

2252. Keilany, Ziad. LAND REFORM IN SYRIA. *Middle Eastern Studies [Great Britain]* 1980 16(3): 209-224. Examines the history of land reform in Syria and assesses its consequences on modernization, 1958-73. The reforms were directed at two problems of land tenure, maldistribution and tenancy problems. The government has made a favorable impact on both problems. It has distributed land to landless peasants, set up cooperative movements, and reallocated resources to farmers. As a result, the areas are integrating with the rest of the country, and though the peasant is freed from the domination of the landed gentry, he has become dependent on the government. Based on UN sources and secondary sources; 25 notes, 10 tables. P. J. Mattar

DS
41
M535

- 36/137. The hostility was mutual; see 7 Dec. 1908 Zangwill-L. Wolf, Wolf MSS., CZA, A 77/4.
37. See e.g. Letter by Rabbi S. Daiches printed in *The Jewish World* (pro-Zionist weekly), 21 May 1909, p. 8; and speech by L. Greenberg reported in the same issue, p. 11.
38. Interview in the JC, 28 May 1909, p. 7.
39. Zangwill notes of a meeting with Leven on 21 March 1909; ITO, A 36/122a; and 27 April 1909 Leven-Zangwill, ITO, A36/121.
40. Reported in a 'P.S.' to Zangwill-Schiff, Zangwill MSS., CZA, A120/28.
41. 27 Nov. 1906, Montefiore-Zangwill, ITO, A36/133 and 25 Nov. 1907, Zangwill-Bentwich, *ibid.*
42. In Zangwill's own words, it faced 'a crisis'; 11 Jan. 1909 Zangwill—M. A. Spielman (President of the British ITO Federation), ITO, A36/42.
43. 14 Sep. 1906 Zangwill-Straus, ITO, A36/40.
44. 12 July 1907 Zangwill-M.D. Eden (Member of the ITO International Council), ITO, A36/22.
45. Minutes of the 33rd ITO Council Meeting, 26 Jan, 1909, ITO, A36/466, File 51.
46. 17 July 1907, Zangwill-Eden, ITO, A36/22.
47. 27 June 1909, Hartog-Zangwill, ITO, A36/46c.
48. 18 May 1909 Zangwill-Mrs. Zangwill, Zangwill MSS., CZA, A120/49.
49. 8 April 1909 Zangwill-Leven, ITO, A36/122a; and 27 May 1909 Zangwill-Schiff, Zangwill MSS., CZA, A120/28.
50. 31 May 1909 Schiff-Zangwill, ITO, A36/41.
51. 21 Jan. 1910, Zangwill-Straus, ITO, A36/40.
52. 17 March 1910 Zangwill-Schiff, Zangwill MSS., CZA, A120/28.
53. Minutes of the 49th ITO Council Meeting, 20 Dec. 1913, ITO, A36/46b, file 51; 18 Nov. 1913 Wolf-L. Cohen, Wolf MSS., CZA, A77/4.
54. 7 April 1910 Zangwill-Rothschild, ITO, A36/138; and Minutes of 46th ITO Council Meeting, 5 Oct. 1913, ITO, A36/46b, File 51.

Middle Eastern Studies

Great Britain

1980 16(3) 209-224

Land Reform in Syria

Ziad Keilany

Ref #
397

AB
LC

In early 1956 Syria joined Egypt in forming the United Arab Republic under the leadership of President Nasser. One of the major consequences of this union was the introduction of a land reform program in 1958. In 1970 the Syrian government announced that the land reform program was completed. This paper examines the history of the land reform in Syria and assesses its consequences as an instrument of modernization in the country.¹

Syria, like most less-developed countries, has had two major problems in its land tenure: maldistribution of land and tenancy problems. The former refers to the possession of a large amount of agricultural land by a few people, on the one hand, and the sharing of a small, fragmented farm area by a large number of peasants on the other. The latter refers to the prevailing tenancy arrangements which impose an excessive and unreasonable burden on a vast number of cultivators.

BACKGROUND TO LAND REFORM

Land ownership in Syria was unequally distributed during the days of the Ottoman Empire. This maldistribution of land was further aggravated by the French authorities around the 1920s. They encouraged the growth of private latifundia, facilitating the private appropriation of land, especially by those who collaborated with the Mandate. Large areas, formerly the personal property of Sultan Abdul Hamid were sold, leased, or given in the mid-1920s to big landlords and influential persons at low prices.²

Also, ownership of state lands occupied by tribes in the Jazira and Euphrates areas was granted to tribal chieftains, who thus became great private landowners. Consequently, by the end of the 1930s big landlords owned a very substantial part of the cultivable land. In other parts of the country such as the Druze and Alawi Mountains and Hawran, where small and middle-sized properties prevailed, smallholders suffering from population pressure on the land were often as badly off as sharecroppers on big estates.

