labour & Village Artisans & Kammis.— Lower even than the tenants-at-will in the social and economic scale of the village society come the village artisans (kammis) and the landless labourers. Unattached to land but tied to the village, the kammi who works both as daily artisan and seasonal labour, has, except in some newly-settled and colony areas, no homestead, no security of a minimum living wage and no protection against sweated labour. He is the menial of the landlord and he has often even to struggle against the oppression of the peasantry. Even the protection of elementary human and moral rights is frequently denied to him. All that he secures to keep body and soul together is a fraction of the produce of a holding which may amount to no more than 25 seers of wheat, 15 seers of makki and 2 seers of toria, cotton and gur per year.

An appreciation of the magnitude of human misery involved may be had from the fact that there are about 16 lakh families of *kammis* and landless labour in the West Punjab alone.

Uneconomic Holdings. - Landlordism apart, but connected with it in the sense that no solution of the one is possible without interference with the other, the main agrarian problem of Western Pakistan is the increasing fragmentation of holdings. Sufficient data have been presented in earlier sections of this report to show that the size of the average holding is steadily declining below the limit of economic Progressively as the high birth rate has exhausted, the exploitation. availability of new land, the increase in population coupled with the [Islamic] Law of Inheritance and the non-existence of industrial development to take off the surplus population have combined to make the size of the average holding cultivated increasingly smaller generation The result is uneconomic holdings, decline in the by generation. methods of production, impracticability of introducing improved and efficient methods of large-scale farming, decrease in production and the resultant impoverishment. An under-sized holding is incapable of profitable exploitation because the cultivator living so near or even below the margin of existence has no choice between food crops and cash crops. and having no exportable surplus, he can neither benefit from the rise in the prices of agricultural produce or contribute to the international economy of his country. Inevitably, the uneconomic character of holdings, subjected to a process of continuous sub-divisions, makes agriculture unremunerative and accounts for the increase of destitute landless population. On the national plane, the consequent deterioration in the technique of production and the yield of produce, as well as the impracticability of the rational planned choice between crops may result in the complete break-up of an economy which completely depends on self-sufficiency in food and surplus of agricultural produce.

It is, therefore, vitally necessary for Pakistan to make structural changes in its social and economic policy such as will enable it to fight against the menace of fragmentation. For it must be realised that the prospect of new land development as visualised in the Lower Barrage at Sind, the Thal Project in the Punjab, and the various irrigation schemes in N.-W.F.P., would even in their plenitude only mitigate and not solve the problem, and it may be discovered in each case that before the completion of the project, the problem has overflowed the solution.

### CHAPTER IV

# Lines of Approach Towards a Solution

AVING indicated the problems that face our agrarian economy we are not in a position to sketch the main lines on which a solution may be sought:—

- 1. Our first concern must be to emancipate our economy from the worst and most oppressive shackles of a time-worn feudalism. In general terms this would mean:
  - (a) Abolition of Jagirs.
  - (b) A legal recognition of the fact that occupancy tenants are the virtual owners of their holdings.
  - (c) Prohibition and abolition of feudal servitudes and illegal dues and exactions from the tenancy.
  - (d) Guarantee of adequate security of tenure to the tenants-atwill.
  - (e) Provision and guarantee of a substantial and adequate share in produce to the actual tillers of the soil.
  - (f) Statutory protection and amelioration of the condition of landless labour and village artisans.

It may be observed that all these steps were taken in progressive states of the world a century ago, that even the backward agrarian countries of Eastern Europe went beyond this in the years immediately following the world war of 1914–18 and that to a very large extent legislation had already before partition secured these alleviations to the cultivators of most provinces in the Indian sub-continent.

2. The measures suggested above, however, do not in our view touch the kernel of the problem which is to bring our economy in line with the aspirations aroused amongst the people by the ideology of the Muslim League which is firmly based on Islamic socialism. Nor would they be sufficient to lay the firm foundations of economic justice or agrarian prosperity on which the future greatness of our land depends.

In our considered opinion a just and balanced agrarian economy can only be based on the unreserved acceptance of the principles that any interest in land can derive its justification solely from the direct contribution it makes to the cultivation of the soil and the production of national wealth. We therefore believe that an equitable and prosperous land system for Western Pakistan must be founded on a State regulated ownership of holdings by self-cultivating peasant farmers, coupled with the economic enlargement of the size of holdings, promotion of scientific methods in intensive farming and cooperation in various aspects of agriculture through the intervention of village communities. This must involve the gradual elimination from our economy of landlordism and all superior but idle interests in land above the actual cultivator.

A similar solution has been sought in almost every civilized country in the world... it is the vindicated experience the world over that the main basis on which a sound and progressive agricultural community can be built up is that of individual and peasant-owned farms. It is also evident that if Western Pakistan takes the necessary and essential step of the gradual and peaceful elimination of large proprietorships and the subdivision of their estates into economically sound peasant farms, it will not be taking a revolutionary or exceptional step but will only be bringing itself into line with the accomplished achievement in almost every other democratic country in the world. Nearer home, we must give the example of the United Provinces, Western Bengal, and our own province of East Bengal where the elimination of all intermediary interests between the State and the cultivator owners has already been decided upon.

At the same time we have come to the conclusion that the more drastic experiment of the Soviet Union where all ownership in land has been abolished, agriculture has been collectivised, put under State Control and subjected to large-scale mechanisation is not suitable to the conditions of our country. Quite apart from the human factor represented by the cultivators' intense attachment to the ownership of his small holding, the heavy pressure on land exerted by a thick agrarian population as well as present agricultural practice which our resources cannot revolutionise in a measurable period of time offer little opportunity for the employment of large-scale mechanisation or the introduction of bigscale collective farming in West Pakistan. In the words of Prof. Radha Kamal Mukerji "not only the heavier population density than in Russia (the crop area per capita in Russia is 4.2 acres as compared with only 0.78, acres in India), but also the peculiar conditions of cultivation within limited growing seasons and combinations of crops, favour peasant farming as the most effective mode of land utilisation for India". In our view this opinion is equally applicable to the conditions in Western Pakistan.

3. Planned and State-regulated redistribution of land with a view to the formation and stabilisation of economic units of directly cultivated peasant farms must go hand in hand with the gradual abolition of feudal estates. In fact the real justification for the latter solely consists in the fact that it is an essential and unavoidable prerequisite for the former.

The first concern of our future planning must be to see that our agrarian economy is freed from the menace of fragmentation and the growth of uneconomic holdings. We must therefore take steps to

- (a) consolidate present dispersed peasant holdings,
- (b) supplement at present uneconomic holdings with further land so that the unit of cultivation does not fall below the economic level, and
- (c) secure that economic holdings, fixed at a minimum area by law, which either already exist or are created by supplementation or the planned parcellation of large estates, do not succumb to the tendency of fragmentation either by subletting, alienation, lack of credit facilities, impoverishment, or through the operation of laws of succession.

### CHAPTER V

## Recommendations

N light of the facts studied and the principles suggested in the earlier parts of our report, we are now in a position to place our specific recommendations before the Working Committee of the Pakistan Muslim League.

#### PART I

This part of our recommendations indicates the minimum steps which in our view must be immediately taken to reform our present land tenure system and bring relief to the tiller of the soil from the most oppressive features of feudalism.

- 1. We recommend the immediate abolition and cessation of Jagirs and Inams [awards] without compensation. Jagirs were rewards given by British Imperialism for services rendered to it. Services rendered to Imperialism were almost invariably services rendered against the nation. The birth of freedom must abolish this stigma of the past. Moreover the Jagirdars and Inam-Khaurs [recipients of State awards] contribute in no wise to the agrarian economy of the country and are a parasitical burden on it.
- 2. In extension of the above principle, we recommend that after due and detailed investigation, the State should resume all grants of land made by the British Government in lieu of services, which the present national government regards as anti-national and unpatriotic, irrespective of the distance in time at which such grants were made. As an illustration of similar measures taken in other countries, we would like to cite the much more radical example of Latvia which after 1914–18 war decided to expropriate without compensation the estates of all landowners who had behaved in a manner hostile to the people (Agrarian Reforms in Western Countries. page 89).

3. Occupancy Tenants.— Occupancy tenants in the West Pakistan have the virtual status of actual owners subject to the payment of a fixed annual fraction of land revenue as rent to the landlord. Their holdings form less than 7% of the cultivable area in West Punjab, and less than 11% of the area in N.-W.F.P.

We recommend that the anamoly of a functionless landlordism in this case may be abolished forthwith and legislation may be brought forth to give full proprietory rights to occupancy tenants. The landlord's share may be compulsorily acquired at a valuation for purposes of compensation of four times the annual rent. The occupancy tenants may be given the option to acquire proprietory rights by lump-sum payment to the landlord direct, or the State may acquire the rights and charge re-payment in instalments, over a period of four years, in the same manner as land-revenue from the tenants.

4. Security of tenure for other tenants.— The Committee is of the opinion that the most urgent social and economic need of the moment is to afford substantial and effective security of tenure to the tenants-at-will who form an overwhelming majority of the tillers of the soil and the producers of agricultural wealth in West Pakistan, and whose present status, social position and economic condition is the gravest besetting evil of the existing system of tenure.

A study of the position in some other countries and provinces is instructive. In Bengal (both East and West) all tenants have heritable occupancy rights, with rights to transfer and sub-let their holdings. This legal position is somewhat modified by the emergence of under-tenants and bargadars. In the words of the Bengal Land Revenue Commission Report. "As time went on, sub-letting to under-raiyats became more common but the raivats retained all their occupancy rights and the underraiyats were to all intents and purposes tenants-at-will. The vital blunder was to attach occupancy rights, not to the land, but to a particular class of tenants, who might be non-agriculturists or might cease to (Vol. I page 67). In the United Provinces there are two principal classes of tenants occupancy and statutory. About 48% of the tenancy have occupancy rights and 44% have statutory rights. The historical states conferring rights upon tenants may be distinguished as following [sic]: (a) Right of occupancy was created by the Tenancy Act of 1859 by which tenants who had cultivated lands continuously for 12

years were given heritable, but not transferable rights in that land. (b) Statutory rights were first created by the Oudh Rent Act of 1886 which entitled statutory tenants to retain their holdings without disturbance or enhancement for 7 years. (c) Rent Act of 1921 gave all statutory tenants the right to retain their holdings for life, and their heirs were allowed to hold on for five years after their predecessors' death. (d) Tenancy Act of 1939 has given all statutory tenants a heritable right in their holdings. Enhancement of rent is limited to an increase of 25%. All holdings of tenants (except fixed-rate tenants in permanently-settled area) are non-transferable. In the Western countries complete security and heritability is afforded in most countries. In the two countries, however, where agrarian reform has made least progress, Belgium has assured the tenant a first tenancy of at least 9 years, and eviction is subject to a 2 years notice (Law of 1929), while in Sweden an Act of 1909 requires that tenancy shall be for a maximum period of 15 years.

In view of the fact that Western Pakistan is very backward in this respect, we recommend the following measures to secure relative security of tenure for the tenants:—

- (a) After the particular date to be specified by the Statute which introduces the following reforms, all contracts between a landlord and a tenant for the cultivation or holding on rent of a piece of land shall be or shall deemed to be, for a minimum period of fifteen years.
- (b) It will be made compulsory to reduce all agreements of tenancy in writing and the responsibility shall be placed on the landlord to do so subject to specified heavy penalties. A contract not reduced in writing will be presumed to extend for a minimum period of 15 years.
- (c) The only grounds on which it will be possible for the landlord to seek ejectment of the tenant during the statutory 15 years minimum pendency of the contract will be those at present specified in Section 39 of the Punjab Tenancy Act 1887 viz.:—
  - (i) "that the tenant has used the land comprised in the tenancy in a manner which renders it unfit for the purposes for which he held it;

- (ii) where rent is payable in kind, that he has without sufficient cause failed to cultivate that land in the manner or to the extent customary in the locality in which the land is situated;
- (iii) where a decree for an arrear of rent in respect of his tenancy has been passed against him and remains unsatisfied".

It will not be permissible to specify any conditions in the contract between landlord and tenant providing for any other ground of eviction and all such conditions will be treated as void by the relevant authority.

- (d) No ejectment of a tenant will be effective without a formal order of the relevant authority, even if the landlord and the tenant are privately agreed on a dissolution of the tenancy contract.
- (e) It will be open to the relevant authority to decide that the commission or omission complained against the tenant for which he is sought to be evicted, merits or can be remedied by compensation or adjustment short of eviction.
- (f) It is necessary that procedure for the consideration and disposal of a plea for eviction should be simplified, and expedited. It is, therefore, suggested that the procedure should be of a summary nature, that it should be possible to take a decision on the spot, and that the relevant authority appointed for this purpose should be easily and promptly available. The provisions of law should be such as discourage preemptory eviction but at the same time enforce and encourage reasonably prompt payment of rent.
- (g) The death of a tenant during the pendency of the 15-year minimum term of tenancy should not operate to deprive his heirs of the enjoyment of the tenancy for the remaining period of the term. This limited heritability should be provided for by the law subject to two considerations:—
  - (i) The heirs of the tenant must cultivate the holding as a unit, and the operation of the law of Shariat [i.e. Islamic Laws] as in the case of Wakf-alal-aulad [inheritable trust] must be restricted to a sharing out of proceeds and not lead to a cultivation of the land in separate plots. This measure is meant to guard against fragmentation.

- (ii) It will be open to the landlord to prove to the satisfaction of the relevant authority that the successors and heirs of the deceased tenant, or their legal guardians are not in a position to reasonably cultivate the land or pay the due rent for it, and the relevant authority may decide the petition by summary procedure.
- (h) The death of a landlord or the resultant division of his property amongst his heirs shall not be allowed to affect the contract of tenure of the tenant in any way during the pendency of the contract.
- (i) It shall not be open to a tenant to transfer or sub-let his tenancy without the permission of the landlord. Provision, however, may be made for sub-letting by a widow, a minor, or by a person who is for a reasonable purpose forced to remain absent from his village for a temporary period, if the legitimacy of the need is proved to the satisfaction of the relevant authority.
- (j) The lessee of the landlord's right in a piece of land shall be bound by all the above conditions in exactly the same way as the landlord. In other words, it will not be possible to injure the rights and interests of the tenant in any way by leasing land to another person. Similarly, the permanent alience or vendee of land shall be in the same position as the alienor vis-a-vis the tenant.
- 5. Landlord's 'Khudkasht'.— In view of the fact that the recommendations of the Committee envisage substantial security of tenure to the tenant, it will be equitable to permit the landlord to reserve a certain proportion of his land for self-cultivation. We recommend that this area should be limited to a maximum of 25 acres in case of each landlord. It should be open to the landlord to cultivate this area either directly or by agricultural labour and we do not propose that the tillers of this reserved area should be given the rights we have recommended for tenants in paragraph 4 above. It will, however, be necessary for Government to provide against the abuse of this provision by fictitious or nominal alienations. Moreover, the 'khudkasht' reservations will have to be made only within a certain period of time fixed by Government. Later, alienations, sale or division of properties shall not be allowed to extend the area of 'Khudkasht'.

6. Feudal levies, dues and cesses.— Apart from a statutory minimum rent to be fixed by the State, or of a rent fixed contractually by the landlord and the tenant below the statutory minimum (see below), all levies, dues and services to which the tenants in every part of West Pakistan are hitherto liable under any contract, custom usage or coercion, must be abolished forthwith. Very severe penalties must be provided for a breach by the landlord of this law. In this connection, we would call attention to Sections 90 and 91(i) of the U.P. Tenancy Act, 1939, which runs as follows:—

'Section 90.— No landlord shall take a premium for the admission of a tenant to a holding, and it shall not be a condition of any tenancy that the tenant shall render any service to or do any work for the landlord, whether for wages or not'.

'Section 91(i).— ... No cess which is levied in accordance with village custom other than a payment in kind which forms part of the rent payable for a holding shall, after such date as may be notified by the Provincial Government in the official gazette, be recovered in any civil or revenue court ....'

- 7. Rent or share in net yield to tenant.— The Committee is of the emphatic view that the present share in produce obtained by the tenant in most parts of West Pakistan, even in inequitious and illegal dues and services are totally and effectively abolished, is grossly inadequate and is an insufferable injustice to the labour and industry of the actual tiller.
- (a) We recommend that the principle of the substitution in each case of cash rent for share in produce (or 'batai') should be accepted and enforced by law. In our view, this will make the tenant more independent of and liable to less vexation by the landlord and it will also benefit him economically. We suggest that the cash rent should bear a definite proportion to the land-revenue charged by Government, but we realise that to make this system really equitable, some changes will have to be introduced in the present method of land-revenue assessment in some parts of West Pakistan. We believe that the following steps may offer a just solution:—
  - (i) The main objection to a cash rent is that if it is fixed once and for all or over a long period, it is not sufficiently sensitive

- to variation in the prices of agricultural produce. In periods of falling prices, it might place an intolerable burden on the tenant, while during rising prices, it will operate to the disadvantage of the landlord. It is, therefore, appropriate that rent should bear a fluctuating proportion to the general level of agricultural prices prevailing during a period of time.
- As it is our suggestion that cash rent should be fixed as a (ii) multiple of land revenue, it follows that land-revenue itself should reflect as closely as possible the periodic variation in the general level of agricultural prices. The present general system of land-revenue assessment in West Punjab and N.-W.F.P. is not sufficiently sensitive to this factor as settlements of land-revenue are operative for as long a period as forty years. In certain districts of West Punjab, notably, Lyallpur and Montgomery, a sliding scale system of landrevenue has been introduced which adjusts the land-revenue payable in any given year in relation to the prices current in the preceding year. The sliding scale, however, only operates downwards. If prices rise, the land-revenue may increase up to the sanctioned commutation figures, but even if they go above that level, the land revenue cannot be further increased. In Sind, the entire Government demand, viz., both land-revenue and water-rate is based on the sliding scale system of assessment.

We suggest that the sliding-scale assessment of land-revenue should be perfected so as to become closely reflective of the periodic fluctuations in price, that it should operate both upwards and downwards in precise relationship with the price, and that it should be made of general application throughout West Pakistan. In our view, this would be fair both to the Government and the agriculturist, because while Government must be allowed to benefit from a rise in prices, the agriculturist must not suffer if prices fall steeply.

(iii) The present system of assessment of land-revenue in West Punjab and N.-W.F.P. is based on the rule that it shall not exceed one-fourth of the estimate value of net assets. 'Net assets' are so defined that the net assets of a tract represent what the land of that tract might ordinarily be expected to fetch in rent less all costs incurred in fetching that rent. In

other words, net assets and normal rent less these costs are synonymous, and so defined that they may be briefly called landlord's net assets. In our view, one-fourth of net assets represents an equitable proportion for the assessment of landrevenue, but we would advocate that 'net assets' should be defined not in terms of 'the landlord's net assets' which often contain an element of rack-renting, but in terms of the profits of direct cultivation - i.e., as the 'ownercultivator's net assets'. This is in accord with the general policy of our recommendations which seek to substitute the owner-cultivator for the land-lord as the pivot of our economy. In calculating the owner-cultivator's net assets of which one-fourth is to be charged as revenue, liberal allowance must be made for the true and full expenses of cultivation including the labour of the cultivator and his family, the interest on the capital he borrows from season to season to carry on his agricultural operation, the depreciation of agricultural capital and live-stock, and insurance against the inevitable risks of agriculture in the climate of West Pakistan.

