

revival exists, even the initial target of self-sufficiency in basic foods still seems no more than a long-term possibility.

The food import bill grew by nearly 7 per cent last year to about \$3,100 million, from \$2,900 million in 1983. Production fell by 2 per cent, partly as a result of poor winter rainfall, and two-thirds of total needs had to be met by imports, including 80 per cent of wheat and 75 per cent of rice and other grains.

The government recognises the problems that bedevil the sector and has made consistent efforts over the past two or three years to tackle them. Before that, practical development had been neglected. Priority was given to meeting the primary aims of the Arab Baath Socialist Party (ABSP) since the 1958 revolution — expanding the state's share of agriculture and ending feudalism and exploitation.

However, the ABSP's ninth regional conference in 1982 acknowledged that: "Despite such revolutionary and radical changes ... several drawbacks and problems appeared." Some of these were "natural and inherited," such as the high salinity of much cultivated land and inconsistent water supplies.

But, the conference concluded, the greater obstacles facing Iraqi agriculture were the state's involvement in small-scale agricultural production and its bureaucratic practices, both of which hampered the growth of production. The state established certain "economically worthless" state and collective farms, the conference said, which "burdened the agricultural sector, instead of contributing to development."

It is now accepted that the co-operatives set up in the 1960s were imposed on farmers, who were then crippled by bureaucracy. The conference attacked "the weakness of organisational cadres supervising agricultural co-operatives, and the failure of the General Federation of Farmers

AGRICULTURE: BUDGET ALLOCATIONS & EXPENDITURE (ID '000)

Year	Amount allocated	Amount disbursed
1970-73	6,364	4,213
1974-75	156,530	105,493
1979	219,615	192,042
1980	202,691	184,329
1981	198,231	149,033
1982	159,364	147,809

\$1 = ID 0.31

Sources: Ministry of Planning, Central Statistical Organisation

to supervise their activities and help them solve their problems."

Despite their difficulties, the number of co-operatives grew from about 400 with 60,000 farmers on 75,000 hectares in the early 1960s, to almost 2,000 with about 400,000 farmers working 5.9 million hectares in the early 1980s.

Last year, First Deputy Premier Taha Yassin Ramadan, expanding on the conference report, said farmers no longer had to be members of a state farm or co-operative, and stressed that the government would not continue to accept unprofitable state agricultural schemes. This year, state farm workers were given the further incentive of a 20 per cent profit share.

Perhaps the most radical sign of the government's determination to make farming more attractive and profitable was its acceptance of private-sector involvement. The 1982 ABSP conference recommended that private activity "within non-exploitative ownership" should be left to its own initiative. Last year Ramadan said farmers

should be given more freedom to cultivate their land as they thought most suitable and profitable.

Following the conference's criticism, the government introduced a law in 1983 allowing individuals and companies — from other parts of the Arab world in addition to Iraq — to lease land at nominal rents. Government assistance was offered and farmers could export some of their produce, although they had to grow economic crops.

By 1985, more than 1,000 contracts had been signed, leasing about 171,000 hectares. Of this total, 62,250 hectares were in Wasit governorate, and the rest in Qadisiya, Diyala and Babylon.

Marketing rules were also changed in 1983, allowing farmers to bypass the State Organisation for Agricultural Marketing (SOAM) and sell direct to public wholesale markets or licensed private wholesale shops. The new system eased supply bottlenecks and encouraged local farmers to produce more. This year the government announced further incentives — fruit and vegetable exports were to be subsidised by a basic 25 per cent and by 35 per cent if foreign currency earnings were repatriated.

Private companies were also allowed to import livestock without going through state establishments. The mixed-sector Iraqi Company for Agricultural Products Marketing was set up in 1984 to augment the state distribution system, and early this year tendered on the international market for eggs and beef. In addition, farmers have been given priority access to trucks, cars and construction material supplies, and people entering agriculture have been offered six months' salary when they leave their old jobs.

The Agricultural Co-operative Bank is supporting new projects with 50-100 per cent low-interest loans over six to 17 years. Last year the bank's 47 branches lent ID 42

OUTPUT OF MAJOR AGRICULTURAL PRODUCTS

('000 tons)

Year	Wheat	Barley	Paddy rice	Pulses	Grapes	Citrus fruit	Dates	Cotton	Cotton seed	Tobacco	Milk	Wool	Meat
1976-78*	685	671	123	123	433	153	278	13	26	13	1,401	11	247
1982	965	902	163	124	455	152	373	14	29	12	1,400	12	253
1983	941	835	111	120	419	155	345	12	25	14	1,378	11	262
1984	250	275	80	124	425	153	115	12	25	12	1,425	11	272

*Annual average

Source: US Department of Agriculture



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million (\$135.2 million), compared with ID 24 million (\$77.3 million) the year before — an increase of 75 per cent. More than 40 per cent of the loans — ID 17 million (\$54.8 million) — were for fish and poultry farms, and livestock projects. So far this year, the bank has made ID 54 million (\$174 million) available for loans — up by more than 28 per cent on 1984.

The 1985/86 harvest is expected to be better than last year, although not reaching 1982 or 1983 levels. About 3.6 million hectares was available for planting, of which 3.15 million hectares is for winter crops. Wheat and barley have been allocated 1.4 million hectares each; yields of 650,000 tons and 427,000 tons, respectively, are expected. Other forecasts are 102,000 tons of rice, 70,000 tons of maize and 13,600 tons of tobacco.

The government intends to continue with its incentives, and more seed, fertilisers, tractors and harvesters will be made available. But the 1982 conference pointed out that the "great leap" could only be achieved with large-scale employment, and this is hampered by the drift to the towns. Between 1960-81 the rural population dropped from 57 to 28 per cent of the population, leaving only about 3.8 million people in the countryside. Encouraging Moroccan and Egyptian immigration — there are now about 1.5 million Egyptians living in Iraq — to work newly reclaimed farmland is only a partial solution.

In the 1986-90 five-year plan, the government will continue to try to get people back to the land, and aims to develop rural areas, bringing education, health, transport and services into line with urban facilities. The other main investment priorities have not been defined, but it is likely water control and large-scale land reclamation will continue to take a big slice. Greater attention might also be given to improving financial, technical and marketing organisations, and to field management, mechanisation and maintenance.

Private farms win official backing

"CAN Iraq again become the breadbasket of the Arab world?", asked a recent article in the daily Baghdad Observer. The answer is that prospects are not good. It is 800 years since agriculture last flourished in the fertile crescent, and while the potential for a