Although reliable figures on land distribution were not available, the International Bank for Reconstruction and Development (IBRD) estimated that 49 per cent of the total area of privately owned land was holdings of over 100 hectares (a hectare = 2.471 acres) and only 13 per cent in small holdings of 10 hectares and less.³ The distribution by size of holdings is illustrated by Table 1. Furthermore, it was estimated that about 82 per cent of the rural population was either landless or owned individual holdings of less than 10 hectares.

Concomitant with uneven distribution of land was widespread absentee landownership: 'Most of the large owners do not live permanently on their land but operate through some type of sharecropper system.'⁴ The sharecropper usually worked under the direction of the landlord or his agent and

TABLE 1

DISTRIBUTION OF LAND BY SIZE OF HOLDING 1952

<i>Classification of Holdings (hectares)</i>	<i>Per cent of Area</i>
Small holdings	
Less than 1	1
2-5	5
5-10	7
	Total
	13
Medium holdings	
10-25	17
25-50	11
50-100	10
	Total
	38
Large holdings	
100-500	24
500-1000	9
Over 1000	16
	Total
	49
	Total all Groups
	100%

Source: IBRD, pp. 354-55.

depended on him for farm supplies and operating capital. His status was more nearly that of a laborer than a tenant. The sharecropper was very much subject to the will of the landlord while a true tenant had rights of occupancy and land use that were protected under law.

In rainfed areas the sharecropper generally received about 30 per cent of the crop if he provided only his labor, and around 70 per cent if he provided working capital. On irrigated lands the sharecropper received 20-30 per cent of the crop if he furnished his labor, about one-half of the crop if he provided his working capital. Ownership of the critical factors carried with it, in fact, the ability to demand a large share of the output.

The above tenancy system suffered from many defects. Tenancy contracts were verbal and terminable at will by the landlords. Furthermore, the small peasant-owners and the sharecroppers who carried on most of the agriculture:

wrest a bare living from the soil and are chronically in debt to the merchant, the professional moneylenders or the landlord. Unable to bring their produce to the market or to wait for better prices, they must accept the price offered to them locally for whatever they produce in excess of their own needs. They till their own land with methods hallowed by time and their equipment for the most part consists only of a pair of draft animals and a wooden, iron-tipped plow.⁵

THE LAND REFORM OF 1958

The first comprehensive land reform program was introduced by President Nasser when Syria became part of the United Arab Republic. Under the

banner of Arab Socialism, The Agrarian Reform Law No. 161 was enacted on 27 September, 1958 and put immediately into effect. According to this law no person was allowed to own more than 80 hectares of irrigated land and 300 hectares of rainfed land. About 1.37 million hectares were to be expropriated.⁶ Landowners were to be compensated in full for expropriated land over a period of forty years by means of negotiable bonds at 1.5 per cent interest.⁷ The number of the beneficiaries from this program was estimated in 1958 at 750,000 persons which involved about 150,000 families representing 17 per cent of the population or 27 per cent of the rural population.⁸ Expropriated land was to be distributed to landless peasants in plots not exceeding eight hectares of irrigated land and 30 hectares of non-irrigated land.

The land reform program was preceded, before the Union, by the Agricultural Relations Law which regulated working conditions between landowners and sharecroppers and agricultural laborers. It stipulated the limits of the landlord's share of the crop according to the nature of the land. It further prohibited life contracts and required written leases and curtailed the landlord's right to cancellation. The law laid great emphasis on the formation of agricultural labor unions. However, President Nasser did not permit the formation of these unions.

Right from the start, the execution of the land reform program encountered serious difficulties. The first was a severe three-year drought which reduced Syria's agricultural output to less than half the 1957 level and rural income to 60 per cent of that of 1957. In these circumstances the land reform did little to alleviate the lot of the peasants and thus undermined its effectiveness.

The second difficulty was that the land reform program was copied from the Egyptian law without taking into consideration the fact that Syria's agriculture is extensive and Egypt's is intensive. The law for example distinguished only between two land categories: irrigated and non-irrigated. However, there are differences in value of land irrigated by pump and by flow; between fertile land and pasture; between land in zones of maximum rainfall and arid or semi-arid land.

An example of this diversity could be found in the village of Mashrafe in the district of Homs. In 1964, an examination of the nature of land in that village and a rough calculation of the net income per hectare revealed the following:

<i>Land Categories</i>	<i>Area in Hectares</i>	<i>Net income per Hectare (Syrian Pounds)⁹</i>
Vineyards	784	158
Irrigated by flow	214	801
Irrigated by pump	676	636
Rainfed Category A	1484	128
Rainfed Category B	2286	62
Rainfed Category C	2041	32
Noncultivated	195	
	Total	—
	7680	

Source: Ministry of Agrarian Reform, *Land and Agrarian Reform in Syria*, (Damascus, 1966), p. 166 (in Arabic).