Our recommendation, therefore, is that land-revenue assessment throughout West Pakistan should be based on the principles enumerated above  $-\nu iz$ . (a) land-revenue should be on a sliding-scale basis closely sensitive to periodic price curves, (b) land-revenue should represent one-fourth of the net assets, and (c) 'net assets' should be defined in terms of 'owner-cultivator's net assets', on which liberal allowance must be made for the true and full expenses of direct cultivation.

As we propose that the rent of tenancy should be fixed in relationship to the land-revenue, it is necessary that in the case of Sind, land-revenue should be assessed separately from the water-rate, and it is the former that should be based on the sliding-scale.

(iv) If and when land-revenue is based on the above-mentioned principles, we recommend that the maximum cash rent chargeable from a tenant should be limited to twice the annual amount of the land-revenue.

On the basis of our recommendations in sections (i), (ii), (iii) and (iv) of sub-para (a) of para 7, we suggest that cash rent should be substituted for the share in produce all over West Pakistan and enforced by law.

- (b) We appreciate that the general substitution of cash rent for 'batai' will take some time. In the meantime, 'batai' will have to continue. We, therefore, recommend the following immediate reforms in the system of 'batai':—
  - (i) The maximum share of the gross produce which may be charged by the landlord as rent should be fixed by statute at two-fifths of the gross produce. The landlord should be liable to pay all Government dues, viz., land-revenue, waterrate, local rates out of the 2/5ths share obtained by him.
  - (ii) The minimum share that will be secured to the tenant by statute should be 3/5ths of the gross produce, the normal expenses of cultivation to be incurred by the tenant.
  - (iii) If by existing customs or usage in any locality, the tenant is obtaining a more favourable principle of 'batai' than the minimum fixed by statute, he must be [made] secure in the enjoyment of such more favourable rights.
  - (iv) If the landlord leases out his land, the landlord and the lessee together must be limited to the share specified in (i) above.
- (c) Whether the principle prevailing for the time being is cash-rent or 'batai', we recommend that joint boards with equal representation of landlords and tenants and presided over by a Revenue Officer should be set up in each locality, and it will be for these boards to decide on application whether in view of special circumstances the rent of a tenant should be remitted in whole or part or fixed at a lower rate than the statutory maximum. In cases, where the rent already stands at below the maximum, the Board may also be given powers under special circumstances within strictly defined limitations to raise the rent up to the statutory maximum. The Board must, in no case, have the power to fix or tolerate a rent above the statutory maximum.
- 8. Taxation on Agricultural Incomes.— We cannot suggest the substitution of the income-tax principle for the land-revenue principle in the case of our peasant-proprietors and small owners. However low the level of exemption, the application of the income-tax principle would exempt almost 95% of our present land-revenue payers and lead to a very large loss of Government income. As pointed out in the Report of the Punjab Land Revenue Committee, 1938, 'an impossible loss of revenue can only be avoided by taxing an impossible number of

assessees' (p. 28), and further 'though exemption would benefit a very large number of persons, it would benefit most of them to an almost negligible extent' (p. 74). Therefore, as far as peasant-proprietors and small owners are concerned, we would recommend that agricultural taxation should be confined to payment of land-revenue.

In the case of large agricultural incomes, however, we suggest the application of the principle that no agricultural income should pay less in Government taxation than the corresponding non-agricultural income pays in terms of income-tax. This would mean the imposition of graduated agricultural income-tax on large incomes on the lines approached by recent legislation in West Punjab and Bahawalpur State. We would illustrate the present situation by reference to an investigation carried out by the Punjab Provincial Muslim League in 1944, which showed that while agricultural annual incomes of Rs. 30,000 or below payed more in land-revenue than the corresponding non-agricultural incomes, the proportion of the contribution to the State of higher incomes in both categories was as follows:—

Income-tax, etc.		Land-Revenue at 25% of net assets
Rs.	As.	Rs.
11,549	8	10,000
16,682	0	12,500
47,643	4	25,000
1,17,173	15	50,000
3,60,924	8	1,25,000
	Rs. 11,549 16,682 47,643 1,17,173	Rs. As.  11,549 8  16,682 0  47,643 4  1,17,173 15

(Appendix I. - Punjab League Manifesto - 1944).

It might, however, be borne in mind that if the other recommendations suggested in Part I of Chapter V of our report are accepted, large incomes from land revenue will decline steeply.

9. Agricultural Labour, Village Artisans and Kammis.— Our report has already given sufficient illustrations of the insufferable oppression and the inhuman conditions of living under which agricultural labour, village artisans and kammis exist in West Pakistan.

No real relief can be afforded to this section of our population unless the whole basis of our agricultural economy is shifted from feudalism and landlordism to peasant-proprietorship and co-operative village communities as is suggested in later parts of our recommendations. It is only when every agricultural labourer has acquired a direct interest in land, and every village artisan is a dignified and prosperous member of an emancipated village community regulated by the State, that agrarian economy will be released from its present degradations and the lowest strata of our population will be freed from their servitude.

In the meanwhile, we would recommend that the State should take statutory steps to extend the principles of legislation for the protection of factory and industrial labour to agricultural labourers and kammis. This must include

- (i) Provisions and security of enjoyment of housing conditions which conform to the minimum requirements of a healthy and happy life. This must be provided at the expense of the landlord, or where landlords do not exist by a cess on the village cultivators.
- (ii) Fixation of wages and hours of work.— For seasonal labour, the hours of labour may be allowed to vary from time to time and place to place, but care will have to be taken that the maximum number of hours do not exceed 12 hours for males and 10 hours for women on any day and 56 hours in any week and special scales of pay are prescribed for overtime put in on any day over and above 8 hours. We would also provide for a fortnights annual holiday and 15 days casual leave with pay for all annual servants. Wages will have to be fixed for each type of work. Payment of Wages Act and the Workmen's Compensation Act should also be made applicable with suitable modifications to agricultural labour.
- (iii) Steps may also be taken to provide, at least over a period of ten years, unemployment insurance, health insurance, oldage pensions. Contributions towards this may be charged from the landlords and peasant-proprietors.
- (iv) The State must assume responsibility for the supervision of the conditions of labour of agricultural seasonal workers and kammis through a system of Inspectors and Supervisors.

(v) Provision must also be made for medical aid, maternity facilities, and educational facilities to agricultural labour and kammis.

We appreciate that the vast number and wide dispersal of agricultural labour and kammis throughout West Pakistan would enormously strain the machinery of Government if adequate steps were to be taken to enforce and supervise the proper application and effectiveness of the legislation suggested above. The State, however, cannot renounce this responsibility and we would suggest that the State may be assisted in this task by the formation of joint boards of cultivators on the one hand and labourers and kammis on the other, in each locality to supervise the operation of legislation and report against breaches of its provisions.

#### PART II

In part I of our recommendations we have suggested some mitigations of the system of feudal tenures as they exist today in Western Pakistan.

We are, however, convinced that a real solution of our agrarian problems lies in a transformation of feudalism, and its substitution by a system of State controlled and regulated peasant-proprietorship. It is only when all agricultural land is divided into economic holdings in the possession of peasant farmers who are responsible for their intensive cultivation that Pakistan can hope to maximise her agricultural produce with a view to uplifting the [conditions of the] masses.

In Chapter IV of our report, we have already shown that most civilised countries of the world have sought and achieved agrarian justice and progress through the gradual elimination of landlordism and its replacement by an economy of small farms. We recommend that a similar transformation should take place in Pakistan and that it should be effected within the shortest practicable space of time, because the sooner we succeed in basing our economy on justice and reason the more competent we will be to face the enormous domestic and international problems which confront our newly-born nation on all sides.

1. We recommend that the liquidation of large estates may be affected by the following methods:—

(a) The first step will be to define a large estate or holding, or in other words to fix a maximum area beyond which no person will be able to retain or obtain the proprietorship of land. It is, of course, not possible to lay down a standard measure applicable to all cases, but we recommend that the maximum area of private ownership may be fixed at 150 acres of average irrigated land. The limit for other qualities of land, e.g., 'barani' or 'non-perennially' irrigated land may be fixed in terms of the above-mentioned standard, that is to say, if 'barani' land in a certain part of the country has only 33% of the value in price and produce of the standard irrigated land, then the maximum area of private ownership for the former will be fixed at 450 acres.

We appreciate that the area suggested by us is larger than the area susceptible [to] direct cultivation by an average-sized family of peasant-proprietors, but we have borne in mind the fact that certain forms of cultivation, e.g., fruit gardens require larger areas, that a farm of 150 acres is not too large if mechanised forms of exploitation are introduced, and that in any case the operation of the laws of inheritance would reduce such a farm to very much smaller proportion within one generation.

(b) We recommend that all lands in the possession of landlord above the maximum suggested above should be compulsorily acquired by the State.

Such acquisition can take various forms. The State may acquire all the land that satisfies the above condition at a stroke throughout the country. Or the acquisition may be gradually spread over a period of specified years. It may in certain parts of the country be found advisable as a first step to follow the example of the German Land Settlement Act of 1919 which provided that 'in certain districts, where, in 1907, estates of 100 hectares and over covered more than 10% of the cultivated area, the owners were to form unions, each union being required to supply a third of the area cultivated by the members in 1907 to settlement companies, or to reduce the total cultivated area of such estates to 10% of the total cultivable land in the district'. (Agrarian Reforms in Western Countries, p. 25). Another and even more gradual method is suggested in the Report of the Indian National Planning Committee on land Policy and Agriculture. Compulsory acquisition of land is to be spread over a period of two generations, and the acquisition by the State

is to be by method of [levying graduated] death duties. The scheme is that no succession or inheritance of land above the statutory maximum is to be allowed after the second generation from the present holder. Any succession to such land by death of the previous owner, under will, trust or intestacy, is to be made liable to a tax payable in land of not less than 50% of the capital value of such land, so that, at most in two generations, private property in land beyond the permitted maximum may be automatically ended. (page 50).

We suggest that if the principle of compulsory State acquisition of all private land above a certain level of ownership is accepted, the Government should set up a representative committee to investigate and recommend the most suitable forms and methods of State acquisition, and bearing in mind the resources of the State and the urgency of the reform, to determine the period of time over which the process should be spaced.

(c) Practice in all the countries which have introduced large scale agrarian reform based on the expropriation of large landed estates, particularly in all the predominantly agricultural countries of Central and Eastern Europe except the Soviet Union, has accepted the principle of paying compensation to the dispossessed land-owners. The scale of compensation and the method of payment has varied from country to country.

# [Here a part of this paragraph which did not appear very relevant to us has been omitted. -Editors]

In our view, the moral basis for the claim of compensation on the part of landlords is not above controversy. Landlordism in Pakistan is a historical accident which has already conferred vast advantages and profits on generations of its beneficiaries, and it would be illogical to make that a justification for the conferment of further advantages.

But we incline to the view that to dispossess and turn out of employment a whole class of people suddenly and without preparation is to create an avoidable friction and maladjustment in our economic life. Therefore, we recommend that either big landed estates should be eliminated without compensation over a period of two generations by operation of a system of death duties as suggested in sub-section 'b' above, or compensation should be paid on a moderate scale. We suggest that the highest rate of compensation should be six times the annual value of a property, and that this should be applied to properties up to 1500 acres. By a slab-system of assessment the compensation for the next 1500 acres should be at five times the annual yield, for the slab between 3000 and 4500 acres at four times, and for all the acreage of land above 4500 acres at three times the annual yield. All payment of compensation may be subject to a final maximum which may be fixed at 15 lakh rupees.

We feel that at least 20% of the compensation money in case of properties below 1500 acres and at least 10% of the compensation money in case of properties above 1500 acres should be paid in cash; while the rest of the compensation money may be paid in Government bonds bearing 4% annual interest and redeemable in 20 years.

- (d) To prevent the re-formation of large estates, i.e., of estates above the statutory maximum of 150 acres, by way of purchase, gift or inheritance, etc., legislation will have to be passed, prohibiting any person in the future from acquiring land above the legal limit and of making the excess liable to confiscation by the State.
- 2. The justification of eliminating landlordism from our economy is that it would permit the State to establish an economy of small agricultural units based on peasant-proprietorship. The land acquired from the landlords will be available for distribution firstly amongst cultivators who have at present no proprietory rights in land, secondly, amongst landless agricultural labour, [and] thirdly to supplement uneconomic holdings and bring them up to the optimum standard.

The State will have to fix, after suitable and systematic enquiries, a standard size of economic holding for each area. Its extent must be such that a family of average size can obtain its subsistence by cultivating it with average skill and labour, and on the other hand, it should not be of a size that may under normal conditions require permanent outside labour.

The next step is to plan and carry out a policy of resettlement based on the distribution of land to direct cultivators in parcels of economic holdings. This can be done in various ways. (i) As in most countries of Western Europe, the State can sell land formed into

standard holdings to individual cultivators. This involves State provision of credit, sometimes to the extent of 90% of the purchase money which is to be repaid in easy instalments over a wide period of years. (ii) Another method largely followed in the agrarian zone of Eastern Europe is to distribute land on permanent rent to peasant-cultivators, who have practically all the benefits of possession, but the ownership vests in the State. (iii) Land may be distributed not to individual peasants but to homesteads of cultivators who form village communities organised on the basis of cooperative farming.

We are of the opinion that to some extent all the methods indicated above will have to be combined in a nation-wide elaboration of a scheme of land-settlement. The details will have to be worked out by expert investigation, but in our view, the largest encouragement should be given to the formation of village collectives and cooperatives. We visualise the brightest future for the agrarian economy of Pakistan in a net-work of collective and cooperative farms organised, controlled and assisted by the State. The State, therefore, should employ every opportunity of large-scale settlement, such as would be opened up by a decision to eliminate landlordism, to encourage collective and cooperative rather than individual farms.

Once resettlement on the basis of economic holdings takes place it will be necessary to secure the indivisibility and inalienability of economic holdings by legislation, otherwise in course of time, the inevitable tendencies towards fragmentation will assert themselves.

We suggest that all peasant estates held from the State should be prohibited [for sub-letting] except according to [the] conditions laid down by law and with the express consent of the relevant Governmental authority. Similarly, there should be express prohibition against alienation except to the State or with the consent of the State.

The greatest danger of fragmentation, however, comes from the operation of the laws of succession. We suggest that State grants of areas of settlement, whether to individual cultivators or to cooperative societies of farmers, should be treated on the principle of Wakf-alal-Aulad. It must be stipulated that on succession the unit of cultivation will not be fragmented, that its management will remain in the hands of one of the heirs either fixed by law or named by the ancestor, and that

the share in inheritance will only operate to effect a division in the proceeds from the property.

In the Western countries, the danger of fragmentation has led to a fundamental revision of the laws of succession to agricultural property. In almost every country sub-division beyond a certain limit has been prohibited by making holdings of a certain area inalienable. The principle of equal share in inheritance to all heirs has been replaced by the principle of inheritance to the preferred heir who inherits the property undivided subject to the fulfilment of certain obligations, such as provision of education or dowries to the other heirs. In view of the dictates of the *Shariat*, it is not possible to suggest the adoption of similar measures in Pakistan. This is a further reason why in our view the ownership in newly-settled lands should vest not in the individual peasant-proprietors but in the cooperative societies or the State. In that case, there would be no necessity to interfere with the laws of inheritance.

If our recommendations to set up collectives or cooperative societies of farmers on the land acquired from the big proprietors is adopted, the State will also have to undertake the responsibility of:—

- (a) providing cheap credit to the farmers,
- (b) giving them technical assistance and providing them with the facilities of mechanical and improved methods and implements of agriculture,
- and (c) instituting a system of insurance against agricultural loss particularly in case of loss of cattle.

[Part III of this chapter reiterates the Committee's position on the question of land fragmentation. It then goes on to make recommendations about rural education and health. -Editors]

### CHAPTER VI

### Conclusions

HILE submitting our report to the Working Committee of the Muslim League, we are conscious of its inadequacy. Throughout our deliberations, the consideration which overbore all others in our mind was the necessity of presenting our report betimes. We felt that the future credit and effectiveness of the Muslim League depended on the speed and the certainty with which it could place its economic programme before the people. Ours was the privilege and the responsibility of being the first step in that direction, and we are convinced that the greatest contribution we could make to our national organisation was to assist it in planning its programme with promptitude. We are happy that we have succeeded in performing our task within the time-limit prescribed for us. But the speed and pressure in which we have worked has doubtless prevented us from giving as detailed a picture of the present land tenure system in West Pakistan as was necessary to a full understanding of it, and from backing our recommendations with the full cogency of arguments and illustrations which would have given them further weight. We are, however, convinced that the main line of our discussion and the basis of our recommendations is closely founded on the ideology of the Muslim League and on the paramount necessities of our national situation. Further data and analysis would, in our view, have only confirmed and underlined the conclusions at which we have arrived.

We would again press upon the Working Committee our considered view that no time could be more ripe or propitious for the introduction of substantial agrarian reforms than the present one and that any delay or hesitation or lack of decisiveness and courage at this stage would be a betrayal of the high leadership to which the executive of the Muslim League has been called.

While making our recommendations, we have distinguished between those reforms which deal with the immediate alleviation of the worst burdens of feudalism and those steps which represent a decisive step in the direction of progress and economic emancipation. We have included the former in Part I, Chapter V, and the latter in Part II of the same chapter. We are, however, absolutely convinced that both aspects of our recommendations must be considered and implemented as a whole. To accept the first without the second would be to build a house on sand.

Although we are aware that the largest need for economic reforms is present in the sphere of rural economic, we cannot help hazarding the view that it is the equal duty of the Muslim League to examine, criticise and recommend structural changes in the other spheres of economic life – particularly in the present unregulated and unpatriotic chaos in the field of industry and urban living. While the rural gentry will be called upon, and we hope [it will willingly, respond to the call], to make large sacrifices in the interest of the nation, it is only fair that the national responsibilities should operate equally in all directions and not exclusively to the disadvantage of one class.

Finally, we would like to express the view that as the reforms we have recommended, are of a fundamental nature and aim at introducing a uniformity of system throughout West Pakistan, it would be appropriate if the steps to implement these recommendations are taken directly by the Central Pakistan Government and not left piece-meal to the various Provincial Governments. The unity, balance and effectiveness of any scheme of reform would suffer greatly if it is not implemented as a matter of broad policy by a Government having the allegiance of the whole nation behind it.

# Editors' Summary of Appendix I

PPENDIX I of the Report gives examples of laws against land fragmentation in countries like Great Britain, France, Germany, Denmark, Norway, and Poland. It also makes a specific reference to earlier recommendations in India for establishing a floor on landholdings to prevent excessive fragmentation due to the increase in population and laws of inheritance. The Agrarian Committee does not itself specify the size of an "economic holding", and proposes no solution to overcome the provisions of the law of inheritance in this regard. This was perhaps to avoid opposition from orthodox Muslims in Pakistan.

# THE FIRST FIVE-YEAR PLAN (1955 - 60)\*

<sup>\*</sup>Government of Pakistan. National Planning Board. The First Five-Year Plan: 1955-1960. Karachi. December 1957.

### Editors' Note

HE First Five-Year Plan of Pakistan, published in December 1957, devoted a whole chapter (Chapter 17, pp. 307–326) to the subject of land reforms, discussed under the following headings:

Introductory;

Legal aspects of land tenure;

Urgency of reforms;

Land reforms in other countries;

Recent land reforms;

Ceiling on ownership;

Prevention of fragmentation of holdings;

Determining economic size of holdings;

Consolidation of existing holdings;

Tenure administration:

Research:

Conditions in the former Baluchistan and Baluchistan States Union; and

General.

While we have reproduced certain of these parts in full, other parts have either been selectively reproduced, or merely summarized or omitted altogether.