Another problem is the distribution of population. Population is heavily concentrated in the western part of Syria while the eastern part is sparsely populated. This disparity resulted in serious difficulty in so far as distribution of expropriated land. Because of heavy density of population in certain areas, there was not enough land to satisfy all peasants, thus resulting in the persistence of landless peasants in these areas. A survey of seven villages in different districts revealed the dilemma:

District	Villages	Expropriated Land (hectares)	No of Beneficiaries	Peasants Remaining Landless (%)
Damascus	Ayssam	576	79	75
Dara	Kanaf	233	34	80
Dara	Zeta	255	38	75
Homs	Kabi	356	14	50
Hama	Tell Sahlab	634	284	80
Hama	Akrab	857	191	90
Allepo	Khan Ahmar	258	15	50

Source: *Ibid.*, p. 165.

Lack of recognition of these differences resulted in many inequities in the application of the law. A fourth difficulty was that Syria lacked the skilled personnel to carry out the program. Finally, the resistance put forth by landlords further hampered the execution of the program. By the end of 1961 the land which had been expropriated amounted to 670,212 hectares of which only 148,440 hectares was actually distributed. In addition the state distributed 27,070 hectares of public domain. The number of families who became owners of land as a result of this distribution were estimated at 15,000.¹⁰

Following Syria's break-off from the United Arab Republic in 1961, the conservative government of Marouf Dawalibi which took over revised the land reform law to correct several inequities of the 1958 law as reflected by landowners' complaints that ownership limitations were too stiff and the method of compensation too far drawn out. The amended law provided for an increase in the amount of land which landowners could retain, depending on such factors as the nature of the land and the method of irrigation. The maximum area of ownership which landowners could retain was 200 hectares of irrigated land and 600 hectares of non-irrigated land. It revalidated the distribution of land made by landowners to heirs between 1958 and 1961 which was cancelled during the Union. Other revisions also affected the period and method of reimbursement of landowners. (See Table 2.)

The subsequent government of Bashir Azmeh, however, cancelled the latter law and reinstated the original law of 1958 with minor revisions. When the revolutionary socialist government of the Ba'ath Party took over in 1963 it introduced much harsher amendments against landowners. (See Table 2.) The Ba'ath government also accelerated the pace of expropriation and distribution of land and by the end of 1966 expropriated land amounted to 994,058 hectares of which 232,050 hectares had been actually distributed.

By 1972, of the 1.37 million hectares expropriated only 239,000 remained

undistributed. Most of these are being rented out on an annual basis to the private and the cooperative sectors.

RESULTS OF REFORM: ACHIEVING EQUITY AND PRODUCTIVITY

Land reforms are usually expected to achieve several, sometimes conflicting, objectives. The relationships between the changes they bring about and economic development are complex. There are two central issues often cited in any land reform program; the first is increasing productivity which means the rise of agricultural output both per unit of land and per unit of labor. The second issue is providing social justice which signifies equity, i.e. equalization of agricultural income, rights—opportunities.

It is often argued that land reform creates new economic incentives which is conducive to increasing productivity. The security felt by the peasant when he becomes a landowner encourages him to invest in land, improve cultivation practices, and adopt longer crop rotations; he is in a better position to take the long view. But the significance of these effects can be exaggerated. In Syria, the distributed land was previously owned by landlords who did not lack these incentives.¹¹ In fact, it appears that in Syria, the significance of land reform lies mostly not in increasing productivity but rather in its equity and other non-economic aspects.

Equity effect can best be ascertained through an examination of the impact of reform on the landholding pattern, and the productivity effect by analysis of the general trends of agricultural growth in the post-reform period.

In Syria the proportion of the total farm land that was redistributed and the proportion of the total farm families receiving land indicate the degree of change in the landholding pattern brought about by land redistribution. As Table 3 shows, 40.5 per cent of cultivated land is redistributed to peasants and 25 per cent of farm families have benefited by receiving land and other aids from the land reform program. Syria compares favorably with other countries in terms of numbers of peasant families who benefited from the land reform with the exception of Mexico and Taiwan. Syria is also contrasted quite favorably with countries such as Iran and Taiwan in terms of redistribution of land and appears less favorably when compared with Mexico.

As it aims at a more equitable landholding pattern, land reform leads to a decline in land concentration. The equity effect of reform can, therefore, also be seen in the degree of decline in land concentration. There is no doubt the land reform program has led to a profound decline in land concentration in Syria due to ownership ceiling stipulated by law. The average size of land holding has become 9.7 hectares. Table 4 illustrates the impact of land reform on the size of land holdings in the country.

There are a host of difficulties associated with isolating the impact of land reform program on production. As a United Nations report has commented: 'Time series of an aggregative type permitting comparison of agricultural output before and after land reform are rarely if ever available, while cross-section comparisons tend to be inconclusive.'¹² In addition to this

TABLE 2

TABULAR SURVEY OF SYRIAN AGRARIAN REFORM LEGISLATION

<i>Aspect of Law</i>	<i>Original 1958 Law</i>	<i>Dawalibi's Government: 20 Feb, 1962 Parliamentary Revisions</i>	<i>Azmei's Government: 30 April, 1962 Revisions</i>	<i>23 June, 1963 Ba'ath Revolution March 1963 (Law 88)</i>
I. Retention of Land by Landowners				
1. Irrigated land	80 hectares	200 hectares	80 hectares	15-45 hectares depending on area.*
2. Non-irrigated	300 hectares	600 hectares	300 hectares	80-200 hectares depending upon rainfall.
3. Non-irrigated land in certain areas	450 hectares	1,200 hectares	450 hectares	300 hectares in northeast areas.
II. Limitations on Gifts to Wives and Children				
1. Gifts to wives	10 h. irrigated 40 h. non-irrigated (to one wife only) As in II.1 above, to three eldest children.	1/8 of land retained by owner (to all wives) As in II.1 above, to all children.	10 h. irrigated 40 h. non-irrigated (to all wives) As in II.1 above, to all children.	8% of area allowed to landowner
2. Gifts to children				
III. Payments to landowners				
1. Length of payments period	40 years	10 years	a) compensations under L.S. 100,000 10 years o) compensations over L.S. 100,000 15 years	Equivalent to 10 times the average rent over 40 years.
2. Annual interest	1.5 per cent	2.5 per cent	1.5 per cent	1.5 per cent

TABLE 2 (continued)

TABULAR SURVEY OF SYRIAN AGRARIAN REFORM LEGISLATION

<i>Aspect of Law</i>	<i>Original 1958 Law</i>	<i>Dawalibi's Government: 20 Feb, 1962 Parliamentary Revisions</i>	<i>Azmei's Government: 30 April, 1962 Revisions</i>	<i>23 June, 1963 Ba'ath Revolution March 1963 (Law 88)</i>
IV. Distribution of Land to Peasants				
1. Irrigated land	10 hectares	10 hectares	8 hectares	8 hectares
2. Non-irrigated land	30 hectares	15 hectares	a) 30 hectares b) 45 hectares if in certain areas	30-45 hectares
V. Payments by peasants for land received				
1. Length of payments	40 years	land rec'd free	40 years	25% of value of distributed land to be paid to cooperatives
2. Cost of land received	full cost, inc. admin. fees	land rec'd free	half of full cost, inc. admin. fees	

*Some areas have abundance of water than others.

TABLE 3

COMPARATIVE AGGREGATE RESULTS OF LAND REDISTRIBUTION

Countries	Period	Land Redistributed as a percentage of Total Cropland	Farm Families who Acquired Land as a percentage of Total Farm Families
Iran	1952-67	30.5	18.26
Mexico	1915-60	43.3	53.09
Tawain	1951-63	26.97	43.69
Syria	1958-72	40.5*	25.00†
Egypt	1952-64	15.4	8.40
India	1951-66	2.5	4.21
Colombia	1962-69	.81	2.93
West Pakistan	1959-65	5.99	1.52
East Pakistan	1950-60	1.35	n.a.
Philippines	1954-68	2.70	n.a.

Source: Hung-Chao Tai, *Land Reform and Politics*, (Berkeley, University of California Press, 1974) pp. 308-9.

*Calculated from Syrian Arab Republic, *Statistical Abstract*, 1974, p. 221.

†Tibran, op. cit., p. 205.

TABLE 4

AVERAGE SIZE OF LAND HOLDINGS, 1972

Governorates	Average Size of Land Holdings
Damascus	3.8
Aleppo	12.7
Homs	9.3
Hama	8.2
Lattakia	1.9
Deir-ez-zor	5.3
Idleb	6.0
Hasakeh	24.9
Al-Rakka	14.7
Sweida	10.2
Dar'a	9.1
Tartous	3.3
Quneitra	5.1
Average Total	9.7

Source: Syria, *Statistical Abstract*, 1974, p. 214.

problem, there is the difficulty of separating the economic effects of tenurial reform from those of non-tenurial changes. Nevertheless an attempt is made here to measure the average annual rate of growth of the agricultural sector during 1960-65 and compare it to the rate of growth during 1966-70 in which the land reform appeared to receive a definite commitment by the revolutionary Ba'ath regime.

The agricultural sector lagged far behind other sectors of the economy with an average annual growth rate of only two per cent compared to about six per cent for the industrial sector during 1956-70. Furthermore, the average annual rate started falling rapidly during the 1960s. Specifically, the average annual rate of growth in agriculture fell as low as .25 per cent during 1966-70 compared to 3.5 per cent for the period 1961-65.¹³ This situation became highly undesirable, given a 3.3 per cent population growth rate.

The relatively poor performance of the agricultural sector during the second half of the 1960s may raise a serious question concerning the economic impact of the land reform. However, the picture is too complex to be dismissed by a simple conclusion, and in order to place the land reform in proper perspective, one must examine the factors which operated simultaneously with the advent of the land reform.