The parts that have been reproduced here in full are: Introductory; Ceilings on ownership (with only one small sentence left out); 'Determining economic size of holdings'; 'Conditions in the former Baluchistan and Baluchistan States Union'; and 'General'. The parts which have been reproduced by us with certain omissions are those that are entitled 'Urgency of reforms', 'Prevention of fragmentation of holdings' and 'Consolidation of existing holdings'. The remaining parts have neither

been reproduced nor abridged: only editorial notes pointing out the main topics discussed in them have been given instead.

As before, the para numbers given in the printed text have been ignored and the original punctuation, capitalization, spellings and italicization have been retained. However, obvious misprints in the original publication have been corrected here.

### Land Reforms

NDER Land Reforms we include all measures designed to readjust the rights, obligations, and arrangements connected with the ownership and use of land with a view to greater productivity, higher living standards, and improved social status and opportunities for those engaged in cultivation. The aims of land reforms are economic, but in a still greater and more pressing degree, they are also social and political. The structure of rights in land is not only a major factor in the growth of the national economy, but also a sine qua non for social stability and political progress of the country.

A brief historical retrospect is necessary for a proper understanding of this national problem. During the later periods of British rule some attempts were made to raise agricultural productivity and the material standards of the rural population, but adequate attention was not paid to problems of land ownership and tenures. For instance, although the Royal Commission on Agriculture produced a comprehensive and valuable report in 1928 dealing fully with every agricultural and rural problem, it made no reference to the unsatisfactory features of the land tenure system. However, popular feeling, which was developing against this system, asserted itself after the grant of provincial autonomy in 1937. The first area to attract attention was Bengal, where the ordinary defects of the prevailing system were aggravated by the Permanent Settlement, under which the land revenue to be collected by the Government was fixed permanently in 1793. This fixity of revenue was found incompatible with the growing demands made on the Provincial Governments by nation-building programmes. A land Revenue Commission was, therefore, appointed in 1938 under the chairmanship of Sir Francis Floud. The recommendations of this Commission led ultimately to legislation for abolishing the Permanent Settlement and with it the institution of land ownership. In a later part of this chapter we deal with the salient features of the scheme embodied in the East Bengal State Acquisition and Tenancy Act, 1950.

The question of land reforms was one of the most urgent national problems to which the country had to address itself after the attainment In West Pakistan, the Muslim League Agrarian of independence. Reforms Committee proposed in 1949 a series of short-term and longterm measures. The short-term proposals aimed at, (a) abolition of occupancy tenancies and jagirs (lands given free of taxation in return for public services), (b) security of tenure to tenants-at-will, (c) reduced rents payable by tenants and (d) abolition of illegal exactions imposed on them by landlords. The long-term proposals provided for, (a) ceilings on ownership of individual landlords with provision for compensation and (b) distribution of land thus released among the cultivating tenants. In the former Punjab a Tenancy Laws Inquiry Committee, which was complementary to the Muslim League Agrarian Reforms Committee. recommended reforms largely on the lines of the short-term measures recommended by the Muslim League Agrarian Reforms Committee. In the former Sind a Tenancy Laws Committee reported in 1945, followed by the Hari Committee Report of 1948. This period is thus noteworthy for numerous inquiries, which are evidence of the new hope of a better living aroused among people by attainment of independence. Most of the short-term measures recommended by the various Committees were written into legislative acts, but action is still to be taken on long-term measures. In our opinion this action is overdue.

[The evolution of the existing land-tenure system and the rights and privileges of various tenurial classes are discussed in the part entitled "Legal Aspects of Land Tenure", which appears immediately after the foregoing text. -Editors

### Urgency of reforms

The institution of landlordship is characterised by concentrations of ownership of land in the hands of a small number of landlords. This generates evils of diverse kinds in the social order.

[Here we leave out a part of the original text which was not central to the theme under discussion. -Editors]

We do not wish to suggest that private-ownership functioning with tenancy is necessarily a social evil but in this country concentration of land ownership in a few hands has been accompanied by absentee landlordism. Some landlords live in towns, leaving the management of their lands to agents, who have little interest in the tenants or the improvement of land. Landlords enjoy high economic and social status, and with their influence in politics and administration are able to exploit the tenants in various ways, thereby obstructing and delaying the process by which tenants can raise their economic and social status. The tenant usually has little means of redress since so far as he is concerned the officials are a part of the system which the landlords control. The landlord is largely interested in the collection of his dues, whether legally recognised or not, and the preservation of his power over his tenants, whom he is disposed to treat as his subjects, as signified by the term 'raiyat'.

[Here, too, a part of the original text which was not particularly relevant to the main argument has been left out. -Editors]

While taking stock of the conditions in the country, one is struck with their similarity to feudalism. Under the landlord system the cultivator has no real stake in life and can feel no interest in his land. He can have no higher motive than to continue to exist as best he can without rights, without opportunities and without status or dignity. The feudal lord exercised his powers direct, while the landlord in this country, no longer enjoying judicial and administrative powers, uses his position and influence to preserve his authority. This situation is incompatible with a progressive society. The needs of industry, transport and social services demand that the cultivator should produce not for himself alone but also for nation-wide and in many cases for a world-wide market. He must increase his production to the maximum level with the latest knowledge and techniques in order to achieve and sustain high standards of living for himself and the country. His position, which was always of a key nature, has acquired decisive significance and he

must be provided with an environment in which his energies will be released to enable him to do full justice to the duty he has assumed for the nation. The energies of the cultivator will not find full scope unless the fruits of his labour are guaranteed to him. He must be roused by a sense of ownership in the land and its fruits to enable him to do the utmost of which he is capable. He must be enabled to use the fruits of his labour for his greater comfort and higher social status. He must be enabled to prepare his sons and daughters for a better life than has been his lot. These are primary conditions which must be fulfilled, if the economy is to develop for the benefit of the people.

# [Omitted here is a part of the original text that did not have much relevance to the main argument. -Editors]

The institution of landlordship, characterised by large concentrations of property, wealth and power, is basically incompatible with the aspirations which are surging in the heart of modern man. A change in this institution is an urgent measure of reform. It constitutes the most important problem of our country, transcending in its magnitude and implications every other problem, social or economic. Economic development would be neither uninterrupted nor meaningful until this problem is solved.

[The two sections omitted here are entitled 'Land Reform in other countries' and 'Recent Land Reforms'. These sections relate the experiences of land reforms in Japan, Burma, Egypt, India, etc. The tenancy reforms attempted in Pakistan are discussed and the possible causes of their failure listed. It is finally noted that "The aim (of land reforms) must be to build a rural society largely consisting of independent and self-reliant peasant proprietors" (pp. 314-315). — Editors]

### Ceilings on ownership

In all countries with similar problems there is a strong movement to assert the principle of owner cultivation and to incorporate it in the agrarian structure. The object is to accelerate the transition from a

feudal to a democratic society, in which all energies will be devoted to development of material and human resources with a view to higher standards of living and security. For under-developed countries land poses the most perplexing problem in view of its scarcity combined with its major role in the achievement of a richer and higher life for the majority of the people. However, the pattern of agrarian structure which will best subserve the needs of a developing society has come clearly into view and reforms can only be delayed but not prevented. Among Muslim countries, Egypt alone has embarked on a radical scheme of reforms.

In this country, East Pakistan has placed a radical measure of reform on its statute book, though it has not vet been fully implemented. It seeks to abolish the institution of landlordship, and assures to the tenants full rights of inheritance and transfer. Indian schemes of reforms are strongly inclined in the same direction. We do not advocate the drastic step of abolishing land-ownership altogether in West Pakistan, as it will generate tensions and instability and create a number of difficult problems. Private property is a recognised institution in the community because of the values it enshrines for individual and social development. In the Draft Plan we recommended, subject to certain specified exceptions, the imposition of ceilings of 150 acres for ownership holdings of irrigated land, 300 for semi-irrigated and 450 for barani lands depending wholly on rainfall. It was always recognised that these figures were not sacrosanct, that they would have different effects in different areas and could be criticised for this reason. We had extensive and detailed discussions with the Central and Provincial Governments, and other agencies on the question of ceilings in general and on the specific ceilings suggested in the Draft Plan. We continue to believe that ceilings are an essential part of any programme to improve the land tenure system. We, therefore, recommend the immediate acceptance of the principle that individual holdings should be subject to a ceiling and a floor limit. We at the same time recommend that work should be undertaken immediately to collect the information required to determine the specific ceilings that should apply to different parts of the Province. It should be possible to complete this work in a relatively short period of time and to determine specific ceilings quite rapidly once the basic principle is accepted. Even during the brief time required for the determination of specific ceilings, a number of steps can be taken which will greatly improve the tenure system....

The Punjab Tenancy Act contains provisions for limiting the size of self-cultivation units. The Draft Plan recommended that subject to certain specified exceptions the maximum area of owner-cultivation units should be 25 acres for irrigated land, 50 acres for semi-irrigated and 75 acres for barani land, for the reasons discussed in the preceding paragraph and pending decision regarding specific limits to be imposed, we recommend that extension of this legislation to the remaining areas of West Pakistan should be accepted in principle.

The argument is frequently advanced that if concentration of land ownership is undesirable and in conflict with the social policies of our country, so must also be concentrated ownership of other forms of wealth - factories, urban property, industrial shares, government securities, or cash. We consider that the ownership of land is clearly distinguished from other forms of wealth. Land-owners who do not manage and cultivate the land themselves, with very few exceptions, do little to increase its productivity. By contrast, the owners of most other forms of wealth are usually progressive and provide increasing employment by their activities. They serve an essential purpose in a dynamic economy. Despite the anti-social practices in which some of them indulge they are playing an active role in one way or another in developing the resources of the country and adding to its prosperity. Limitations on their holdings would be undesirable for the progress of the economy. Means for reducing the inequities of such concentrations of wealth must be sought in other directions, such as strict assessment and collection of taxes, including death duties and income taxes, promotion of co-operative societies to reduce the profits of middlemen, more equitable distribution of licences to build factories, and the formation of a professional class for the management of industrial enterprises. Imposition of death duties has played an important part in some countries in decreasing the gap between the rich and the poor. When properly levied and recovered, such duties are capable of liquidating large accumulations of wealth, including land-ownership, in the course of a few decades. We, therefore, recommend that the existing legislation in this connection should be strictly enforced.

In India compensation has been based on net rental value and has varied from Rs. 3 per acre in Madhya Pradesh to Rs. 9 per acre in Madras, Rs. 27 in Uttar Pradesh and Rs. 38 in Bihar. In Burma compensation is paid in terms of multiples of land revenue on a sliding scale ranging from

12 times downwards. In Pakistan, the principles on which and the manner in which compensation is to be determined will have to be provided by law as required by the constitutional provisions.

The question of physical disposal of lands acquired from landlords should not arise, since the intention is to confirm the tenants' holdings in the lands they are cultivating. We consider, however that tenants should be granted rights of full ownership which are necessary in accordance with the social objectives of the national policy. The aim is a society consisting of self-respecting, self-reliant and progressive citizens with full opportunities and scope for the development of their personalities in full consciousness of their rights and obligations. Full ownership in land will promote this object, and we accordingly recommend it. The tenants should be required to pay the price of land in reasonable instalments over a specified period of years. This price need not be equivalent to the compensation paid to the landlords, and should bear some relationship to the prices usually charged for Government lands. The payment of the price should be compulsory under the provision of the law and recoverable like land revenue.

We have proposed that landlord holdings should be subject to a ceiling and a floor limit and that within the ceiling limit there should be further limits for owner cultivation. These recommendations apply to land-owners who employ tenants to cultivate large part of their lands, though in principle an owner-cultivation limit may appear to apply equally to farmer-owners who do not employ any tenants. The position, however has to be clarified so as to leave no ambiguity. The objective is maximum productivity to be secured under the driving power of prospective improvement in personal and family prosperity and status: the sizes should be such as will ensure efficient personal management with the help of family members supplemented during peak seasons with some hired labour. The farmer owner's natural acquisitive instinct will lead him to purchase more land whenever he can do so. Efficiency of cultivation will suffer; there will be correspondingly less land for others; and finally the practice of employing tenants in the garb of labour will tend to reappear. The aim must be to prevent the emergence of new landlords. To guard against such retrogressive developments it is desirable to fix maximum sizes of holdings for farmer-owners. It would be imprudent to reduce the size of existing holdings, but some action by way of a beginning should be possible to prevent further extension of holdings by purchase. The evil is not likely to assume any proportions for many years and need cause no anxiety. The final shape of this particular measure of reform will appear only after many of the other changes that we have recommended have been introduced, and have had time to embed themselves in the social and economic structure.

The measures we propose for restricting the size of land-holdings and for granting ownership rights to the cultivators would be incomplete without legislation to prevent the re-emergence of tenancies under the new owner-cultivators. The central purpose of the reforms, in the interests of agricultural productivity and social justice, is to work towards the goal of owner cultivation by eliminating concentration of ownership. The ceiling to be imposed will avoid concentrations, but its full purpose would be defeated if tenancy cultivation began to emerge on owner-cultivated lands, which can happen in several ways; ownercultivators might rent out the whole or a part of their lands; they might purchase land being cultivated by tenants without exceeding the ownership limit; they might purchase land from other owner cultivators and rent it out, or an owner-cultivator might inherit land formerly cultivated by tenants. The model of legislative provisions to prevent a retrogressive movement has been set by the provisions of the East Bengal State Acquisition and Tenancy Act, 1950. In Burma also laws have been passed for the same purpose. The main principle is that the acquisition of land, by purchase, gift or inheritance, by a person who does not propose to cultivate it himself should be prevented, where necessary by acquisition by the State on payment of compensation and that the land should be allotted to labourers or landless tenants, or used to increase the size of uneconomic holdings.

The circumstances which have disturbed owner and tenant relations in recent years in the former Punjab arise from uncertainty about their claims to the same land holdings. The land-owner naturally wants to safeguard his rights and the tenant to take the maximum advantage of protective legislation, as well as of the general social trend of changes in his favour. The enforcement of our proposals would pave the way for altering the system of tenancies so as to reduce tensions between tenants and landlords, and help to establish co-operative relations between them. Tenants would continue to farm holdings beyond owner cultivation limits, but big landed estates, which have dominated rural life and exploited the rural population, would disappear. This would coincide

with the implementation of schemes in the national programme for developing the rural areas and for uplifting their populations. The number of tenants would be reduced relatively to owner-cultivators and the problem would cease to be so large in size as it is today. This should give rise to greater equality, opportunity, dignity, and freedom. The gulf between the land-owner and the tenant would be considerably reduced. The tenant would become more conscious of his rights and obligations, and stand in less need of protective measures.

We consider that the uncertainties in the situation should be removed and that tenants and land-owners should be allowed to make arrangements between themselves on a free basis. We hope that in course of time their relations will come to approximate those prevailing in industrially advanced countries, with a reasonable recognition of each other's rights. The Government should instruct the district officers to use their influence to persuade land-owners to enter into leases for 5 to 10 years with their tenants. Model lease deeds should be drawn up and supplied to district officers and made available for public information. The rights and obligations of each party should be written clearly into the deeds, including conditions for termination of leases, one of them providing for the payment of compensation for improvements made by the tenants. When conditions are ripe provision might be made for the registration of such lease deeds. It would be necessary to lay down some principles to ensure reasonable scales of rent with a right of appeal by the tenant. The tenants should be given preference when selections are made for allotment in new areas which become available for colonisation. The fear of losing tenants would give landlords the necessary incentive to accord them reasonable treatment.

But the imposition of ceilings on the size of land-lord holdings and the adjustment of relations between the landowner and his tenants will not complete the reform of the agrarian structure: they will only provide the foundation on which the structure of reform must be erected, and create a favourable climate for changes which are necessary in the pursuit of economic and social objectives. Some of these changes depend on reforms which relate to preventing the fragmentation of holdings, fixing maximum sizes of cultivation holdings, and consolidating existing holdings. These basic reforms are discussed below.

### Prevention of fragmentation of holdings

In the preceding paragraphs we have discussed the demerits of concentration of land ownership in a few hands, and have proposed means for transferring ownership to the mass of cultivators themselves. We now consider the problem of the other extreme in land ownership: the danger of holdings being broken into units too small for economic cultivation. Fragmentation has certain absolute physical limits, whatever the laws of inheritance. It cannot be allowed to go unchecked till the land is torn into tiny bits and pieces wholly unsuitable for economic use. Miserably small pieces of land, reduced perhaps to less than one yard in width by the operation of inheritance laws, would be meaningless, if not disastrous. One obstacle to legislation for this purpose is the fear of infringing the Islamic Law of Inheritance, under which every heir is entitled to receive his or her share, whatever its size or value. . . .

The question is not whether fragmentation without limits should be allowed or not, but what principles should be recognised for fixing the limits. East Pakistan has recognised the principles of administrative and accounting convenience, and the important fact is that the principle of limitation has been recognised, even though according to the view of some people in West Pakistan it infringes the inheritance laws. Sudan and Egypt recognise the principle of the utility of a holding in the economic sense - a principle of greater merit than administrative or accounting convenience. Muslim Law has always recognised the validity of acquisition of private property for public purposes. The laws for acquiring land or other immovable property for public purposes have never, to our knowledge, been questioned on the ground of their alleged incompatibility with the principles of Islamic Laws. No public purpose can be higher or more compelling than the need for preserving and enhancing the productivity of land, on which depends the sustenance of the people. We, therefore, recommend that the Government should acquire the share of an heir to agricultural land which is below the economic size according to prescribed standards and use it to increase the holdings of other owners or tenants to at least the minimum economic size. Those whose holdings are increased should be required by law to pay, in suitable instalments, such price as may be fixed by Government. Those who thus get cash in lieu of an unusable piece of land should be provided with land or absorbed in employment elsewhere. They should, for instance, be given a high priority status in new colonisa-The problem of absorbing them in the economy of the tion areas.

country exists, and has to be faced, whether they are given land or cash. To confirm them in hopelessly uneconomic holdings would only conceal the problem, not solve it.

[Here a paragraph which did not appear very relevant to the topic under discussion has been omitted. -Editors]

### Determining economic size of holdings

The economic size of a holding would vary from area to area with the fertility of the soil, extent of rainfall, availability of irrigation facilities, methods of cultivation employed, manures used, etc. We consider that the Provincial Governments should take steps by way of detailed investigation to determine and lay down the sizes of economic holdings. The problem has too far-reaching implications in terms of employment and prosperity to admit of solution by summary findings.

The sizes would vary not only from area to area in the same locality but also from time to time. A holding which is uneconomic today might well become economic with improvement in agricultural practices or with an assured supply of water. This should be borne in mind when any measures are taken to extend the holdings which appear to be below the economic size. Holdings of uneconomic size need not be enlarged if it is expected that with improvements in techniques they could become economic.

Because of scarcity of cultivable land, serious difficulties will be encountered in any programme for making all holdings economic. It is necessarily a long-term objective, to be attained by means of a multiple approach. We have already suggested the possibility of protecting economic holdings from uneconomic partitioning on inheritance. An intensive programme for improvements in agricultural practices would go a long way in making uneconomic holdings economic. The Village AID programme and agricultural extension services will promote this development. This would be the main approach in East Pakistan, where land is seriously short relatively to population. Programmes of industrialisation, including those for small and cottage industries and the development of social services and transport, and indeed the economic development programme as a whole, should ultimately relieve the

pressure on land. In West Pakistan it would be possible to relieve the pressure in congested areas by transfer of population to new areas which need rapid colonisation.