The agricultural sector in Syria is heavily influenced by weather conditions. The irrigated area constitutes only 18 per cent of the cultivated area under crop. Drought years have in fact adversely affected agricultural output in five years out of the decade of the 1960s, as can be seen from Table 5. Furthermore, the impressive expansion of irrigated and non-irrigated land which Syria has witnessed in the post-war period had by this time reached its limit. The irrigated portion of the land, which was about 18 per cent remained almost unchanged until the early 1970s. The reason for this stagnation was that as the areas of land readily commanded by pumps are developed, more and more powerful pumps are required to command the

TABLE 5

PRODUCTION OF MAIN CROPS AND THEIR YIELDS
(PRODUCTION IN 1,000 OF TONS; YIELD PER HECTARE IN TONS)

Year	Wheat	Yield	Barley	Yield	Cotton	Yield
1953	870	—	472	—	123	—
1954	965	—	635	—	221	—
1955	438	—	137	—	233	—
1956	1,051	0.7	462	0.7	252	0.9
1957	1,354	0.9	721	0.9	291	1.1
1958	562	0.4	228	0.3	250	0.9
1959	632	0.4	218	0.3	265	1.2
1960	555	0.3	156	0.2	279	1.3
1961	757	0.6	335	0.5	325	1.3
1962	1,374	1.0	798	1.1	404	1.3
1963	1,190	0.8	784	1.0	410	1.4
1964	1,100	0.7	637	0.8	470	1.6
1965	1,044	0.9	690	1.0	473	1.7
1966	559	0.7	202	0.6	375	1.5
1967	1,049	0.9	590	0.9	329	1.4
1968	600	0.6	512	0.8	394	1.4
1969	1,003	0.8	627	1.0	382	1.3
1970	625	0.5	235	0.2	383	1.5
1971	662	0.5	125	0.3	408	1.6
1972	1,808	1.3	710	1.2	419	1.8
1973	593	0.4	102	0.1	404	2.0

Source: Syria, *Statistical Abstracts*, 1965, 1970 and 1975.

more distant areas. The greater the height the water has to be pumped the more expensive it becomes so that the extension of pump irrigation becomes uneconomical. The expansion of the cultivation of unirrigated land (which depends upon rainfall) also tapered off in the early 1960s. Here again as the expansion moved in the direction of the south and east towards the arid Syrian desert and beyond the Euphrates, rainfall becomes less dependable, thus successful cultivation becomes unreliable.¹⁴

The changes of government and the accompanying political instability which plagued Syria resulted in serious delay in carrying out the reform, which in turn, brought about a prolonged period of uncertainty facing both landlords and those peasants who were the beneficiaries of the reform. The landlords stopped investing in land. In many cases they ceased to provide credit to their sharecroppers. The result was a serious decline in net capital formation in agriculture. (See Table 6). Investment in agriculture, however, appears to have recovered by early 1970s.

TABLE 6

GROSS FIXED CAPITAL FORMATION, 1963-73
(MILLIONS OF SYRIAN POUNDS AT 1963 PRICES)

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture	96	93	67	48	51	52	131	210	228	215	197

Source: United Nations: *Yearbook of National Accounts Statistics 1974*, Vol. II, p. 590.

Another factor which seems to have influenced the rate of capital formation in agriculture is the nationalization of foreign trade in 1965. There was an abrupt drop in the number of tractors, pumps, motors, and other machinery sold to farmers, presumably due to the shortage of foreign exchange. Furthermore, most machinery available at the time had either become obsolete or beyond repair. Even when the government allowed the importation of tractors and pumps, the level of sales was low due to the fact that former buyers, mostly big landowners, either could not afford them or did not need them. The same pattern was applicable to the importation and use of insecticides and fertilizers.

In the early years of the reform, peasants who received land did not always succeed in cultivating it. In the absence of a state policy of adequately financing small peasant beneficiaries, giving them technical assistance and providing state marketing facilities, they were unable to cultivate the land. In fact there were incidents in which the peasants abandoned the land distributed to them and sought employment with former landlords to work as sharecroppers or in some instances to rent the land to the landlord and use the rent money to migrate to the cities.

By the latter part of the 1960s and early 1970s the Ba'ath revolutionary government of President Assad consolidated its grip over the country.¹⁵ The first task facing the regime was how to prevent the land reform in particular and the agricultural sector in general from further deterioration and converting the former into a viable program. The regime's strategy has three dimensions. First the acceleration of the creation of cooperatives. Second,

increasing credit and technical assistance to peasants. Third, increasing the irrigated area by harnessing the water resources in the country to lessen the dependence on rainfall.

The Land Reform Law paved the way for agricultural cooperatives for the first time in Syria. The Law stipulated the compulsory grouping of land reform beneficiaries into cooperatives. Such compulsory memberships initially 'run up against the highly individualistic character of the Syrian peasant who had no tradition of agricultural cooperation'.¹⁶ By the early 1970s, however, Ba'ath agricultural policies achieved significant success in the cooperative movement.

Legislative Degree No. 88 (1963) exempts the beneficiaries allotted expropriated lands from paying three-fourths of the value of the land and stipulates that the remaining one-fourth is to be paid by installments over 20 years to the agricultural cooperatives of which the beneficiary is a member. The objective of the decree is to soften the impact of the mandatory participation of peasants into cooperatives. The total number of cooperatives both of land reform and public domain was 1,725 at the end of 1973.¹⁷ (An increase from 1,089 by February 1970.) The cultivable area by them, however, constituted only 11.6 per cent of the total cultivable land in the country, and 15 per cent of the actually cultivated area in 1973.

Cooperatives can, in principle, influence agricultural productivity through the supply of credit, fertilizers, seeds and technical advice. They also provide a convenient network which the government use to promote 'new input' and diffuse new techniques. The cooperatives in Syria significantly fulfilled their basic functions, i.e. to secure loans (in cash and in kind) from the agricultural banks for their members. The interest rate charged to these cooperatives by the Agricultural Cooperative Bank is 1.5 per cent lower than that charged

TABLE 7

DISTRIBUTION OF SPECIALIZED BANK CREDIT TO THE AGRICULTURAL SECTOR
(MILLIONS OF SYRIAN POUNDS)

Year	AGRICULTURAL COOPERATIVE BANK			COMMERCIAL BANKS	
	Amount	Percentage of Total Loans to Agriculture	Amount	Percentage	Total
1962	120.8	66.9	59.7	33.1	180.5
1963	128.8	65.9	66.4	34.1	195.2
1964	121.6	65.7	63.3	34.3	184.9
1965	121.3	64.8	65.8	35.2	187.1
1966	144.3	67.8	68.3	32.2	212.6
1967	159.4	76.4	49.1	23.6	208.5
1968	169.2	71.8	66.4	28.2	235.6
1969	187.3	73.0	69.1	27.0	256.4
1970	209.0	75.2	68.9	24.8	277.9
1971	234.0	78.4	64.1	21.6	298.1
1972	206.0	75.7	65.8	24.2	271.8
1973	210.0	77.0	62.5	22.9	272.5

Source: Syrian Arab Republic, *Statistical Abstract, 1974*, pp. 796-97.

on individually obtained credits; furthermore, the cooperatives are granted a 5 per cent discount on the value of loans in kinds, namely fertilizers, seeds, and tools. (See Table 7.)

It should be pointed out, however, that the increase in bank and cooperative loans after the land reform exaggerated the actual expansion of rural credit. Before the reform, landlords used to supply their tenants with seeds and fertilizers and often extended them loans. Moneylenders, also, provided credit to peasants. Government financial institutions simply assumed some of the functions of private lenders after the reform.

Despite some lucrative concessions granted to cooperatives, their number and coverage remained limited compared with the needs of the agricultural sector. The peasants still must depend in many instances upon expensive sources of credit not obtained through the agricultural and commercial banks. As can be seen from Table 8, the proportion of credit granted by banks to agricultural sector remained at about 19 per cent of total credit extended to the economy for most of the 1960s and began to decline in the early 1970s.

Perhaps the most significant attempt on the part of the Syrian government to improve and expand the agricultural sector and transfer more land to landless peasants is the implementation of the Euphrates project and the fertilizer plants (nitrogenous and phosphates). Also, in 1973 a tractor assembly factory capable of producing 2,000 tractors per year was completed. This factory also assembles and manufactures pumps and agricultural implements. All of these will contribute to the vitality of the land reform program. The Euphrates project will more than double the irrigated area available for cultivation.¹⁸ The additional reclaimed land will benefit those peasants who were not included in the distribution of land. The availability of fertilizers, whose demand has been rising very rapidly in recent years, should, when combined with other inputs, improve production significantly.

TABLE 8

DISTRIBUTION OF AGRICULTURAL CREDIT, 1962-1973
(MILLIONS OF SYRIAN POUNDS)

	Agricultural Sector	All Sectors	Per cent
1962	180.5	881.4	20.4
1963	195.2	978.5	19.9
1964	186.9	972.9	19.2
1965	187.1	894.0	19.0
1966	212.6	1096.1	19.3
1967	208.5	1095.0	19.0
1968	235.6	1162.5	20.2
1969	256.4	1317.8	19.4
1970	277.9	1391.4	19.9
1971	298.1	1535.5	19.4
1972	271.8	1895.4	14.3
1973	272.5	2322.0	11.7

Source: Syrian Arab Republic, *Statistical Abstract, 1974*, (Damascus) p. 797.

SOCIAL CONSEQUENCES: NATIONAL AND PSYCHOLOGICAL INTEGRATION

In addition to equity and productivity, land reform can have other non-economic consequences which may have far reaching impact on the process of modernization. When discussing these non-economic consequences of land reform, one is faced with two basic limitations. One relates to the inadequacy of data explicitly relevant to the social impact of land reform, and the other concerns the difficulty of devising appropriate methods to appraise such an impact. In many instances pertinent social information is often less available than the scarce economic data, and the tools for analysis even more inadequate.

With these limitations in mind, we want to find out to what extent the Syrian land reform program contributed to the integration of isolated peasant communities into a national whole. National integration may be said to consist of two dimensions: a territorial extension of the authority of the central government of a country from the capital to the periphery, and a growing psychological identification by the populace with the nation.