### Consolidation of existing holdings

The previous section was concerned with means to prevent the fragmentation of land holdings. We now go further and consider means to consolidate existing units which are too small to be farmed efficiently. Uneconomically small land holding constitutes one of the known evils of agrarian economy which has engaged the attention of governments for a long time. It leads to losses of effort and production, the magnitude of which cannot be estimated, and legislation exists for effecting the consolidation of such holdings, largely on a voluntary basis. Departmental agencies in the Revenue and Co-operative Departments have been operating for this purpose, but the results, though commendable, are not significant.

[Here we omit four paragraphs which either concern East Pakistan or discuss the history of land consolidation in pre-independence Punjab. — *Editors*]

We recommend that consolidation of holdings should be accelerated in those parts of West Pakistan where action is needed. It should be arranged on a selective basis; those areas being taken up first where fragmentation is known to be a serious problem and the consolidation is likely to yield substantial results, including undeveloped lands, with good prospects of accelerated development. The next priority should be given to areas included in the village AID programme where the villager workers could assist in the educational campaign to prepare the villagers psychologically for consolidation. Once the priority areas have been dealt with, precedence should be given to villages requesting consolidation. Powers of compulsion should normally be kept in reserve to be used only when the owners fail to agree.

[Here four paragraphs have been omitted as they were not very relevant to the main argument. -Editors]

In some parts of the country, there are large tracts of cultivable lands lying uncultivated because of the negligence of owners; this is anomalous in a country where tenant holdings are very small. This question was considered by the Punjab Tenancy Laws Inquiry Committee, which recommended that such land should be acquired by the Government and allocated to landless tenants. The former Government of Punjab enacted the Punjab Land Utilisation Act, 1954, under which lands which remained uncultivated for four harvests could be taken over by the Government for 10 years at a time and leased to tenants. Information collected so far from the West Pakistan Government indicates that in the former Punjab an area of about 1.8 million acres has been lying uncultivated for four consecutive harvests or more. Most of this area will, however, have to be excluded from the purview of this Act as it cannot be reclaimed until the advent of the irrigation which is being arranged through Taunsa Barrage. We recommend that the Government of West Pakistan minutely examine the scope for implementing this law. In the area covered by the former province of Sind, the suspended "Fallow Rules" should be revived after suitable amendments to make them more stringent. For example, the land for which water is available for cultivation, should not be allowed to remain uncultivated for more than two years instead of five years as provided in the suspended "Fallow Rules".

[Here follow two parts which (a) deal with problems relating to tenure administration, and (b) emphasize the need for sound research based on "accurate data of various kinds, which should be kept fully up-to-date" (p. 324). — Editors]

## Conditions in the former Baluchistan and Baluchistan States Union

The agrarian problem in the former Baluchistan areas has special features owing to the tribal structure of the population and we, therefore, deal with it separately. Very little information is available regarding the landownership and tenancy conditions in the former Baluchistan Province and Baluchistan States Union. No studies or inquiries have been conducted to build up reliable information on this subject. In the former Baluchistan, land, unless owned by the Government, is held by tribes, presumably under the control of the respective sardars. No tribe

allows a tenant from elsewhere to hold any land in its areas except occasionally, on a basis of tribal good neighbourliness.

It is clear from the available information that conditions in the former Baluchistan and Baluchistan States Union are semi-feudal to a greater degree than in any other part of the country: foreign observers have commented on this, and upon the lack of security of the tenants, even on Government lands. The need for reform and improvement is apparent, though it is difficult to judge whether the political and law-and-order conditions in the country are a factor to be reckoned against immediate radical reform. It is necessary, however, to guard against the danger of exaggerating the importance of this factor when considering any change in the traditional institutions.

### We recommend action on the following lines:

- (a) In preparation for considering the problems of land tenure at the political level, arrangements should be made to collect the necessary data regarding the conditions prevailing at present, such as the right of tenants, the arrangements existing between the landlord and the tenants, sizes of holdings, and the economic conditions of the tenants;
- (b) The Government should immediately lay down the system of land tenure to be followed on Government lands. The tenants should be given full rights and their holdings should be such as will enable them to become owners of their holdings after a prescribed period. Precautions should be adopted to prevent these owner-cultivators from renting land to tenants as this will lead to the re-emergence of evils which are associated with the feudal system;
- (c) Advantage should be taken of new irrigation water supply schemes to create new colonisation areas on Government lands in which reformed tenancy systems, directly under the guidance and control of the Government, will be established:
- (d) In the Nasirabad Sub-Division of Sibi district the system prevailing is similar to that in the former Sind province. We consider that the recommendations we have made for West Pakistan generally should be applied to this area fully; and
- (e) The research surveys and studies for the purpose of collection of data which we have suggested for lands held under the

tribal system should be undertaken and completed as far as possible.

### General

Some measures which would immediately make a major contribution to the improvement of land tenure situation in the country and would, in a practical manner, go a long way towards achieving the objectives of land reforms are:—

- (a) Vigorous execution of colonization programmes which will establish thousands of new small holders on newly irrigated lands, bringing many families to the new areas from places which are now congested or over-crowded. This will relieve the pressure of agricultural population in congested areas which, in turn, will tend to relax the sizes of cultivated holdings and improve the position of the cultivators who remain in the older areas, by somewhat reducing the number of available tenants. We, therefore, recommend that allotment of land in the new project areas be made only to the class of professional cultivators who must live on and cultivate the lands. These allotments should be made under restricted tenure whereunder the grants would be heritable but inalienable. The unit of allotment per family should be fixed at 32 acres on non-perennial canals and 24 acres on perennial canals. In the Thal area it should be increased from the present 15 acres to 30 acres. There would be no objection to co-operative colonization provided regulations are enforced to ensure that only actual cultivators became members of such Co-operatives and that the Co-operatives were not used as an instrument for allotting land to absentee landlords.
- (b) As a result of the provision of irrigation facilities, owners of land in commanded areas have benefited from increase in the value of land and the State would be justified in recovering a large part of this unearned increment. We recommend that private landowners who own land up to a maximum of 250 acres should be given the option to pay the tax either in cash or in kind by surrendering an appropriate part of their holding in lieu of a Betterment Tax. For those who own more than 250 acres of land, it should be compulsory to surrender a part of their holding in excess of 250 acres

in lieu of the tax. The limit of 250 acres suggested here will be without prejudice to the decision to be taken in connection with the main question of ceilings on the ownership of holdings in general.

The foregoing measures would make a significant contribution to the attainment of purposes which are the ultimate objective of land reforms. In West Pakistan, there are many lakhs of acres of irrigated land not presently under cultivation and millions of acres of new land will come under the command of new irrigation projects. While it is urgently necessary to take bold and far-reaching measures of land reform, it is equally necessary to make use of colonization and other current programmes to help achieve the objectives of more widespread and more equitable distribution of land ownership.

We would reiterate and emphasise that the problem of land reforms is fundamental to all development. Nearly 90 per cent of the people live in rural areas; about 75 per cent of them depend on agriculture; about 60 per cent of the national income is derived from agriculture. The economic and social status of this overwhelming part of the population must be raised if an independent Pakistan in the modern age is to have any meaning for them. More harm than good can be done by hiding the gravity of the problem and the ugliness of the prevailing conditions. The country cannot live in a vacuum surrounded by a world which is rapidly changing and marching forward. A dynamic situation presents itself in which merely traditional ways of thinking and acting will not avail. In the desire to maintain traditional social institutions many people try to fit their thinking into time-worn channels which lead them astray. This is wishful thinking in its most deceptive form if the forces, which are mounting and surging forward, are not closely watched the country will lose heavily. Except in East Pakistan - and even there the reform legislation has not yet been fully applied – the land problem has still to be tackled: there is no time to lose in barren efforts to achieve something without doing anything.

## REPORT OF THE LAND REFORMS COMMISSION FOR WEST PAKISTAN'

\*Pakistan Land Reforms Commission. Report of the Land Reforms Commission for West Pakistan. Lahore. 1959.

## Editors' Note

E have only given summaries of the Introductory section and of Chapters I and II. The texts of Chapters III, IV and V are reproduced in full. Chapter VI is summarized without reproducing any part of the text. Chapters VII to XI are reproduced in entirety. An editorial summary is written of Chapter XII, but Chapter XIII is given in full. The Summary of Recommendations and Appendices I and II are excluded. Part II of the Report, containing Decisions of the President's Cabinet, is also excluded.

In summarizing and reproducing parts of this *Report*, we have followed the same style which we had followed in the cases of the foregoing reports.

### TABLE OF CONTENTS

### PART I

## REPORT OF THE WEST PAKISTAN LAND REFORMS COMMISSION Introductory

### CHAPTER I

### OF OWNERS AND OWNERSHIP

Concept of ownership in West Pakistan Main features of proprietary right Classification of different kinds of proprietary rights Classification of proprietary tenures

Zamindari
Pattidari
Ryotwari
Bhaichara
Other interests in land
Jagirs

### CHAPTER II

### OF TENANTS AND TENANCY

Extent of tenancy
Definition of a tenant
Classification of tenants

### CHAPTER III

### THE LAND TENURE PROBLEM

Pattern of rural society
The importance of agricultural land
Extent of the available land and its utilization
Density of population and man-land ratios
Future opportunities
Distribution of ownership
The problem
Social effects
Economic effects
Size and layout of farms
Capital formation and capital investment in agriculture
Political effects

## CHAPTER IV APPROACH TO SOLUTION

## CHAPTER V CEILING ON HOLDINGS

Extent of ceiling
Exemptions
Option to gift
Application of ceiling to share in shamilats
Mala fide alienations

CHAPTER VI
IMPLEMENTATION

Agency for implementation Processes involved in implementation

CHAPTER VII
COMPENSATION

Quantum of compensation

Mode of payment Utilization of resumed lands and redemption of bonds

## CHAPTER VIII OCCUPANCY TENANCY

## CHAPTER IX JAGIRS

### **ABOLITION OF INTERESTS**

Ala Maliks and other allied interests

## CHAPTER X PROTECTION OF TENANTS

Security of tenure Apportionment of produce Cesses, Abwabs, etc.

## CHAPTER XI SIZE OF HOLDINGS

Impartibility
Management of impartible holdings
Restriction on alienations
Consolidation
Upgrading of holdings to the subsistence unit level

## CHAPTER XII CREDIT AND CO-OPERATIVES

CHAPTER XIII
GENERAL

Utilization of uncultivated culturable land Agricultural labour Applicability . . . Concluding remarks

### SUMMARY OF RECOMMENDATIONS

APPENDIX I - Land ownership pattern in West Pakistan

APPENDIX II — Method of calculation of produce index units

### PART II

DECISIONS OF THE PRESIDENT'S CABINET ON THE REPORT OF THE LAND REFORMS COMMISSION FOR WEST PAKISTAN

# Editors' Summary of Introductory

NDER this heading, the *Report* states that the Chief Martial Law Administrator appointed on October 31, 1958, a Land Reforms Commission with the following seven members, who were all civil servants:

with	the following seven members, who were all civil	servants:
1.	Mr Akhter Husain, Governor, West Pakistan	Chairman
	,	
2.	Mr Said Hasan,	
	Deputy Chairman, Planning Commission	Member
3.	Mr Ahsanuddin,	
	Secretary to the Government of Pakistan,	
	Ministry of Food and Agriculture	Member
4.	Mr G. S. Kehar,	
	Member, Planning Commission	Member
5.	Mr I. U. Khan,	
	Member, Board of Revenue,	
	Government of West Pakistan	Member
6.	Mr Ghulam Ishaque* Khan,	
	Member, Water and Power Development	
	Authority, West Pakistan	Member
	<del>-</del> *	

<sup>\*</sup>Although the name has been so spelt here as well as in the text of the *Report*, Mr Khan has always spelt his middle name as Ishaq, and, indeed, he spelt it so while affixing his signature on p. 74, at the end of CHAPTER XIII of the *Report*.

7. Mr M. Shafi Niaz, Chief, Agriculture Section, Planning Commission

Member – Secretary

The following two co-opted members were likewise from the civil service:

- 1. Mr Muhammad Afzal,
  Agricultural Development Commissioner,
  Government of Pakistan
- 2. Malik Khuda Bakhsh,
  Secretary, Board of Revenue,
  Government of West Pakistan.

The terms of reference of the Commission were "to consider problems relating to the ownership and tenancy of agricultural land and to recommend measures for ensuring better production and social justice as well as security of tenure for those engaged in cultivation" (first page of INTRODUCTORY). The Commission invited submissions from the public and studied earlier documents on the subject. It concluded its meetings (22 in all) on January 20, 1959.

## Editors' Summary

of

Chapter I: Of Owners and Ownership and

Chapter II: Of Tenants and Tenancy

HAPTERS I and II explain in considerable detail the existing proprietary and tenancy rights of various interest groups in what was then called West Pakistan. The ownership rights were established in law after the British conquest of India in the 18th and 19th centuries. Pakistan, these private rights could be exercised individually or jointly. All owners were expected to pay land revenue to the State, except in the case of those who held jagirs and did not pay revenue to the State. The revenue-paying tenures were (a) zamindari, (b) pattidari, (c) ryotwari, and (d) bhaichara. Their differences were based on the method by which they paid land revenue to the government. Tenancy was recognized as a predominant feature of the land-tenure system as it then existed. Tenants were (a) occupancy and (b) non-occupancy tenants or tenants-at-will. Occupancy tenants had permanent and heritable rights and they could become owners of the land they had occupied for a specific period. A non-occupancy tenant, like the hari in Sind, had a temporary tenure, changing from year to year, and thus he depended on his landlord. Two other groups were also recognized in the rural society: lease-holders and agricultural (wage) labourers.

## CHAPTER III

## The Land Tenure Problem

### Pattern of rural society

HE present system of ownership and cultivation of land has evolved over a long period under the influence of changing political and social forces, and has led to the emergence of certain distinct classes in the rural society. At the top of the social ladder is the big landlord or zamindar owning, in his individual capacity, an entire estate or large landed property. Generally he gets his land cultivated by tenants who pay rent in cash or in kind or both.

Next in order comes the peasant proprietor who owns, compared to the zamindar a very small area which he cultivates himself with the help of the members of his family or through hired workers. Traditionally he is considered to be the backbone of agriculture in West Pakistan.

Below the peasant proprietor comes the tenant or the non-owner cultivator. He has generally no permanent interest in the land he cultivates.

At the lowest rung of the ladder comes the casual agricultural worker who is indistinguishable from any other hired labourer except that he is the more ill-organised and has practically received no attention.

We might add that the classes in which the present tenure system divides the rural community do not rigidly define the occupational status of individuals. It is possible that a zamindar may be a practical farmer personally looking after his estate. A peasant proprietor may similarly be a tenant at the same time. Quite often it happens that a

landlord or a non-cultivating owner in one village may be a cultivating owner or even a non-owner cultivator in another village.

### The importance of agricultural land

In the language of the First Five-Year Plan "Agriculture along with its branches of animal husbandry, forestry, fisheries and horticulture is the largest segment of the economy of Pakistan. About 60% of the total national income is derived from agriculture. Nearly 75% of the civilian labour force is engaged in agriculture and 90% of the people living in villages are dependent directly or indirectly on agriculture. Nearly 95% of the total foreign exchange earnings is contributed by agriculture. It constitutes the base of our national economy and therefore the problems of its stability, its strength and the factors of its growth must receive special attention in all plans of development. Agricultural productivity, in terms of labour engaged in it, is at present exceedingly low which is reflected in the low levels of income of the farmers and agricultural labour and by the inadequate diet of the people generally".

The availability and the access to land being basic to the development of agriculture, the first question that requires examination is what is the extent of the available land, who owns it and how it is being utilized as a factor of production.

### Extent of the available land and its utilization

West Pakistan has a total geographical area of 198.5 million acres which is currently being used as follows:

I.	Area not available for cultivat		
	<ul><li>(a) Under forests</li><li>(b) Other area</li></ul>		Thousand acres 3,142 50,565
		Total	53,707
II.	Culturable area—		
	(a) Net area sown		30,988
	(b) Current fallows		8,691
	(c). Culturable waste		22,578
		Total	62,257
	Total area reported		1,15,964
	Area unreported		·· 82,591
	Total geographical area		1,98,555

The reported' area covers approximately three-fifths of the total geographical area. The 'unreported' areas include the desert land and the 'special areas, the largest unreported tracts being in the Divisions of Kalat (50 million acres), Bahawalpur (9 million acres), Khairpur (3 million acres), Hyderabad (2 million acres), the Tribal Areas of Peshawar (11 million acres) and D.I. Khan (5 million acres). No data on land utilization are available for the unreported areas, but it is estimated that they include another 23 million acres of culturable land bringing the total culturable area in West Pakistan to 85 million acres. Most of these additional 23 million acres, however, consist of land which is of marginal utility for agricultural purposes and cannot be depended upon for sustained production.

### Density of population and man-land ratios

The rural population of West Pakistan is estimated at 27.7 million people.<sup>1</sup> As mentioned earlier 90% of the rural population is dependent on land. In relation to the area currently under cultivation this gives a man-land ratio of approximately 1:1.1. This ratio may improve to 1:2 when the reported culturable waste is brought under cultivation, or even to 1:3 when the estimated unreported waste also has been subjugated. Three acres per head of the rural population is however about the limit which the physical availability of culturable land places on per capita ownership in West Pakistan.

### **Future opportunities**

There is no possibility of increasing this physical limit to land. Even the subjugation and bringing under cultivation of the culturable waste will take time and resources which may not be available; the bulk of these lands lies in climatically arid or semi-arid regions, and in the absence of facilities for artificial irrigation and of techniques of soil building and soil conservation applied over a long period, it offers but poor prospects of profitable agriculture. On the other hand population is growing at the fast rate of 1.4% per annum and will perhaps double itself in about 40 years time. As the economy grows and industrialisation proceeds apace there will doubtless be some movement of labour out of agriculture into industry and other secondary and tertiary tiers of employment. But keeping in mind the likely pattern of our future economy and assuming the most optimistic rate of its growth we do not

<sup>&</sup>lt;sup>1</sup>1951 Census.

visualise that the non-agriculture sector will, for a long time to come, have the capacity to absorb any sizeable portion of the working force to afford appreciable relief to the growing congestion on land.

### Distribution of ownership

Equitably distributed, three acres of land per capita which might ultimately become available will provide 15 acres of culturable land to each farming family. This will, as we shall explain later in this report. provide in irrigated tracts or in areas of adequate rainfall an income more or less sufficient for bare subsistence of an average family of 5 members consisting of four adult units. But this is taking rather an optimistic view of the situation. Because of the shortage of water and difficulty of command the entire area of 85 million acres will not be irrigated. The availability of three acres of land per capita is also an expectation which, even if we ignore that a part of the area is only marginal for agriculture purposes, is not likely to materialise over the next generation. Therefore, of more pertinence is the present situation in which the existing cultivated area, if equitably distributed, will only give a 5-acre holding per family. This is far below the level of a subsistence holding. The fact that ownership is not equitably distributed complicates the picture further.

According to the Punjab Tenancy Laws Inquiry Committee, 1949, land ownership in the former Punjab was distributed as follows:—

AREA OWNED INCLUDING UNCULTIVATED AREA BY SIZE OF HOLDINGS IN THE FORMER PUNJAB

Size of holdings	Ac	res	No. of owners		
	(Thousand)	(% of total)	(Thousand)	(% of total)	
Less than 10 acres	7,092	31.8	1,809	78.7	
10 to 99 acres	10,428	46.7	476	20.7	
100 to 499 acres	2,502	11.2	12	0.5	
500 acres and above	2,295	10.3	1	0.1	
Total	22,317	100.0	2,298	100.0	

In other words while almost 80% of the owners owned less than one-third of the cultivable area about 0.6% of them owned more than one-fifth of the area.

In the former North-West Frontier Province 0.1% of the owners hold one-eighth of the total area in lots of more than 500 acres each.

In the former Province of Sind 1% of the occupants possess as much as 30% of the total occupied land in holdings of more than 500 acres each, against 60% of the total occupants possessing only 12% of the area in lots of less than 15 acres each.

Reliable statistics for West Pakistan as a whole are not available but according to the data compiled by the National Planning Board (now Planning Commission), Appendix I, while at one end of the scale 3.3 million people (65% of the owners) own about 7.4 million acres of land (15%) in holdings of less than 5 acres each, at the other end of the scale a little more than 6,000 people (0.1%) own as much as 7.5 million acres (a little over 15%) in properties of more than 500 acres each.

### The problem

These statistics in themselves do not reflect the real situation. They do reveal vast disparities of wealth and incomes in the rural society, but disparities in wealth are not necessarily a social or economic evil in a system based on private ownership of means of production. It is the peculiar social, economic and political consequences flowing from what amounts to an institutional monopoly of land in a primarily agrarian society, which is of key importance for our purposes, and we proceed to consider these consequential effects as they operate in the field of landlord-tenant relations and determine the attitudes and behaviours of both the landlord and the tenant.

### Social effects

Agriculture in Pakistan is not only a source of livelihood but a way of living with the rural masses. It is natural, therefore, that there should be a universal urge for the possession of agricultural land. Land, in fact, aside from its economic benefits has come to be associated with special social values. The status of a man on land and his right to the use of land

also define his social status in the society. The ownership of land has accordingly come to be regarded as a symbol of prestige, its management as an instrument of power and its possession as a security against want. These special attributes of land invest its owner with a privileged position in the village. Those who do not own land are relegated to a socially inferior position with all the disabilities of that position.

### **Economic effects**

Landlord-tenants relations or the land tenure system provide the institutional framework within which land is used. Through its influence on opportunities and incentives, enterprise and innovation, and capital formation and productive investment it has a profound effect on agricultural production and rural income.

For the healthy growth of the economy it is essential that private ownership of the means of production is accompanied by free competition and equal opportunities. Theoretically the access to land is free; there are no restrictions on the sale and purchase of land. But in the first place, land as we have shown is scarce, and secondly, the tenant is too impoverished under present conditions to save and invest in the purchase of land in competition with the landlord who is equally keen to purchase more land to maintain his family's status and position. This is true not only of the landless tenant but also of the small peasant proprietor who is economically not much better off than the tenant.

The ownership of large estates has other major defects. Development of such estates, even where irrigation facilities are provided by the State is often very slow. More than satisfied with his income from existing land such development is only of secondary importance to the landlord. Very often he also lacks the will or even the aptitude to undertake the pioneering function of subjugating large tracts of virgin lands. In many cases this type of ownership also leads to absentee landlordism, in the physical as well as in the functional sense. In the physical sense, the landlord lives away from the land and leaves the management of the land in the hands of agents. In the functional sense the landlord is physically present on the property but he performs little or no productive function.

For large scale ownership to function in our situation tenancy is inevitable. There is nothing inherently wrong with the institution of tenancy but if there is no proper adjustment in the terms of tenancy,

production incentives are adversely affected; landlords and tenants do not generally look upon each other as partners in a joint enterprise and neither of them is prepared to do anything which in his judgement is likely to benefit the other more than it will benefit him. The tenant may be conservative and ignorant and he often is, but he is nevertheless a shrewd judge of his own interest and according to Marshal "when the cultivator has to give to his landlord half of the return to each dose of capital and labour that he applied to the land it will not be in his interest to apply any dose the total return from which is less than twice enough to reward him." The result is that the tenant can simply see no object in adopting new techniques or applying more intensively such techniques that he may know already in order to improve his productivity.

Apart from the fact that the present tenure structure is deficient in production incentives it impedes production in at least two other ways through its effect on the size and layout of farms and on capital formation and investment.

### Size and layout of farms

From the point of view of agricultural efficiency what is important is the size of the farm as a cultivation unit and the degree of coherence or contiguity of the lands comprising it. If the holding in the sense of a cultivation unit is too small the resources of the farmer, of family manpower and of animals and equipment, are inefficiently utilised thereby causing the cost of production to rise and reducing the net profit of the farm operation. Mechanical cultivation and such improvements as the sinking of wells and construction of drains requiring larger areas for their feasibility and economic operation become impossible. Where the holding besides being small in size is also fragmented and the fragments are dispersed widely apart, these consequences emerge in a still worse form. It has been estimated by the Board of Economic Enquiry, Punjab, that the expenses of cultivation increase "by 5.3% for every 500 metres of distance (between plots) for ploughing, from 20-25% for the transport of manure and from 15 to 32% for the transport of crops".

Reliable statistical data on farm size and the extent of fragmentation are not forthcoming. Some estimates are, however, available. According to one estimate the average farm size in West Pakistan is about 6 acres only. On the other hand the figures quoted by [the] Tenancy Laws Inquiry Committee of the Punjab show that on an average a

<sup>&</sup>lt;sup>1</sup> Economics of Pakistan by Dr. S. M. Akhtar.

peasant proprietor's holding is 3.9 acres in size and that of a tenant cultivator 3.8 acres. Regardless of whichever of the two estimates may be more correct it is evident that the unit of cultivation is too small even for the primitive technique of cultivation with an animal drawn plough.

With regard to the extent of fragmentation, an enquiry conducted by the Board of Economic Enquiry, Punjab, on the basis of a total sample of 356 family-holdings drawn from 40 villages scattered all over the former Punjab and representing the various physical. climatic and demographic conditions indicates that more than 50% of the holdings surveyed were in fragments "and the proportion of fragmented holdings tended to increase in case of large holdings of more than 20 acres". "The average for all the holdings surveyed showed that 51.1%, 37.8% and 50% of the holdings in the 0-5, 5-10 and 10-15 acreage groups, respectively were split up into fragments". In one extreme case a peasant proprietor's holding of 3 acres was split up into as many as 18 fragments and "in districts like Rawalpindi and Attock the splitting of holdings of 3 to 4 acres into as many as 12 to 18 (fragments) was quite common". The sample is not large enough for drawing valid inferences of province-wide application but it does indicate the seriousness and magnitude of the problem. In fact, to the personal knowledge of many of us the position is worse in some other districts of the Province.

The uneconomic size of the holdings and the present state of fragmentation is generally attributed to the pressure of population on land and the laws of inheritance. The malady, however, started earlier. In the communal type of zamindari and pattidari tenure when the original proprietary body apportioned an estate amongst its members and in its anxiety to ensure equality of conditions, allowed to each member the ancestral or customary share in each class of land comprising the estate, instead of in compact blocks regardless of the quality of land, the foundation for fragmentation was firmly laid. The law of inheritance, entitling every heir of the deceased owner to a share in the property, which could under the law be partitioned to secure for each the physical possession of his share, and the freedom to alienate, along with the freedom to let the land to tenants in lots of any size, simply took the process a few hurried steps forward towards its logical end. If this process is to be halted, which it must be, some of this freedom associated with the right of ownership will have to be curbed by making holdings below a certain limit impartible. To repair the damage already done correctives will have to be applied in the form of compulsory consolidation of holdings and a programme for the gradual elimination of the uneconomic and inefficiently worked holdings.

### Capital formation and capital investment in agriculture

In given conditions of soil and climate, agricultural production depends in a large measure on the efficient utilisation of land, labour and capital. We have already considered the effect of the tenure structure on the effective utilisation of the first two factors of land and labour. For capital formation to occur, it is necessary that farming should produce a marketable surplus of agricultural commodities. Under the existing conditions farming leaves too small a margin for the small peasant proprietor, the tenant and the agriculture labourer to allow for savings and the net capital formation on their part is almost negligible. The big landlord can and does save but ordinarily he invests very little of his income in agricultural production. Generally he is prone to speculative investment in property and a good deal of his income goes "into luxurious mansions, jewellery, works of art and many other non-productive uses characteristic of wealthy leisure classes'11 Had it been otherwise and had he as a class been providing productive capital to agriculture it is inconceivable that the technique of agricultural production would have remained so primitive over such a long period. We admit that there are progressive landlords, but they are in a minority.

The cumulative effect of the defects in the agrarian structure we have mentioned, must have adversely affected agricultural production in the province [i.e. the present Pakistan]. While the area under principal crops because of irrigation and other facilities provided by Government has increased from 24.7 million acres in 1948-49 to 28.1 million acres in 1956-57, production has almost remained static. Per capita production has, in fact, declined. Various experts have given various reasons for the current stagnation in production. Salinity and waterlogging, ravages of floods, shortage of water and unfavourable weather conditions are the causes most often mentioned. All these factors have, at one time or another, affected production adversely. We nevertheless believe that an important factor contributing to the present situation has also been the structural defects in the composition of the rural society.

<sup>&</sup>lt;sup>1</sup>Report of the Working Party on Land Reforms and Agricultural Production, proceedings of the International Conference on Land Tenures and Allied problems, Madison, Wisconsin (1951).

### Political effects

In recent years agrarian reforms have been undertaken in a number of countries with the object of breaking up of the power of the "old ruling oligarchy with its roots in big estates" Such a consequence may follow in some measure if our recommendations in this report are implemented, but this is not one of the specific objectives for the achievement of which we have been asked to propose measures. Nevertheless the effect of the tenure system on the political freedom of individuals and on political institutions of the country constitutes an important aspect of the problem we have been asked to consider, and deserves a mention.

We have commented already, in the context of the social and economic effects of the present tenure system, on how tenure relations define the status and affect the opportunities of an individual and how a majority of the rural population lives in a helpless and impoverished condition. An individual may belong to a free society, but if he is economically dependent upon another he is seldom a free agent to exercise his political rights. The right of franchise in these circumstances becomes an idle weapon in the hands of many and economic opportunities as well as political power continue to remain with the privileged few.

<sup>&</sup>lt;sup>1</sup>Land Reform and Development in the Middle East. Doreen Warring.

### CHAPTER IV

## Approach to Solution

EVERTING to our terms of reference we have been asked "to recommend measures to ensure better production and social justice as well as security of tenure for those engaged in cultivation". Unfortunately, the requirements of social justice and the interests of economic development are not always identical and to achieve both ends will need a delicate balancing of measures with social and economic implications. There is also no ideal system of tenures which will hold true for all times and places and which will meet the ends of both social and economic desiderata. The solution will have to suit, therefore, the peculiarities of our situation which, to place them in perspective, may be recapitulated as under:

- (i) The extent of the available agricultural land and the prospects of its expansion are limited. Its ownership in many areas is inequitably distributed. There is a growing congestion on land, but despite the pressure of population, which has resulted in uneconomic and highly fragmented units of cultivation, development of larger estates is very slow and a considerable portion of the culturable land is not being utilised to its full capacity.
- (ii) Access to opportunities is limited; resources of land and manpower are not fully utilised: initiative and enterprise are absent; there is no security for those engaged in production; reward proportionate to effort is absent and hence incentive for greater production is lacking. There is no encouragement for capital formation and productive investment in agriculture.
- (iii) In many areas power is concentrated in the hands of a privileged few, which hampers the free exercise of political

rights and stifles the growth of democracy and democratic institutions.

To remedy these defects the adoption of the following broad measures as a minimum programme of agrarian reforms seems to us to be imperative:

- (i) Ceiling on individual ownership, in order to break concentration of landed wealth, to narrow down inequalities of opportunity and to encourage a more intensive land-use and productive investment.
- (ii) Acquisition of the land in excess of the ceiling for redistribution to landless tenants and holders of uneconomic holdings on payment of a fair price, along with an active programme of resettlement of this class on newly reclaimed Government land with a view to improving their social and economic status and enlisting their energies for greater production.
- (iii) Conversion of occupancy tenancies into full ownership.
- (iv) Abolition of jagirs and elimination of other adventitious and intermediary interests, in order to simplify the tenure system and to relieve the present crowding of interests in land.
- (v) Security of tenure to the tenants, fixation of a fair rent, elimination of illegal exactions, compensation for improvements in case of premature disturbance, in order to provide the incentive for a fair return proportionate to effort.
- (vi) Encouragement of the creation of a strong middle class and laying the foundation for owner-operated farms on holdings of economic size through consolidation of existing holdings, prevention of fragmentation by making holdings below a certain size impartible and elimination of small indifferently managed farms.
- (vii) Expansion of co-operatives and strengthening of credit and marketing facilities with a view to increasing production.
- (viii) Improvement of the conditions of employment of agricultural labourers.

Under these broad heads we propose to submit our specific recommendations in the chapters that follow.

## CHAPTER V

## Ceiling on Holdings

E have indicated, while dealing with the social, economic and political consequences which flow from the present pattern of the rights in land, why we consider adjustments in these rights, including the placing of an upper limit on ownership necessary. It would nevertheless be appropriate if, before we proceed to make our specific recommendations on the subject, we take into consideration the arguments which are usually advanced against ceiling on holdings and re-distribution of the ownership right.

The fear is usually expressed that reduction in the size of big holdings and the transfer of ownership to tenants may bring a decrease in production, which Pakistan can ill afford in its present state of food situation. We agree that in a situation where the landlord is not a pure rent-receiver and performs investment and managerial functions and where farms are highly capitalised centrally managed units, the re-distribution of ownership will involve changes in the methods of production and in the scale of operations, and may thereby adversely affect production. But as we have already stated, this is by and large not the situation obtaining in the [West Pakistan] province. The large estates are only large properties which are worked by tenant cultivators. The advantages of large scale cultivation just do not exist. The land when distributed will continue to be cultivated by the old cultivators, if anything, more intensively and we see no chance of production declining. The gap created by the withdrawal of the 'exceptional' landlord who does participate in production functions by contributing capital and management will of course have to be filled but we hope that it will be taken care of by the other measures that we are proposing in this respect. Another objection usually advanced against ceiling is that it accelerates the pace of fragmentation and sub-division with all the disadvantages to which we have referred. From the point of view of production efficiency what matters more is the size of the cultivation unit rather than the size of ownership holding. Cultivated as the land is, in small lots, the conferment of ownership right on the tenant in those very lands will in no way affect the size of the cultivation unit. When such units are consolidated and made impartible also, as we propose to recommend, there would be no occasion for further fragmentation.

Yet another set of arguments against ceiling proceed from the premise that the small farmer does not respond readily enough to the changing needs of the market, is slow to adopt new techniques, and being prone to consume most of what he produces will have no marketable surplus, and this may, in times of food scarcity, adversely affect even the Government programme of procuring food for the urban population. Such arguments proceed from a wrong premise in so far that they assume implicitly that large estates are efficiently managed and that the big landlord alone delivers his surplus grain to the Government procurement programme. This is by no means the case. Very often it is the large owner who has the capacity to retain grain stocks indefinitely. who with speculative interest, withholds his hoard from delivery to the controlled market. The present attitude and behaviour of the tenant, his ignorance and his conservatism also largely stem from the fact that he is poor and frustrated because he has no incentives for improvement. Given the incentives which ownership will provide, it is only logical to expect that he would use the land more efficiently than at present.

From the landlord point of view ceiling on ownership is of course catastrophic. It is communistic and even un-Islamic (that at least four other Islamic countries, i.e., [sic] Egypt, Syria, Turkey and Iraq, have placed ceiling on holdings is presumably irrelevant from his point of view). There must be uniform treatment meted out to holders of different kinds of property and if there is to be a ceiling on the ownership of land why not, he asks, on the ownership of other forms of wealth such, for example, as the ownership of industry?

We do not hold any brief for the owners of other forms of property. If the concentration, in certain quarters, of the ownership and control of other means of production is instrumental to the same degree, as land is, in creating inequities and mal-adjustments in the economy,

and hampers social progress and economic growth in the same manner as the control of opportunities on land does, and there is no easier way available to the Government to break such concentration of controls there would be every justification for the Government, to intervene in those quarters also and bring about structural changes as in the case of land. We might point out, however, that ceiling on the ownership of land is not synonymous with ceiling on wealth; the owner of a land holding within the ceiling will still be at liberty to amass any amount of wealth that he can either from the land or by taking to other productive pursuits. The ownership of land is also distinguishable from the ownership of other forms of property in so far that land and labour between them constitute the ultimate source of all wealth. No responsible society can allow this basic source of wealth to be used inefficiently or indifferently. Looked [at] in this light, and keeping in mind the fact that the right of ownership in land is not absolute, limiting the size of ownership holding is not such a radical measure as it is made out to be.

### Extent of ceilings

Almost as controversial as the principle of ceiling itself is the question of fixing the physical dimensions or quantitative extent of individual ownership. The Ministry of Agriculture, Government of Pakistan, had at one time proposed that "one thousand acres is considered to be a suitable limit for this purpose in the perennial canal area. Area in excess of this should compulsorily be acquired and to enable adjustments, acquisition should be made on a graduated scale as given below":

Area owned					Proposed to be acquired	
Up to 1,000 acres						Nil.
For 1st 500 acres above 1,000 acres					20%	
For 2nd	,,	,,	,,	,,	,,	33%
For 3rd	,,	"	. ,,	,,	,,	50%
For 4th	,,	,,	,,	,,	**	66%
For the remaining					90%	

The National Planning Board in its Draft Plan had recommended, subject to certain specified exceptions, the imposition of a ceiling of 150 acres on ownership of holdings of irrigated lands, 300 acres for semi-irrigated and 450 acres for lands dependent wholly on rainfall. Recognising, however, that the proposed ceilings would have different effects in

different areas which may not be equitable, the Board in its Final Plan recommended the immediate acceptance only of the principle that individual holdings should be subject to a ceiling (and incidentally, also a floor limit) and left the question of determining its quantitative extent to further study of the conditions obtaining in different parts of the Province. This study has apparently not been completed so far.

The Board of Revenue, West Pakistan, is of the view that it would be unfair to base any proposal for the limitation of ownership holdings on the physical extent of the area comprising it, as the fertility and productivity of land vary from district to district and in fact from area to area. The Board is of the opinion that if any ceiling has to be prescribed at all it should be worked out on the basis of produce indices of land adopted for the re-settlement of "displaced persons" and has suggested an upper limit of 36,000 produce index units which is the maximum which refugee claimants have been declared entitled to under the West Pakistan Rehabilitation Settlement Scheme. Appendix II to this Report explains how the produce indices have been worked out. While these indices have no absolute validity in the sense that they do not determine absolutely what the productivity of land in a given estate is, they are of great comparative merit as they do bring out, more or less accurately, the relative productivity of land in its existing condition in all the areas which they cover.

Earlier, the Muslim League Agrarian Reforms Committee had suggested 150 acres of avarage irrigated land, 300 acres of semi-irrigated and 450 acres of barani land as the maximum area for private ownership. The Committee recognised that a holding of 150 acres was "larger than the area susceptible to direct cultivation by an average size family of peasant proprietor" but for various reasons, including the possibility of introducing mechanised farming, still held the view "that a farm of 150 acres was not too large". Of course the recommendation remained a dead letter and successive Muslim League Governments both at the Centre and in the Province failed to implement it.