As land reform is generally initiated by the national government, an enforced program will create an impact on the peasants' attitude towards the nation. In countries dominated by landed gentry, a United Nations report has observed, 'the redistribution of land may represent the first occasion in which the central . . . government makes any impact on the farmer's consciousness, and this . . . can lead to the spread of a national consciousness, which is a necessary precondition for a 'popular National Government' to be possible.'¹⁹ The degree of psychological integration of the peasantry caused by a reform program can therefore be assessed by reference to peasant perception of the program, which involves two aspects: the awareness of the program by the peasantry as a whole and the evaluation of the program by its beneficiaries. The greater the number of peasants on the program and the more favorable the evaluation of it by its beneficiaries, the greater the contribution of reform to psychological integration.

In Syria where the various governments, perhaps with the exception of M. Dawalibi's who had a lukewarm attitude toward land reform, have been strongly committed to the land reform, a 'conflicting' pattern prevailed. That is to say, in the implementation of land reform the flow of national authority was basically in conflict with the political strength of the landed class.²⁰

The Ba'ath's effort to eliminate the political privileges of the big landlords was uncompromising from the beginning. With the rural power of the landlords removed, the Ba'ath party made strenuous efforts to extend its authority into the villages. In fact, the land reform program itself was used as a vehicle to establish 'political linkage extending between the revolutionary elite and the masses in their villages and neighborhoods'.²¹ The induction of the peasants into the electoral process, the organization of rural cooperatives under close national supervision, the systematic integration of the rural population into local government and the Arab Socialist Party, and the establishment of a system of agrarian relations to protect peasants' rights and to provide them with credit, marketing facilities, agricultural education and technical assistance—all these measures have resulted in a new socio-

economic infrastructure in Syria which broke the traditional physical and social isolation of the peasants and engendered among them some sense of national awareness. However, although the land reform program has succeeded in considerably weakening the political base of the landlords, it has not eliminated it completely. In fact, a coalition between the former landlords and traditional leadership in the villages still exists in some areas which tend to weaken the new integrative system.²² Moreover, government blunders have often undermined this integrative process. An example of such blunders was the 1969 peasant uprising in the Ghab region.²⁴

The extent to which the land-reform program of a country contributes to the peasants' psychological integration with the national community is determined by the perception of the program. The most important factor affecting peasant awareness of a program is, of course, the extent of the program's implementation. The greater the implementation, the greater the awareness. Other factors affecting awareness include the manner in which the government overcomes the resistance of the landed class, the publicity given to a program and the degree of involvement of the peasants in the process of implementation. As to the evaluation of a reform, it is seen primarily in the changes in income and well-being of the beneficiaries.

The peasantry in Syria has shown (especially in the initial stages when expectations ran high,) a great deal of awareness of and enthusiasm for the reform program. The mood was enhanced significantly by President Nasser's propaganda machine.

The beneficiaries of reform in Syria appear to have favorably evaluated their new life. The acclaim that Nasser and later Ministers of Agrarian Reform received from the villages during their extensive tours in rural areas did contain a genuine sense of peasant appreciation for their leaders' concern with peasant welfare. Available evidence—fragmentary in nature but uniform in content—shows that the beneficiaries generally experienced a rise of income and expressed some satisfaction with being new landowners.²⁴ According to a United Nations sponsored study which surveyed 62 villages, there seems to be an increase in the average income of peasants who benefited from the program. This increase in income is evidenced by an increase in consumption, mostly of food and other commodities and services such as clothes, medical services and pilgrimages to Mecca.²⁵

CONCLUSIONS

There is no doubt that the land reform program has had an important impact on the countryside in Syria. The extent of this impact appears to be, though slowly coming, favorable. The results include solid commitment of the government to the redistribution of income in favor of the peasants and away from landlords. Examples of this commitment include the distribution of the appropriated land to landless peasants, the emergence of the cooperative movement with its benefits to the peasants, and the reallocation of resources in favor of the agricultural sector. Examples of the latter is the establishment of fertilizer factories, the assembling of tractors and the building of the dam on the Euphrates. Though the picture is too complex to

be certain, the reform does not seem to score too highly on the productivity test, not at least during the period under investigation.

Land reform, however, appears to play a critical role in integrating the rural areas with the rest of the country. In fact, the reform program is used as a vehicle to develop a new rural socio-economic infrastructure. The Syrian peasants have, generally, been freed from the domination of the landed gentry, but have become dependent on the government; and the latter has become a centripetal force pulling together the geographically scattered peasantry into a national community.