We have given our most careful consideration to the question and with the exception of M/s Ishaque & Kehar who disagree, have come to the decision that 500 acres of irrigated land or 1,000 acres of un-irrigated land (one irrigated acre being taken as equal to 2 un-irrigated acres) will be a suitable ceiling on individual ownership of land. We have taken note of the point of view of the Board of Revenue, West Pakistan, that

ceiling on area basis, if uniformly applied throughout the Province, will operate inequitably in certain regions where because of soil and climatic factors the natural productivity of the land is low. We are, however, of the view that by relating the upper limit on ownership permanently to produce indices the task of implementing the proposed measure will become extremely complicated. The produce indices, in order to remain valid, will have to be brought up-to-date periodically to correspond to the changing productivity of the land and once the object for which the periodic revision of produce indices is undertaken is known, we fear that the process will become subjective and in the course of time the indices will lose their utility as a measure of the relative value of land. Linked with produce indices, which are in themselves liable to change, ceiling will also remain in a state of constant flux and there will be a standing uncertainty whether on the next revision of the indices an owner's holding will remain within or outside the ceiling. A tendency may also develop on the part of landowners desirous of acquiring more land to allow their present holdings to deteriorate so that on the basis of the low productivity thus established they may, at the time of future revisions, become eligible for ownership of a bigger area. defeat the very object of greater production which we expect the limitation of holdings will bring about through intensive and better use of land. We are, therefore, in favour of fixing the permanent upper limit on individual holdings in terms of physical area. In order, however, to mitigate the inequities which may immediately arise as a result of the uniform application of the fixed area approach to ceilings, we suggest that while enforcing the measure the existing landowners should be allowed to retain such additional area, if any, to which they would be entitled had the ceiling been fixed as equivalent to 36,000 produce index units, the limit provided in the scheme for the resettlement of refugees. (Mr. Shafi Niaz does not agree to the grant of this concession to the existing landowners. He doubts the validity of the produce index units and feels that this concession will lead to anomalies in a large number of cases).

In suggesting these limits we have been guided by several factors. We are anxious that the transition from unlimited ownership to ceiling on individual holdings should be smooth and should not involve for the landlord too abrupt a break with the past making it difficult for him to adjust to the new way of life which the change, in the form of sudden reduction in income from land, will impose on him. Many a proposed reform measure in the past could not be implemented because in aiming

at the ideal these measures lost sight of the practical difficulties involved in their implementation.

We are also anxious that farming as a profession should remain sufficiently lucrative to attract and engage suitable talent on a whole time basis. It should provide to those engaged in it a standard of living which will compare favourably with that obtainable in other professions. Above all it should offer opportunities for enterprise and leadership which, through precept and example will be capable of influencing rural life and which will provide a point of contact between rural conservatism and ignorance and modern ideas and technology.

We recognise that looked at from the point of view of social justice alone an upper limit of 500 acres of irrigated land will appear large. But in determining the extent of the ceiling, social jutice has not been the only criterion before us. Even if we were to recommend a much lower ceiling than what we have suggested, the surplus land which would have become available for redistribution among landless tenants would have been too small to secure for each of them a subsistence farm unit. The ends of social justice, in the sense of securing land for the entire landless population, thus being almost unattainable, what we thought prudent was to fix the ceiling at a level which will on the one hand eradicate the feudalistic elements from the existing tenure structure, and on the other, by causing the minimum necessary disturbance of the social edifice lead to a harmonious change over and at the same time, by providing incentives at all levels, conduce to greater production.

In considering the propriety of the extent of the ceiling we have recommended, one other fact needs to be borne in mind. Since most of the large estates are held in tenancy and no right of ejectment of tenant on the plea of self-cultivation is being given to the landlords, it means that although a landlord holding, after the imposition of the ceilings, will extend to 500 acres he will have to share his produce with the tenant and his income from land will be equivalent only to what he would have received from half that area had it not been encumbered with tenancy. Looked in this light, the extent of the ceiling we have proposed does not appear to us by any means large.

Disagreeing with the majority of us Mr. Ishaque considers that the ceiling of 500 acres of irrigated land (one irrigated acre being equal to 2 unirrigated acres) is too large. He is of the view that in an agrarian

economy where the pressure on land is acute, the degree of dependence upon land as a source of livelihood is high, and the mobility of labour either for lack of skills or for lack of alternative means of employment is low, the access to land becomes virtually synonymous with the total economic opportunity available to the community. The control of economic opportunity, in the form of concentration of landed wealth in the hands of a relatively few, to the exclusion of the great majority dependent on it for a living, in turn, divides the society into economically and socially inferior and superior strata of 'haves' and 'have-nots' of 'landlord' and 'Raiyat' (subjects) of 'zamindars' and 'hamsayas'. Apart from the immediate social implications of such a division the vast disparities in wealth generate factors which almost permanently bar the vertical mobility of labour through free access to opportunities. As a result economic growth comes to stagnate, social progress is hampered and the society remains indefinitely stratified. In such a situation when there is no part of the soil which the 'have-nots' can or even hope to call as their own at some future date, they tend to lose their sense of citizenship as 'sons of the soil' and as useful partners in national struggle for growth and progress. Mr. Ishaque thinks that this is by and large the existing situation in West Pakistan. He realises that equality of wealth is neither attainable nor desirable, but he maintains that equality of opportunity and free access to opportunity is certainly feasible and can be attempted. Since he looks upon the imposition of ceilings as a measure to break the monopolies in order to make the access to opportunity through land more free, he is of the view that the ceiling limit proposed by the majority of us, is far too liberal to bring this about. He also considers that in view of the limited availability of land and the low man-land ratio the proposed limit will not be compatible with social justice either. His fear is that the net effect of the proposed measure for a long time to come will be to leave the concentration of land in families instead of in individuals and in his opinion, such a change will make little difference to the objectives he has in mind. He, therefore, proposes that for the purposes of future acquisition an individual holding shall not exceed 150 acres of perennially irrigated land and a family holding, 300 acres of such land - family being defined as consisting of a husband and wife and dependent children, and one perennially irrigated acre taken as equal to 1½ acres of non-perennial or 3 acres of barani land. An individual holding will thus amount to three times the size of an economic holding which has been separately proposed and a family holding to six times of Intensively cultivated this will, Mr. Ishaque claims, provide the owner with a decent standard of living. It will also form an economic unit for mechanical operation.

Mr. Ishaque does not subscribe to the view that enterprise and leadership in the rural society can only be maintained if a man has a large landed estate. He thinks that there are many other ways how leadership can be built up. He agrees, however, that the transition from unlimited ownership to ceilings [which imply limited land-ownership] should be smooth and should not make it too difficult for the existing generation of landlords to adjust.

[A part of the above paragraph and one short paragraph have been omitted here as their reproduction would have served no useful purpose. — Editors]

In the view of the majority of us the premise from which Mr. Ishaque proceeds does not correctly depict the conditions obtaining in West Pakistan and his conclusions are, therefore, not valid.

Mr. Kehar objects to the ceiling proposed by the majority of us for a different reason. His position is that in allowing the existing land-owners to retain such additional area in excess of the limit of 500 acres to which they would be entitled had the ceiling been fixed as equivalent to 36,000 produce index units, we have recognised the inequality and natural variations in the productivity of the land in the various regions because of the different soil and climatic factors, and since there is no likelihood that such differences would disappear in the course of time, it is, according to Mr. Kehar, only logical to relate the ceiling limits on a permanent basis to produce index units. He accordingly suggests that the upper limit for the various regions should be fixed permanently either on the basis of the produce index units or in terms of their acreage equivalent as now determined.

The majority of us feel that the acceptance of Mr. Kehar's recommendation will tend to keep presently undeveloped land permanently undeveloped. The large variations in ceilings from revenue estate to revenue estate will also create untold administrative difficulties.

#### **EXEMPTIONS**

The limits of ownership that we propose will apply to the holdings of individual owners. Land is, however, not held by individual owners alone; it is also owned by institutions many of which, through income from the land, perform valuable public services. Such institutions and the ownership of such lands will have to be exempted from the operation of ceilings. We accordingly propose that:

- (i) Land owned by recognised teaching institutions and universities and used for research and demonstration purposes should not be subject to the limitation of ceilings.
- (ii) Government may also allow a charitable, religious or teaching institution, approved by Government, to hold land, including waqf land, in excess of the ceiling. Exemption under this clause shall, however, not be given for any land which is the property of any such waqf as is described in section 3 of Mussalman Waqf Validating Act, 1913, under which any benefit is for the time being claimable for himself by the person by whom the waqf was created or by any member of his family or descendant.
- (iii) Government may, if it considers necessary in the national interest, exempt from the operation of the ceiling, existing stud and livestock farms also. Such farms may be allowed to be retained by their owners or operators in addition to the land which they may hold within the ceiling.

We also propose that land under orchards not exceeding 150 acres in area may be allowed to be retained as long as it is maintained as an orchard, in addition to the ceiling area provided that:

- (i) the land under orchards is in compact blocks of not less than 10 acres; and
- (ii) it has been shown as an orchard in the revenue records at least since rabi, 1956-57.

Orchards are in a sense an industry. They require a heavy initial capital outlay; they are slow in yielding return and require a great deal of managerial skill and working capital for maintenance at optimum production levels. Subjected to ceilings along with other agricultural land which a person may hold, orchards are likely to be broken up. The new owners to whom the broken up parcels may be allotted are unlikely to possess either the skill or resources which the proper upkeep and maintenance of orchards will call for. The breaking up and redistribution of orchards as a result of the operation of ceilings will, therefore, not only deprive the present owners of the fruits of their investment

which will accrue to them only over a period of time, but the operation will also adversely affect production. It has taken the Agricultural Extension Services a good deal of effort to encourage the growing of orchards and to achieve the present self-sufficiency in fruits, and it would be a pity if, as a result of the measures that we propose this trend is reversed.

Mr. Ishaque disagrees with this line of argument and considers that exemption of orchards from the operation of ceiling will mean a further addition to the already liberal exemptions given to existing landowners. He maintains that the growing of orchards is not a risky investment at all. Orchards may be initially slow in yielding results but according to him they are so highly productive that once they start bearing fruit the first few years' return more than compensates for the entire capital that may have been invested in them in their initial stage. Mr. Ishaque agrees that the breaking up of orchards and their redistribution in small parcels will not be desirable, but he is of the opinion that such an eventuality will seldom arise. An owner may have a large area under orchards but an individual orchard unit is seldom so large that it would present any difficulty in being accommodated within the ceiling and must be broken up. In the rare case where such difficulty does arise it can be easily overcome by making the ceiling in such cases co-extensive with the area of the orchards itself. Accordingly he proposes that area under orchards should be taken into account for the purposes of fixation of ceiling on par with other agricultural land of the same class included in the owner's holdings. Where the area of a single orchard as one compact unit by itself exceeds the ceiling limits, and there are not more than a few such orchards in the whole of West Pakistan, its owner may be allowed to retain the entire area under the orchards, regardless of its extent, on the condition that he continues to maintain it as an orchard. Orchards of smaller size which fall outside the ceilings and which owners do not retain for themselves may, on a similar condition, be allotted. regardless of the general policy governing the redistribution of resumed agricultural lands, in the same compact blocks in which they exist, to deserving persons specialising in the growing of orchards on their paying somewhat higher compensation than for ordinary agricultural land. Mr. Ishaque claims that it would be possible in this manner to ensure an adequate return to the existing owners on their investment in orchards. and prevent any fall in production without it being necessary to add further to the exemptions from ceiling. Considering that the growing of orchards is confined to certain areas, he also thinks, that his proposal will

be more equitable in its application to the Province as a whole and will also minimise the chances of corrupt practices on the part of unscrupulous owners who, in order to retain a larger area, might attempt in collusion with petty officials to convert ordinary agricultural lands into orchards from a back date.

### Option to gift

In recent years owners of large estates have been busy distributing their landed property among presumptive heirs with a view either to avoiding the imposition of agricultural income-tax which, in the case of the former Frontier and Punjab Provinces is leviable on a graduated scale as a multiple of land revenue, or with the object of circumventing the Estate Duty Act when it was still extant, or again, as a prudent safeguard against the possible imposition of ceilings on ownership of landed property which has been talked about ever since the Muslim League Agrarian Reforms Committee met in 1949. Not all big owners, however, have indulged in such practices. It is evident that in the case of this category of owners, who have not taken any steps to parcel out their land, the effect of imposition of ceilings will be particularly severe. As a measure of equity, therefore, we propose that a person holding more than 36,000 produce index units should be allowed to alienate by gift an area equivalent to 12,000 produce index units to any or all of his presumptive heirs, provided, that such a person has not already alienated land of equivalent value to any of his heirs. Where he has alienated an area equal to less than 12,000 produce index units the option to gift should be limited to such additional area only as, taken together with the area already alienated, will be equivalent to 12,000 produce index units.

Mr. Ishaque does not see any justification for such a recommendation. Basically, he thinks that, like the exemption of orchards from the operation of ceilings, it simply amounts to expending an already large ceiling further, and will defeat the fundamental object of breaking the concentration of ownership in land. The large owners have already distributed their property among as many real or imaginary presumptive heirs as they could trust to hold the land for them. Each one of these heirs is now an owner in his own right for the purposes of application of ceiling. These, what Mr. Ishaque describes as "second degree" owners have, on their part, not distributed the property any further so far, but as owners in their own right each one of them will, as a result of this recommendation, now become entitled to pass on an area roughly equal

to one third of the ceiling to yet another set of what may be called "third degree" presumptive heirs if the properties owned by them exceed the ceiling limit. Mr. Ishaque gives the example of an owner who has distributed his holding of 3,000 acres in lots of one thousand acres each to his two sons, retaining the balance of one thousand acres for himself. On the imposition of the ceiling not only the original owner but each of his two sons also will become entitled to alienate by gift one third of the ceiling limit. The option to gift will thus have a multiple effect and the cummulative result of such transfers, in Mr. Ishaque's view, would be for land to remain concentrated in families in spite of the ceilings. Mr. Ishaque also holds the view that the measure will not serve even the ends of equity. It may have a semblance of equity as between owner and owner but it would be most iniquitous from the point of view of the landless cultivator, in that, while the measure reduces his chances of becoming an owner in his life time, even of a subsistence holding, as far the landlords are concerned, it takes good care of their second and third generations also.

### Application of ceiling to share in shamilats

A characteristic feature of the proprietary tenures other than ryotwar and malik-i-qabza is that the right of ownership is not confined to individual holdings but extends also to the village wastes (shamilats). Shamilat lands are ordinarily intended to serve the common needs of the village community. This is particularly true of the bhaichara villages. But many a time waste lands are also held in common because the proprietary body either does not possess the resources or because of the extent of the land which is held in 'severalty', it does not feel the need to bring the waste lands under plough. In so far that the shamilat lands fulfil the common needs of the community it is desirable that shamilats should be retained as intact units. But shamilats are partible and owners can in certain conditions claim the exclusive enjoyment of their respective shares in shamilat lands. In this sense shamilat lands constitute a store house of land on which owners can draw. Considering these implications of the ownership rights in shamilat we have come to the decision that shamilat lands should also be subject to the imposition of ceilings. Accordingly we recommend that an owner should be entitled to retain such part of his share in the shamilat, if any, which along with his ownership outside the shamilat will not exceed the ceiling limit. It follows that a person who owns or possesses outside shamilat an area equal to the ceiling limit or more will not be allowed to retain any share in the shamilat

### Malafide alienations

Ever since the announcement of the constitution of the Land Reforms Commission, speculation has been rife regarding the imposition of ceilings on holdings. With a view to defeating the object of the measure which large estate owners thought we might recommend, they have been alienating lands on an extensive scale. We, therefore, recommend that where a holder of an area equivalent to 36,000 (thirty-six thousand) produce index units of land or more has made an alienation on or after the 7th of October, 1958, it should be declared null and void. Questions might arise whether an alienation was made on or after the 7th of October, 1958. We suggest that such questions should be left for decision to the Provincial Land Commission, which we propose later in this Report, and the decision of the Commission on the issue should be made final.

# Editors' Summary of Chapter VI—Implementation

HAPTER VI gives details of the implementation machinery required to enforce the recommendations of the Commission for the imposition of ceilings. A Provincial Land Commission, to be headed by the Governor, was recommended.

# CHAPTER VII

# Compensation

### Quantum of compensation

HE first question that arises for consideration in the context of payment of compensation is whether any compensation should be paid at all for the lands outside the ceiling limits resumed by Government. In dealing with the ownership right we mentioned that for as long as land is liable to the payment of the State's share of the produce in the form of land revenue, proprietary right in it, as enjoyed by individuals, does not amount to full ownership. Theoretically, it is open to the State to make the incidence of land revenue so heavy as to wipe out, for all practical purposes, the profit margin of the proprietor of the land. Since the value of land is only another name for the capitalised value of the profit margin of the proprietor, it would not be altogether incongruous with the conception of the basic right in land if on the resumption of land by the State it were to refuse to pay compensation to the proprietor thereof.

There is, however, another aspect of the case. The right of property in land although distinguishable from the right of ownership in other forms of property is, nevertheless, a right in private property, sold and purchased as such. The erstwhile Constitution of this country in keeping with the constitutions of many a democratic country of the world recognised it, and rightly, as one of the fundamental rights. Expropriation without compensation will, in our judgement, shatter the nation's faith in the institution of private property and enterprise around which the country's economy is largely built.

On practical considerations too, it would appear advisable that compensation is paid for the expropriated lands. The Muslim League

Agrarian Reforms Committee while dealing with this question proceeded from the premise that "landlordism in Pakistan is an historic accident which has already conferred vast advantages and profits on generations of its beneficiaries and it would be illogical to make it a justification for the conferment of further advantages". Almost in the same breath, however, it had to admit that 'to dispossess and to turn out of employment a whole class of people suddenly and without preparation is to create an avoidable friction and maladiustment in our economic life" and proceeded to recommend a fairly heavy compensation. We do not consider it relevant for the purposes of this report to accept or reject the validity of the general observations of the Muslim League Agrarian Reforms Committee. Such an attempt will inevitably lead to an abstract discussion whether there are any good economic or social reasons for maintaining the right of inheritance. All we wish to point out is that even a committee which could find no moral basis for the payment of compensation for expropriated lands could not, for reasons of practical difficulties, but recommend the payment of compensation.

On our part we are anxious that the transition from unlimited ownership to ceilings on holdings should be smooth and orderly and should not completely disrupt the economic life of an important segment of the society. We are all agreed, therefore, that for the acquisition of lands above the ceiling limits a fair compensation should be paid to the landlord.

What will constitute a fair compensation is a difficult question to answer. It is true that the quantum of compensation will have to be related to the value of the land but such compensation will at the same time have to be fair to the landlord. The value of the land can be either its market value or its economic value or what we may call it "assessed value" for purposes of compensation. The evaluation of land on the basis of its market price does not appear to us to be either feasible or fair. In view of the scarcity of land, its unequal distribution, the pressure of population on land, the abnormally high open market prices of foodgrains, the inflationary pressures in the economy, the social values, the ownership of land enshrines and such other socio-economic factors, the market price of land bears no comparison with its true economic value. These factors have also had different effects at different times on the market value of the land in different parts of the Province. Apart from the fact, therefore, that compensation on the basis of the present

market prices of land will be beyond the capacity of the Government and the future owners to finance, it would also be almost impossible to evolve a formula for the payment of compensation on the basis of market value of land which will operate equitably throughout the Province.

A better approach in our view will be to fix the compensation on the basis of the economic value of land. The economic value of land can be determined by capitalising either the annual value of the gross produce or the annual net assets. The net assets in turn can be calculated from the land revenue which bears in each revenue estate a fixed proportion to the net assets as calculated at the time of settlement. The calculation of either the annual value of the gross produce or of the net assets directly, and these will vary from place to place and from year to year, will, however, be an extremely difficult and laborious process involving delicate operations of evaluations of yield, prices and labour cost, which in the hands of petty officials will provide almost unlimited opportunities for abuse. Net assets calculated from revenue will be much simpler and comparatively free from subjective manipulations but for such a course again assessment of land revenue on a uniform basis is a pre-requisite which unfortunately is not available. Not only does the system of assessment of land revenue vary from region to region but even in the same region assessments have taken place under widely varying conditions of yields and prices.

The most practical approach in our view to the solution of the problem lies through the produce index units. We have already accepted produce indices as an objective measure of the comparative productivity of the land. It follows that if it were possible to determine the monetary value of a single produce index unit it will provide a simple, accurate and reliable measure for determining the value of the resumed lands for purposes of compensation on a uniform basis throughout the Province. We have made an attempt to work out the unit value of produce indices. Taking a colony district in the former Punjab as the basis, we find, that the economic rent of one acre of land, adjusted for price variations, amounts to Rs. 40/- a year. The produce index value of such land being 80, it means that a unit has a rental value of Re. -/8/-. We consider that it would be fair to capitalise this rent at ten times for purposes of payment of compensation. An acre of land in a colony district equal in value to 80 produce index units will thus have an assessed value for purposes of

compensation of Rs. 400. In so far that [sic] it approximates more or less to the economic value of land when adjustments are made for the various factors influencing the market price, we consider, that it would be a fair price.

Not all the expropriated lands can be paid at the price worked out in the foregoing manner. If the landlord were to divest himself of the surplus lands by private sale all at one time and in a single transaction he is not likely to get the price worked out above. The greater the area he releases for sale at one time, the less the price per acre he is likely to get. Keeping these considerations in mind we recommend that compensation for the resumed lands should be paid on a progressively diminishing scale as follows:

In addition to the compensation thus payable to the landlord, he should also be paid compensation for permanent installations and structures on the land which can be used for agricultural purposes and which he will not be allowed to remove.

### Mode of payment

Different methods have been adopted in different countries for the payment of compensation. Payments have been made or compensation has been made payable either in cash or in interest-bearing bonds or partly in cash and partly in bonds over a period ranging from 15 years to 55 years. The bonds again are either negotiable, freely or partly, or non-negotiable. The guiding factor in all these cases has been that payment of compensation to expropriated landlords being intimately connected with the capacity of the national economy to absorb new capital, financing of the agrarian reforms "should not encourage inflationary tendencies of sufficient importance to affect the economic position of the farmer". The factors that would be relevant in our situation are:

<sup>&</sup>lt;sup>1</sup>International Relationship between Agrarian Reforms and Agricultural Development – FAO Agricultural Studies No. 26 – page 54.

- (i) the financial position of the Government;
- (ii) the economic climate of the country;
- (iii) the need of the expropriated landlord for ready cash; and
- (iv) the capacity of the persons to be resettled on the resumed lands to save and invest in the purchase of land.

We have not been able to work out the extent of the land that will become available for resumption on the imposition of ceilings and the amount of compensation that will be involved in its acquisition on the basis of the formula we have proposed. We are certain, however, that the amount will far exceed the resources of the public exchequer to bear. The new owners to whom resumed lands may be allotted will also belong to a class which is too poor to offer cash payment for the purchase of land. In the circumstances if payment is to be made in cash, money will have to be created for the purpose. It can be done, but considering the quantum involved it will be highly inflationary and hence most undesirable. Payment of compensation in cash must, therefore, be ruled out. It may seem hard from the landlord point of view but we do not think that such a course will impose any undue hardship on him since the ceiling that we have proposed is sufficiently large to leave for the landlord enough income for him to stand in need of cash payment. The only other practical course is that of payment through bonds. accordingly recommend that compensation should be payable through non-negotiable and non-transferable but heritable bonds redeemable in 25 years. The bonds will bear simple interest of 3% per annum. The interest will start accruing from the date following the date a landlord is divested of his land and will be paid as a single annuity. It may be possible to make the bonds negotiable in a limited way at some future date, but for as long as the economy is subject to the current inflationary pressures such a course will not be feasible.

### Utilisation of resumed lands and redemption of bonds

One of the purposes of imposition of ceilings and resumption of land is to make land available for re-distribution to landless tenants and owners of small holdings. The resumed land will remain at the disposal of the Provincial Land Commission. We recommend that as soon as the lands are taken over they should first be offered for sale, in blocks of not less than the size of a subsistence holding and more than that of an economic holding, to the tenants occupying such land who, under our earlier recommendations, would have been declared provisional owners

already, on such terms and conditions, as the Commission may determine. Any land left over and which cannot be disposed of in this manner should be allotted to landless tenants, owners of uneconomic holdings or such other deserving agriculturists drawn from the congested areas. The price which the new owners shall pay for such lands, the instalments in which the price should be made payable, and the rate of interest are matters of detail which we feel should be left to the Provincial Land Commission to determine. At this stage we would merely recommend that the sale price shall in no case exceed Rs. 8 per produce index unit and its payment shall be staggered over a sufficiently long period to leave for the new owner, after the payment of the price instalment, a sufficient margin each year from his extra income as an owner, which he may save and invest in the improvement of land. In case the resumed land was not cultivated before and will have to be broken up for the first time or if it has been allotted to a person who was not cultivating it before, the recovery of the sale price, we would further recommend, shall start after the second year of allotment in the first case and the first year of allotment in the second case. In all other cases recoveries shall start from the date the new owner is put in possession of the land

The sale price realised from the new owners shall be credited to a special fund to be operated by the Provincial Land Commission for the payment of interest to bond holders, retirement of bonds, liquidation of bad debts, development of land and for meeting administrative charges.

# CHAPTER VIII

# Occupancy Tenancy

N the chapter dealing with tenants and tenancy we have mentioned that occupancy tenants as a class enjoy some of the privileges associated with the right of ownership, e.g., the right of permanent occupation, the right to pass on the tenancy to descendants and the right (limited though) of transfer.

Soon after Independence, the Governments of the former Punjab and North-West Frontier Province embarked on tenancy-reforms legislation with a view to improving the condition and status of the tenants generally.

The main provisions of the North-West Frontier Province law, enacted in 1950, in so far that [sic] it relates to occupancy tenants are:

- (1) No person shall in future acquire, have or continue to have a right of occupancy in any land.
  - (2) The existing occupancy tenants shall become full owners. -
    - (a) of the entire land in their possession:
      - without payment of any compensation in case they pay no rent beyond the amount of land revenue, rates and cesses;
      - (ii) on payment of compensation equal to ten times the rent (exclusive of land revenue) in case they pay rent in cash; or

(iii) where rent is payable both in cash as well as in kind on payment of such compensation as may be prescribed by Government;

and

(b) in all other cases where rent is payable in the form of fixed share of the produce, of such portion of the land comprised in the tenancy as corresponds to the tenant's share of the produce, without payment of any compensation, the remaining portion of the tenancy going to the landlord free of tenancy encumbrances.

The Punjab Tenancy Law of 1952 follows the general pattern of the North-West Frontier Province. It differs from the latter in one respect. Where rents are payable in cash, the Punjab Law provides for compensation to the landlord at twenty times the annual rent while the North-West Frontier Province Law provides for such compensation at ten times the annual rent.

The only other regions outside the Punjab and Frontier where occupancy tenancy exists in West Pakistan, are Baluchistan and the former State of Bahawalpur but no such action was taken by the erstwhile Governments of these regions.

The two enactments in force in the former North-West Frontier Province and the Punjab have now held the field for several years. The North-West Frontier Act is reported to have had more or less a smooth course and a very large majority of the occupancy tenants have been able to acquire proprietary rights under it. The Punjab law, on the other hand, in so far that it was susceptible of different interpretations and did not take care of other intermediary interests in occupancy holdings such as the muqarraridars of the Campbellpur and Rawalpindi districts, did not fare so well. It ran into difficulties during the course of implementation and led to strained relations between the landlords and tenants. A part of this difficulty arose from the fact that the occupancy tenants who acquired ownership of a part of the tenancy under the law insisted on remaining in occupation, as tenants-at-will, of the landlords portion of the holding as well. We are informed that the tenants have by now reconciled themselves to the provisions of the law and have started

acquiring proprietary rights of their due share in the holding without claiming any privileges in that portion of it which the law leaves unencumbered for the landlords.

We have carefully considered the provisions of these Acts and we endorse the principle that occupancy tenancy, wherever it exists, should be converted into full ownership. We are, however, not happy about certain features of these laws. The provision that where rent is payable as a share of the produce, the holding should be partitioned between the landlord and the tenant in the ratio of their respective shares looks to us particularly injurious as it will result in further fragmentation and sub-division of the already small and uneconomic holdings. interests of efficiency of production a better solution would have been to eliminate, on payment of compensation, the landlord altogether from holdings below a certain size. We do not propose, however, to make such a recommendation at this stage. Any change of this type will inevitably lead to agitation for similar treatment by that section of the tenants also who have acquired rights under the existing law and it will not be an easy task to re-adjust the rights. We accordingly propose that the existing two Acts should be allowed to run their course.

We also propose that the scope of these laws should be extended to other parts of the Province as well in which occupancy tenancy exists. Because of their contiguity and similarity of agricultural conditions the Punjab Act would, in our opinion, be a suitable model for application to the former Bahawalpur State.

The existing law as we have pointed out is deficient and ambiguous in certain respects. We also suggest, therefore, that the law should be so augmented and amplified as will remove the deficiencies and ambiguities. Care will have to be taken that the amended law does not raise fresh controversies or re-open the rights already adjusted under the law as it stands. Specifically we propose that:

- (i) occupancy rights in evacuees' land to which the present law does not extend should be extinguished;
- (ii) the law should recognise and provide for the interests of such intermediaries also as muqarraridars. In the case of an occupancy tenant under a muqarraridar the right of ownership should first be adjusted between the muqarraridar and

- the tenant as if the *muqarraridar* was the landlord. Adjustment of the rights should then take place between the *muqarraridar* and the landowner;
- (iii) where an occupancy tenant has a sub-occupancy tenant under him the adjustment of rights should first take place between the landlord and the occupancy tenant and then between the occupancy tenant and the sub-occupancy tenant; and
- (iv) partition of holdings between the landlord and the tenant should, on payment of the prescribed compensation by the latter, be made compulsory, provided that if as a result of such partition any part of the partitioned holding will fall below the subsistence unit of 12½ acres we have recommended later in this report, the holding should not be partitioned and instead the tenant should be allowed to purchase out the owner.

# CHAPTER IX

# **Jagirs**

AGIRS exist in all the integrating units of West Pakistan. The character and nature of jagirs, however, differ from area to area. The existence of jagirs was among the first anomalies in the tenure structure which attracted the attention of the Governments of the integrating units soon after Independence. The Government of the former North-West Frontier Province by an executive order in 1949, abolished without payment of compensation all jagirs whatever their origin except military jagirs, religious muafis and the Mohmand jagirs of shubqadar. Since under the law, jagirs could not be abolished by an executive order, the action was regularised by the promulgation in 1952, of the North-West Frontier Province (Abolition of Jagirs) Act.

The Punjab Abolition of Jagirs Act, which also came into force in 1952, provided in a similar manner for the abolition, without payment of compensation, of all jagirs except military jagirs and jagirs in favour of any religious or charitable institutions maintained for the purpose of providing religious or educational instruction or for the relief of the poor or for providing medical facilities, or for the advancement of any other object of general public utility.

In Sind, the question of abolition of jagirs was taken up in 1947. A tentative decision was reached that all jagirs should be resumed. A Bill was also drawn up for the purpose but for some reason the case was shelved and the Bill never became law. The question was reopened shortly before integration and the then Sind Cabinet decided in February, 1955, through an executive order that all jagirs should be abolished. The decision was challenged in court and the Karachi Bench of the West Pakistan High Court has recently decided that the abolition of

jagirs by an executive order was illegal. The Government of West Pakistan did not go in appeal against this order and the position now is that all jagirs in the former Province of Sind continue to be extant.

The statement below gives the number and extent of the jagir grants in Sind:

	Class		Grants	Area
			Number	Acres
. Pre-B	ritish Period:			
(a)	First Class Jagirs	• •	11	293,000
(b)	Jagirs of the four Great		,	
	Talpur Families	• •	17	479,000
(c)	Sardar grants	• •	55	56,000
(d)	Muafi Nashistgahs		15	2,600
(e)	Khairat grants		8	220,000
(f)	Garden grants	• •	266	12,500
	Total		372	1,053,100
I. Britis	sh Period:			
(a)	Hindu grant	• •	1	5,900
<b>(b)</b>	Sodha Rajput grants	• •	11	17,200
(c)	Baluch Tribal grants	• •	23	31,500
	Total		35	54,600
	GRAND TO	ΓAL	407	1,107,700

The lands comprising the jagir grants are not subject to any land revenue, but if they are irrigated from Government canals, they become liable to payment of what is locally called hakabo (the price of water). Since hakabo is equal to one half of total assessment (land revenue plus water charges as a composite rate) leviable on non-jagir lands and water charges roughly form 9/10 of the total assessment, the remaining 1/10 representing land revenue, it means that Government is not realising even water charges at full rates from these lands. Keeping the extent of the area in mind the total loss to Government on this account must be heavy indeed.

There are two other types of grants allied to jagir grants which deserve a mention — the pattidari grant and the hissadari grant. The former amounts to a part remission of the assessment and covers an area of 35,000 acres. The latter is a conferment of right to share with the Government land revenue leviable on certain lands and extends to an area of 25,000 acres.

In addition to the *jagirs* in Sind, there are 150 *jagirs* including 39 grants in favour of religious or charitable institutions in the former State of Bahawalpur, 258 *jagirs* in the former Province of Baluchistan and 59 *jagirs* in the Baluchistan States Union. These *jagirs* also continue to remain operative.

Jagir, as an institution, is an anachronism. They are opposed to the thinking and sentiments of the modern age. They are a negation of the ideology of an independent democratic State. The Government does no longer expect the jagirdars to render any special services; nor does the Government stand in need of the performance by the jagirdars of any such services which it would not expect of any other citizen of the State. The continuation of jagirs thus serves no public purpose at all and simply means the perpetuation of favours and patronage. It is, in fact, a reflection on the patriotism and self-respect of the jagirdars themselves to expect a price for their loyalty to a free State. We, therefore, recommend that:

- (i) all jagirs of whatever kind, and by whatever name described should be abolished forthwith;
- (ii) any grant of money made or continued by, or on behalf of, the State which purports to be, or is expressed to be, payable out of land revenue or any assignment or release or remission of land revenue made by a competent authority, or any estate in land created or affirmed by or on behalf of the State which carries with it the right of collecting or receiving land revenue by way of jagir, or any other payment made by way of jagir, out of the Provincial or Central Revenues such as muwajibs or inams should be abolished forthwith without any compensation;
- (iii) since we have recommended that jagirs as an institution should be abolished, jagirs in favour of religious or charitable institutions maintained for the purpose of providing religious

- or educational instruction, for the relief of poor, or for providing medical relief, or for the advancement of any other object of general public utility, may be converted into money grants to be used in a prescribed manner for specified purposes;
- (iv) Government should levy full assessment on all lands on which the jagirdar has so far been paying no assessment or less than the full assessment;
- (v) possession of jagir lands should be taken into account as ordinary proprietary areas for the purpose of fixation of ceiling and for adjustment of landlord-tenant relations in the light of our recommendations; and
- (vi) all un-surveyed lands forming part of jagirs should be resumed forthwith without payment of compensation.

### ABOLITION OF INTERESTS

### Ala-Maliks and other allied interests

While considering the structure of the proprietary tenures a mention was made of the 'ala maliks' and such other adventitious and intermediary interests. Such interests form a class by themselves. The small proprietary fee which these interests receive from land is usually too meagre by itself to serve as a dependable source of income. We recommend that the rights of such intermediaries as ala maliks should be abolished without payment of any compensation. The elimination of such interests will simplify the tenures and will also relieve the present crowding of interests in land.

# CHAPTER X

# Protection of Tenants

### Security of tenure

AND, as we have stated, is held in high value by the rural society. As a corollary there is a great demand for the ownership of land. An ideal situation in our conditions would have been if the entire agricultural land could be operated through owner farmers or peasant-proprietors. Ideals are, however, seldom attainable and tenancy would continue to be a dominant feature of the tenure structure, despite the present attempt at the redistribution of ownership in land and of making access to the land more free. A recognition of the important role which the tenant plays as a factor in production and a cognizance of the conditions in which he works must, therefore, form an integral part of any land reforms programme.

Under the existing conditions of land use, tenants have generally little security. These conditions also do not always assure to the tenant a reward proportionate to effort. The absence of incentives kills initiative and enterprise and, in result, production suffers. We consider that much of what is necessary in the way of incentives can be provided in the form of security of tenure.

A number of legislative measures have been taken since Independence to provide to the tenants some measure of security which will serve "as an incentive to improve the productivity of the land and to conserve its resources." We find that these measures are not adequate and will need to be strengthened if the avowed object is in fact to be achieved. A resume of the present position is given below.

In the former North-West Frontier Province a tenant-at-will can be ejected after three years of the commencement of his tenancy. He can also be ejected before the expiration of this period on any of the following grounds:—

- (a) failure to pay rent on the due date;
- (b) removal of the produce from the threshing floor before the payment of rent in case of batai rents;
- (c) diversion of the land comprised in the tenancy to a use which renders it unfit for the purpose of cultivation; and
- (d) failure, where rent is payable in kind, to cultivate the land in the manner or to the extent customary in the locality.

In the former Punjab before the promulgation of the Punjab Protection and Restoration of Tenancy Rights Act 1950, a tenant could be ejected at the end of the agriculture year without the landlord assigning any reason for such ejectment. The Punjab Protection and Restoration of Tenancy Rights Act, 1950, as amended by the Act of 1952, provides that a tenant shall not be ejected except on the following grounds:—

- (a) failure to pay rent in accordance with the terms of the tenancy;
- (b) diversion of the land comprising the tenancy to a use which renders it unfit for the purposes for which it was held; and
- (c) failure to cultivate or arrange for the cultivation of the land comprised in the tenancy in accordance with the terms of the tenancy, or in the absence of any expressed terms, in accordance with the customary manner of cultivation in the locality.

Under the existing Punjab law a tenant can also be ejected out of an area of 25-50 acres, depending on the size of the total holding of the landlord, if the landlord wants to resume it for self-cultivation purposes and has no other *khud-kasht* area.

Under the Sind law a tenant-at-will can be ejected at the end of the year without the landlord assigning any reason for such ejectment. A permanent tenant, can, however, be ejected only on specified grounds as in the Punjab and Frontier Laws. A permanent tenant can also be ejected by the landlord giving him a year's notice in writing if the landlord requires any part of the tenancy and for personal cultivation or for

the growing of orchard or for mechanised cultivation or for any non-agriculture purpose. A permanent tenant was a new class of tenant created by the Law and the Sind Law defines him as a person who (a) has cultivated a survey number or at least 4 acres of land in the same survey number for a continuous period of not less than 3 years, (b) and has cultivated such land personally during the aforesaid period.

These Laws are, no doubt significant improvements over the historic position when tenants other than occupancy tenants could be ejected at the whim of the landlord, but we are of the view that they still fall far below the critical level at which the degree of security operates as a productive incentive. It seems to us that because of the "shifting" cultivation in Sind few persons could have qualified as permanent tenants under the Sind law. Since the permanent tenants can also be ejected on the landlord's giving a year's notice, the security they enjoy hardly amounts to more than nominal.