NOTES

1. Land reform refers in this paper to public programs that seek to restructure equitably and rationally a defective land-tenure system by compulsory drastic means.
2. See League of Nations, *Proceedings of the Permanent Mandates Commission 7th Session*, 1926, p. 72.
3. International Bank for Reconstruction and Development, (IBRD) Report of a Mission, *The Economic Development of Syria*, (Johns Hopkins Press, 1955) pp. 354-355. For another and similar estimate see Samir Makdissi, *Syria: The Public Sector and Economic Growth 1945-57* (Unpublished Dissertation, Columbia University, 1961), pp. 35-36.
4. IBRD, p. 351.
5. *Ibid.*, p. 38.
6. It was estimated that 254,700 hectares, or 43.5 per cent of irrigated land, and 1,123,500 hectares, or 27.5 per cent of dry farming land, were subject to expropriation.
7. Syrian Republic, *Official Journal*, No. 54, Laws 134 and 161, September 1958.
8. U.N., *Economic Development in the Middle East, 1959-1961*, (New York, 1962), p. 13
9. The official exchange rate for the Syrian pound is 3.82 for U.S. \$1.00.
10. Eva Garzouzi, 'Land Reform in Syria', *The Middle East Journal*, Winter-Spring 1963, p. 86.
11. The big farmer entrepreneurs who were called 'merchant-tractorists' were responsible for opening up the northern part of Euphrates province and the creating of one of the most important sources of agricultural production. They were pioneer and risk-taking capitalists. Of course, they were the first to be put out of business because of the application of the land reform. See Doreen Warriner, *Land Reform and Development in the Middle East*, (Oxford University Press, 1962), pp. 89-93.
12. U.N. *Progress in Land Reform, Third Report*, p. 8. See also Eric H. Jacoby, *Evaluation of Agrarian Structures and Agrarian Reform Programs, A Methodological Study*, (Rome: FAO, 1966).
13. United Nations, *Studies on Selected Development Problems in Various Countries in the Middle East* (New York, 1971), pp. 28-29.
14. Ben Hansen, 'Economic Development of Syria' in *Economic Development and Population Growth in the Middle East*, eds. C. A. Cooper and S. S. Alexander (American Elsevier, 1972), p. 343. See also Ziad Keilany, *The Role of National Planning in Economic Development, Syria: A Case Study, 1960-1964*, (Unpublished Dissertation, Indiana University, 1968), p. 19 and p. 59.
15. For a detailed account of the emergence of President Assad and the favorable impact of his liberal policy, see Tabitha Petran, *Syria*, (Praeger, 1972), Ch. 13.
16. Petran, *op. cit.*, p. 137.
17. Syrian Arab Republic, *Statistical Abstract, 1974* (Damascus, Syria) p. 257.
18. H. Charles Treacle, 'Syria Dams the Euphrates,' *Foreign Agriculture*, January, 1970, pp. 8-10.
19. United Nations, *Progress in Land Reform, Fourth Report* (New York, 1966), p. 161.
20. In contrast, for example, countries such as Colombia, India, Pakistan and Philippines, where 'the elites had no intention of carrying out large scale reform, a complementary pattern operated. The extension of national authority and the continuation of the political hold of the landed class in rural areas were mutually supporting'; Tai, *op. cit.*, p. 363.

21. Raymond A. Hinnbusch, 'Local Politics in Syria: Organization and Mobilization in Four Village Cases,' *The Middle East Journal*, Winter, 1976, p. 1.
22. *Ibid.*, p. 7.
23. Petran, *op. cit.*, p. 208.
24. S. Hammadi, *Comments on the Result of Agrarian Reform in Syria*, Planning Institute for Economic and Social Development, (Damascus, 1967), pp. 6-14.
25. *Ibid.*, p. 14.

The Impact of Socio-political Change on Economic Development in Libya

Omar I. Fathaly and Fathi S. Abusedra

Models and plans suggested to or *imposed* on the developing world have found little, if any, applicability as prescriptive formulae for the transformation of those nations. Such outside proposals have contained, as a fundamental proposition, certain conditions of political and economic development, many of which do not exist in the developing world. As Rustow convincingly maintained:

there is no reason to search for a single universal recipe Instead each country must start with frank assessment of its particular liabilities and assets, and each will be able to learn most from those countries whose problems closely resemble its own.¹

The present study provides evidence supporting the premises that (a) the specific socio-political environment in Libya influences the developmental operation of the policy; and (b) fundamental changes in the traditional organizations and structure of society are essential for the achievement of rapid, successful socio-political and economic development.

SOCIOECONOMIC HISTORY

At the time independence was achieved, in 1951, Libya was one of the poorest nations in the world. B. Higgins wrote:

Libya's great merit as a case study is [that it is] a prototype of [a] poor country We need not construct abstract models of an economy where the bulk of the people live on a subsistence level, where there are no sources of power and no mineral resources, where agricultural expansion is severely limited by climatic conditions, where capital formation is zero or less, where there is no skilled labor supply and no indigenous entrepreneurship. When Libya became an independent kingdom under U.N. auspices (December '51), it fulfilled all these conditions. Libya is at the bottom of the range in income and resources and so provides a reference point for comparison with other countries.²

Libyan society was faced with a multiplicity of ethnic, tribal, and regional conflicts; deeply embedded problems of poverty, ignorance, and disease; religious and cultural confusion; and the crushing effects of merciless political occupation and natural calamity. For the Libyan society (indeed, for the whole of the Arab World) the dilemma of the masses has constituted the deepest and most challenging problem of government.³

Religious, tribal, and family elements constituted a very important part of the political leadership up to late 1969. These elements gained importance from the significant societal role they have played and the interest of the top