The most objectionable feature of the Punjab law is the right which it gives to the landlord to eject the tenant from the area which he wants to resume for self-cultivation. Immediately on the introduction of this provision notices of ejectment were served on a large number of tenants. It created a regular upheaval as it was impossible to find alternative lands or other means of employment for the rehabilitation of the tenants threatened with displacement from the areas which the landlords intended to resume for self-cultivation purpose. Implementation of this provision of the law had, therefore, to be kept in abeyance. It still continues to be inoperative. We recommend that the right given to the landlord to eject tenants on the plea of self-cultivation should be withdrawn.

The provisions of the Frontier Law seem generally satisfactory but the duration of three years for which the tenant is assured of security does not appear adequate, as in our opinion it is not long enough to permit of proper crop rotation and other farming adjustments in line with the best production possibilities.

There is one other equally serious procedural defect which is common to all these laws. Tenants can be ejected by the presentation of an application to a Revenue Officer of appropriate status. As a Revenue Officer, as distinct from a Revenue Court, he follows a summary procedure. Pitched against the resources of the landlord the tenant does not get the necessary protection in these proceedings.

Considering these shortcomings of the existing law we recommend that it should be so amended as to provide that no tenant will be ejected unless it is established in a revenue court that he has:

- (a) failed to pay the rent; or
- (b) used his land in a manner which renders it unfit for the purpose for which he held it; or
- (c) failed to cultivate the land without sufficient reasons; or
- (d) has sublet his tenancy.

We have mentioned earlier that quite often a tenant-at-will does not possess a shelter of his own and lives in the tenement provided by his landlord. Many a time ejectment from the house is used by the landlord as an indirect means to force the tenant to leave his tenancy. We recommend that a tenant shall also not be ejected from the house he occupies for as long as he continues to be a tenant of any part of the land of the landlord to whom the house belongs.

Finally, we suggest that in the event of ejectment the tenant should be made entitled to compensation for "improvements" he may have made to the land and for "disturbance", by extending the provisions of the Punjab Tenancy Act to areas where no such provision exists.

### Apportionment of produce

Tenancy is a contractual relationship between the landlord and tenant governing their participation as partners in the enterprise of farming. Theoretically each ought to contribute to the enterprise to the best of his ability. This will, however, only be possible if each gets a reward proportionate to his effort and each shares proportionately the risks involved. As a production incentive, therefore, the quantum of rent which the tenant pays for the use of the land assumes a crucial role.

Rent is paid occasionally in cash or as a fixed quantity of grain but over a greater part of the Province it assumes the form of a fixed share of the produce. We have considered whether the existing rents can be regarded as exorbitant and whether they operate as disincentives to production.

Under the existing law a tenant in Sind is entitled to one half of the produce on flow irrigated, flood inundated and rain-fed lands, two-third of the produce on lift-cum-flow irrigated lands where the cost of maintenance of the lift equipment is borne by him. In the Punjab the tenant's share of the produce is limited to 60 per cent of the produce. But while in Sind both the land revenue and abiana are paid by the landlord, in the Punjab land revenue only is payable by him. Adjusted for taxes, rents in the two regions are more or less at par. In other parts of the Province the apportionment of produce is governed by the inter-play of economic factors or custom. Even in these regions rents largely approximate the levels of rent obtaining in Sind and the Punjab although in certain areas where seed and irrigation water are provided by the landlord rents equal to two-third of the produce also prevail.

The conception of what constitutes an excessive rent differs from region to region. According to the Bengal Famine Commission, 1943, "there is a striking difference of opinion as to what constitutes an excessive rent; while the majority of the Land Revenue Commission in Bengal say that 'no one denies that one half of the produce is an excessive rent', the Government of Sind have said, in respect of the same system in their Province that 'rack-renting is not a possibility owing to the shortage of agricultural labourers'. In the North-West Frontier Province rackrenting is said to be an unknown feature, though a produce rent of twothirds of the produce prevails in some cases". We, on our part, are of the view that the present rents which are largely customary in origin and in so far that they existed at a time when the pressure on land was not so great as now, are not excessive. We propose, therefore, that the existing basis on which the produce of land and the burden of Government dues are shared between the landlord and the tenant under the law or custom prevailing in any locality should continue. Since, however, the development of new lands is not taking place at a rate compatible with the growth of population and it is likely that the existing congestion on land will become more serious, rent may start exhibiting a tendency to rise. As a safeguard against such an eventuality, we propose that landlords should be debarred from increasing the prevalent rent or the tenant's share of Government dues, if any, unless he can through a legal process satisfy a revenue court that he is entitled to a higher rent on account of change in the complexion of the tenancy due, for example, to the introduction of irrigation or changes in the burden of taxation.

Similarly the tenants should also be given the right to obtain a reduction in rent if warranted on account of change in the burden of taxation, etc.

We have also considered the question whether it would be preferable from the point of view of providing production incentives to change the present method of payment of rent in the form of a gross share of the produce. In theory the payment of rent in the form of a fixed amount of produce or payment in fixed sums of money, provided the levels are low, will be preferable from the point of view of the tenant, since with a fixed rental he will have the incentive to increase production and reap the full reward of improvements on the tenancy. But in such a case the entire burden of risk will have to be borne by the tenant himself. The vagaries of climate, rainfall and variations in the river flows make agricultural production from year to year so uncertain in West Pakistan that the change over to fixed rents whether in cash or in kind will involve too great a risk for the cultivator to bear. We, therefore, do not propose to recommend any change.

### Cesses, abwabs, etc.

In addition to the rent, a tenant, until Independence, was also liable to pay certain charges as cesses and abwabs to the landlord. He also used to provide free labour for him. As a relic of the feudal elements in the tenure structure and in so far that it placed an additional burden on the tenants' resources, cesses and abwabs attracted attention immediately after Independence and were abolished in the former North-West Frontier Province, the Punjab and Sind. No steps were, however, taken to abolish these exactions in other parts of the Province. We recommend that such cesses and exactions should be abolished forthwith all over the Province.

# CHAPTER XI

# Size of Holdings

E have already commented on the fragmented nature of existing holdings and how fragmentation and scattering of holdings affect production. A mention was also made of subsistence and economic holdings.

The question what constitutes in terms of area an economic holding has two main aspects. An economic holding can be one which will permit the full utilisation of the farmer's resources of labour and equipment. In another light it can be defined as a unit of agricultural land which in given conditions of agricultural production will provide a minimum income sufficient for subsistence of a farm family. In other words the standard of measure in this case is not in terms of a necessary scale of operation but in terms of a minimum standard of food consumption. It is this latter criterion which we think is more important for our purposes.

The cost of a well-balanced diet as proposed by the Nutritional Advisory Committee comes to about Rs. 425 per adult per annum calculated on the basis of 1955 prices. According to the survey conducted by the Board of Economic Enquiry, Punjab, food accounts for 70–90% of the total expenditure of a farmer's family. Assuming that an average family consists of 5 members, equivalent to 4 adult consumption units, the total income required by a family to maintain the standard of diet proposed by the Nutritional Advisory Committee will come to about Rs. 2,000 per annum. It is estimated that about 15 acres of rich land or one square of average land in the canal colonies will, according to this definition, constitute an economic holding. The standard of consumption proposed by the Nutritional Advisory Committee looks to us

to be on the high side. Adopting the lower scale, which was proposed in the 6-Year Development Programme of Pakistan, the money income of a family of four adult consumption units should be about Rs. 1,200 per annum. We believe that 16 acres of land in the Khairpur and Hyderabad Divisions and ½ rectangle, or half a square or 12½ acres of land whichever is more elsewhere, will, if properly managed and intensively cultivated, yield such an income. We propose that this unit of area should be regarded as a subsistence holding. This unit will also ideally suit the scale of operation as a single plough unit, as one plough cannot efficiently manage a larger area.

One of the important objectives which we have set for the land reforms programme to achieve is the encouragement of the creation of a strong middle class and the laying of foundation for owner operated farms on holdings of economic size. In our opinion 4 times the size of a Subsistence Holding will be a suitable unit for an economic holding. Accordingly we propose that an area of 64 acres in the Khairpur and Hyderabad Divisions and an area of 2 squares or 2 rectangles or 50 acres whichever is more in other Divisions should be regarded as an economic holding.

Positive steps will be necessary to maintain the existing subsistence and economic holdings and to bring into existence, subsistence and economic holdings as defined above out of the presently scattered holdings. This will require on the one hand a radical change in the existing laws governing the right of freedom to alienate and the right of physical partitioning of joint holdings, and on the other, an active programme of cosolidation of holdings. After a very careful consideration of the implications involved we have come to the following conclusions.

### Impartibility

- (a) A joint holding comprising an area larger than an economic holding should not be allowed to be partitioned if as a result of the partition no part of the holding taken together with the area which the owner may possess already will remain equal to an economic holding or any of its part will fall below the size of the subsistence holding;
  - (b) an economic holding should not be allowed to be partitioned;

- (c) a joint holding with an area less than an economic holding but greater than a subsistence holding shall not be allowed to be partitioned if thereby the size of the holding of each individual, taken together with the area he may possess already becomes less than the subsistence holding;
- (d) a joint holding with an area equal to the subsistence holding or less should not, in any case, be allowed to be partitioned.

### Management of impartible holdings

Impartible joint holdings should continue to be managed as a single unit. If there is any dispute regarding their management the cosharers will be given the following alternatives:

- (i) They should select a person who will manage the land on their behalf and from whom they will receive their share of income. If they fail to agree among themselves on the selection of such a person, the selection will be made by drawing of lots;
- (ii) the co-share should fix the value of the land and select a person who will own the land after payment to other cosharers its proportionate monetary value. The person so selected will pay to the other co-sharers, a proportionate amount of the value of the land. Government may in deserving cases, provide taccavi loans for this purpose;
- (iii) if no arrangement is arrived at under the first two alternatives the Commission will acquire the holding on payment of reasonable compensation.

### Restriction on alienations

- (i) No person owning more than the area of an economic holding should be allowed to alienate by sale, mortgage, gift or otherwise any portion of his holding which will reduce the size of the holding to an area below the limit of an economic holding, but he may alienate it as a whole, if he so chooses.
- (ii) No person owning an economic holding should be allowed to alienate by sale, mortgage, gift or otherwise any portion of his holding. Such a person may, however, alienate his entire holding.

- (iii) No person owning more than the area of a subsistence holding but less than an economic holding should be allowed to alienate by sale, mortgage, gift or otherwise any portion of his holding which will reduce the size of his holding to an area less than a subsistence holding. He may, however, alienate it as a whole if he so chooses.
- (iv) No person owning area equal to or less than a subsistence holding should be allowed to alienate by sale, mortgage, gift or otherwise any part of his holding but he may alienate his entire holding if he so desires.

### Consolidation

The programmes of consolidation currently underway under the aegis of the Co-operative and Revenue Departments in certain districts of the former Punjab and Frontier Provinces have achieved some results. However, not only is the scope of these programmes restricted but the pace at which they are moving, particularly the co-operative programme, which depends for its results on a reference to the willingness of owners, is too slow to achieve the objectives we have in mind. We accordingly propose that simultaneously with making the holdings impartible a province-wide programme of consolidation of holdings should be launched on a compulsory basis.

### Upgrading of holding to the subsistence unit level

The consolidation of holdings will in the case of small farmers not by itself result in the coming into existence of subsistence holdings. The consolidation programme will have to be supplemented by a special programme to be undertaken by the Provincial Land Commission for the upgrading of such holdings to the subsistence level unit. Where State land is available in such areas it can be usefully employed for such purpose. In other cases the too inefficient units which do not form the major source of income of the owner will have to be eliminated. We accordingly recommend that it should be made the responsibility of the Provincial Land Commission to scale up small holdings to the subsistence holding unit by:

- (i) utilising State and resumed lands;
- (ii) acquiring the holdings of small owners who have been allotted State or resumed lands elsewhere; and

(iii) acquiring the holdings of small owner who possess economic holdings or equally large areas elsewhere.

In utilising State and resumed lands, a fair proportion of the land should be reserved for allotment in units of the size of an economic holding.

# Editors' Summary of Chapter XII Credits and Co-operatives

N Chapter XII, the Commission recognized the importance of credit and recommended strengthening the role of Agricultural Development Finance Corporation, Agricultural Bank, Co-operatives, and Government taccavi loans to farmers. The role of co-operatives was considered crucial for providing inputs to and marketing products of small farmers as members. The Commission shed no light on the generally disappointing experience Pakistan had had with co-operatives, particularly the negative role of the zamindari system.

# CHAPTER XIII

# General

### Utilisation of uncultivated culturable land

HE cost of food imports in recent years has thrown the entire economy of the country out of gear. In the National struggle for economic survival every inch of the land needs to be put to the best possible productive use. We find that even in this situation large areas of State and privately owned lands have remained unutilised for years. While we believe that with the limitations we propose on the size of future holdings land will be utilised more efficiently, we nevertheless feel that some other measures are also necessary in order to make full use of the available lands. We, therefore, recommend that where land has remained uncultivated for a period of 2 years or more its owner should be required through a legal process to bring it under cultivation within a reasonable period. In case he fails to comply with such a direction his land should be requisitioned by the Provincial Land Commission for management and utilisation. The Commission may make such payment for the use of the land to its owners as it may consider reasonable.

The tempo of the programme for the colonization of State lands should also be stepped up.

### Agricultural labour

We have not dealt with agricultural labour and the steps that should be taken for the amelioration of its condition. We do realise that this class of agricultural workers is almost entirely at the mercy of its employer. As a casual worker, agricultural labourer has no security against dismissal, disablement or inadequate wages. At times he may not even get his wage in full. This, however, is a problem which, to our mind, is more akin to the conditions of labour generally. Sooner or later it will be necessary to provide the agricultural labour some measure of security and protection, but the problems involved in devising such measures are so intricate that it would need far more time than we had at our disposal.

### **Applicability**

The measures we recommend have been devised from the point of view of their applicability to the province as a whole. There are, however, certain areas where lands have not been surveyed and settled and for which no revenue records exist. Accordingly we propose that while the measures should apply to all classes of land-owners and tenants, whether refugees or locals, throughout West Pakistan including the Federal capital, they should become operative in the unsettled areas of Quetta and Kalat Divisions and the Special Areas of the Province after these areas have been surveyed and settled.

### Concluding remarks

We sincerely believe that the pattern of reforms that we have proposed will provide the type of securities, incentives and inducements to those engaged in cultivation, which will give them status and dignity, will enlist their energetic participation in the national programme of reconstruction and which will stimulate agriculture production generally. Agriculture is however, dynamic; techniques may change with the social and economic growth of the society. When it happens new measures may be necessary to suit the new situation.

### About the Editors

Born in 1935, PROFESSOR SYED NAWAB HAIDER NAQVI is Director of the Pakistan Institute of Development Economics (PIDE), Islamabad. He had his academic training at some of the best universities of the world: M.A. from Yale (1961), Ph.D. from Princeton University (1966) and postgraduate research at Harvard University (1969-70).

Professor Naqvi has taught at a number of distinguished institutions of advanced education and research such as the Norwegian School of Economics and Business Administration and the Christian Michelson Institute of Norway (1969). He was Visiting Professor at the Middle East Technical University at Ankara (1972-75) and at Heidelberg University, West Germany (1977), and Professor of Economics at the Quaid-i-Azam University, Islamabad (1975-1979).

Professor Naqvi has been closely associated with economic policy formulation both at home and abroad. In Pakistan, he was Chief in the Economic Affairs Division of the Government of Pakistan from 1971 to 1973. He has been Director of the PIDE since 1979 and President of the Pakistan Society of Development Economists since 1981. He is Editor of the Pakistan Development Review, an international quarterly journal of Development Economics, as well as of a large number of other publications. He has been a member of Pakistan's Council of Islamic Ideology, of a task force (on economic policy) of the Pakistan Planning Commission (1979), and of the strategy-formulating Working Group for the Fifth Five-Year Plan (1977-78). He has also been Chairman of the Committee on Islamization appointed by the Government of Pakistan in 1980. Internationally, Professor Naqvi has been consultant to OECD (1972-75) and is a member of the Board of Management and Governing Council of the Asia and Pacific Development Centre (APDC). He is also a member of the Project Link, based in the University of Pennsylvania. He has also represented Pakistan in many international meetings and conferences, and has served on the editorial boards of several international journals.

In the general area of Islamic economics, Professor Naqvi is author of the celebrated book, Ethics and Economics: An Islamic Synthesis (The Islamic Foundation, UK, 1981), of several booklets and of a host of research articles. His publications on general economics are mainly in the areas of macro-econometric modelling, trade policy, development economics and agricultural economics, and include several books and a number of monographs, as well as studies on Pakistan's economy published in national and international journals. Particularly important among his contributions in the area of modelling are The P.I.D.E. Macro-econometric Model of Pakistan's Economy (1983) and the Preliminary Revised P.I.D.E. Macro-econometric Model of Pakistan's Economy (1986).

DR MAHMOOD HASAN KHAN, Professor of Economics at the Simon Fraser University (Burnaby, B.C., Canada), was born in 1937. He obtained his B.Sc. (Agriculture) and M.A. (Economics) degrees from the University of Sind (Hyderabad, Pakistan) in 1957 and 1960 respectively. He received his higher education at the prestigious Institute of Social Studies (The Hague, Netherlands), from where he secured his M. Soc. Sc. degree in 1963, and the renowned Agricultural University at Wageningen (Netherlands), from where he received his Ph.D. degree in Agricultural Economics in 1966. Since 1966, Professor Khan has been teaching at the Simon Fraser University.

An avid researcher and prolific writer, Professor Khan is an acknowledged authority on agricultural economics, particularly on the agro-economic problems of Pakistan, and his expert advice is sought not only by many governmental and autonomous organizations in Pakistan but also by such international agencies as the World Bank, ILO, FAO, UNDP, OECD, CIDA and the USAID, to all of which he has been a consultant for a number of years. He has also been a Visiting Professor at the Middle East Technical University (Ankara), University of California (Davis) and Applied Economics Research Centre, University of Karachi (Karachi).

Professor Khan has so far written 4 books and 23 articles. His papers have appeared in a number of reputable international (refereed) journals, including the American Journal of Agricultural Economics, the Pakistan Development Review, and the World Development. Professor Khan has mainly published in the areas of rural development, agrarian structures and poverty, and agricultural planning and project analysis.

Dr Khan is an active member of the International Board of Editors of the Pakistan Development Review and has also been refereeing articles for publication in such other respectable journals as the American Journal of Agricultural Economics, Economic Development and Cultural Change, and Pakistan Journal of Applied Economics. He is also a member of a number of international professional societies.

DR M. GHAFFAR CHAUDHRY, Chief of Research at the Pakistan Institute of Development Economics (Islamabad), was born in 1942. He began his professional career at the Pakistan Institute of Development Economics which he joined in 1964 immediately after securing his B.Sc. (Agriculture) degree from the West Pakistan Agricultural University, Lyallpur (now Faisalabad). For his higher education, Dr Chaudhry attended the University of California at Davis, from where he obtained his M.A. degree in Economics in 1972, and the University of Wisconsin at Madison, which awarded to him a Ph.D. degree in Agricultural Economics in 1980.

A well-known authority on agricultural matters relating to Pakistan, Dr Chaudhry, drawing deeply from his rural and agricultural background, has written a number of widely acclaimed articles on Pakistan's agricultural taxation, land reforms of 1972, rural income distribution, technological change in the agricultural sector, food security management, rural industrialization, rural employment and labour force participation, size-productivity relationships, wheat policy, and modelling of wheat production.

Dr Chaudhry is Co-editor of the *Pakistan Development Review* and Secretary of the Pakistan Society of Development Economists. He has also been a Visiting Research Fellow at the Centre for Development Planning at the Erasmus University, Rotterdam, and the International Food Policy Research Institute, Washington, D.C.