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To the Graduate Council:

I am submitting herewith a thesis written by Mohamad Ali M. Rejali entitled "Land Tenure Problems in Iran." I recommend that it be accepted for nine quarter hours of credit in partial fulfillment of the requirements for the degree of Master of Science, with a major in Agricultural Economics.

J. E. A. Martin
Major Professor

We have read this thesis
and recommend its acceptance:

R D Spitze

J. L. Fischer by J. A. Martin

Accepted for the Council:

E. G. Walters
Dean of the Graduate School

LAND TENURE PROBLEMS IN IRAN

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A THESIS

Submitted to
The Graduate Council
of
The University of Tennessee
in
Partial Fulfillment of the Requirements
for the degree of
Master of Science

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by

Mohamad Ali M. Rejali

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INTRODUCTION

The term land tenure indicates all those rights given to an individual for operating his property. It explains the manner in which a holding is to be exploited, used and enjoyed. It involves control over land resources. It includes all laws and regulations concerned with ownership and management of land.

Land tenure problem plays a great role in social, economic, and political condition of many countries, especially those having a high percentage of their population in agricultural production. This problem has a direct relation to the development of a solid and stable foundation for peace in all Asiatic countries. Security of many Asiatic countries is directly related to their land tenure situation.

Iran is very rich in oil and many other resources; however, its greatest potential lies in the development of its agriculture, and in the emancipation of the great human resources that are heavily tied up with that activity. Through irrigation, expansion of agricultural industries, and introduction of modern techniques of production and distribution agricultural output could be increased tremendously and as such the whole economy would prosper.

Today the present feudal system of land ownership with the lack of education and cultural improvements has caused socio-economic maladjustments throughout Iran.

Iran is predominantly agricultural with 80 per cent of the population involved in agriculture. This great human resource and lack of land has caused many farmers to live under the worst

conditions. Iranian farmers are poorly fed, improperly clothed, lack education and sanitation and live in mud huts full of pests and diseases, while landlords live in the cities, where all the facilities of comfort, amusement and luxury are available. Such landlords have not the slightest interest in the affairs and well being of their farmers. As a matter of fact they spend all their efforts to keep the farmers under the same shameful level of living and exploit them more for their own foolish and inhuman interest.

Lately the United States and other countries supporting the Point IV and United Nations' programs have rendered aid to Iran through technical assistance to improve the standard of living of the people. However technical assistance, economic development and capital investment would only increase the number of dams, develop industries and increase the flow of oil and does not remedy the real situation.

The solution to land tenure problem lies in economic and social development programs that are concerned and achieved for one purpose, "the emancipation and welfare of the people."

What is the use of thousand and thousands of dollars of help if it goes to the landlord's pocket and gives him more power to milk the peasants and other low income classes of the society. The aid should be directly handed to the farmer and suppressed person with the means to use it.

The root to most of the economic and social problems in the Near East is land tenure. As long as farmers are kept in poverty, servitude, uneducated and under pressure there would be no assurance

of unity, stability and progress in the economic and political situation in that area.

CHAPTER I

BACKGROUND

Geography

Iran's geographical position has made it the cross-road between Far Eastern Asia, the Mediterranean area and Europe. The vital role of the overland trade routes across Iran was seriously limited by the construction of the Suez Canal, but its great strategic position remained the same.

Iran is in general semi-arid with a very rough topography. The amount of rainfall is extremely low in most areas of the country with an average of 12 to 15 inches. The nation is surrounded on the west, southwest, and north with lofty mountain ranges. Much snow collects on these mountains and supplies water for most of the irrigation.

Along the Caspian Sea the climate is humid with an annual rainfall of about 50 to 60 inches. Temperature is moderate. Citrus fruit, tobacco, tea, rice, and cotton are produced successfully.

The area in the northwest, although fairly high, has enough natural and irrigational water to produce grains.

The climate of Iran with exception of a few regions is fairly mild. Four pronounced seasons are distinguished. Summers are hot and dry, winters are cold and rather dry, spring and fall are moderate.

The existing political boundaries of Iran lie between the Caspian Sea and Persian Gulf, and have common frontiers with Iraq,

Turkey, Soviet Russia, Afghanistan and Pakistan.

The overall area of the country is 628,000 square miles or 169 million hectares, approximately as large as that part of the United States which lies east of the Mississippi River, excluding New England, a smaller area than at any time in her long existence. About 16 million hectares of the total area are classified as crop lands. But only four million out of the 16 million hectares of crop land are under cultivation every year. There are another 30 million hectares which have been estimated potentially cultivable. Therefore it can easily be noticed that a large potentially productive area is left idle. In addition to the crop land, there are 10 million hectares of forests and 15 million hectares of pastures which are mainly used for grazing, timber, recreation and erosion control.

Historical

An attempt will be made to explain the historical factors out of which the existing situation of land tenure has developed.

The area around the Persian Gulf was the cradle of the modern civilization. Thousands of years ago a large and powerful tribe called Aryan settled on the northern shores of the Persian Gulf, and as their number grew larger some of them migrated into Europe and southeast Asia. Many years later Aryans called themselves Persians.

In the second millenium B. C. all the land belonged to the king and was only held as a grant, or fief, by his subjects.

"Legally the subjects had the possession, but not the ownership of the property entrusted to their care."[1] The peasant had no power to sell or transfer his property to others. Later a new system "pseudo-adoption" was developed by which the power of purchasing and disposing of property was granted to all people.

The first Persian Empire (Achaemenian) appeared about the year 550 B. C. King of kings, the head of the country, had absolute power over the administration and judiciary branch of government. He collected taxes, controlled all central and local officials and tribes. His only responsibility was that of protecting the nation against foreign enemies and tribal uprisings.

Acheamenids had the reputation of being very much concerned with the affairs of the state, putting a great emphasis on social justice. The story is told that "a judge who had accepted a bribe was flayed alive and his skin made into a covering for his bench, whereupon his son was appointed in his stead and admonished to guide his actions by the knowledge of where he was sitting."[2]

In 330 the Achaemenian empire was overthrown by Alexander. Alexander the head of the Selencids showed little interest in fighting and capturing new countries; he was more interested in uniting Orient and Occident and formation of a world state with cultural as well as political unity.

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[1]Ann K. S. Lambton, Landlord and Peasant in Persia (England: Oxford University, 1953), p. 11.

[2]Richard N. Frye, Iran (Harvard University, 1953), p. 38.

After the death of Alexander in 323 B. C. his empire fell into pieces. However, these pieces, including Iran, remained under the control of Greek kings for many years and Greek culture developed and spread throughout Iran. Many writings and sculptures prove this fact.

Many years later a group of Iranians called Parthians established a feudal state which lasted until 226 A. D. The caste system in this period was characterized as, "the great feudatories leading the nation, minor feudal lords holding cities and villages, and small landowners cultivating their holdings and bondmen working for both large and small landowners."[3]

Sasanian dynasty was founded in 226 A. D. The ruler of this new dynasty, Ardishir Babakan, was a feudal lord and the governor of the province Fars. Being well educated and a great statesman, he created a central government and a strong state church in the place of the loose feudal system. "Under Sasanian society became more fixed in classes or caste."[4] People were divided into four groups, "priests, warriors, bureaucracy, and common people--both peasants and artisans."[5]

In this period the mode of life of the people was greatly affected by their religion, Zoroastrianism. Shahpour, the son of Ardishir, conquered Rome in 260 A. C., and brought back many Roman

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[3]Ann K. S. Lambton, Landlord and Peasant in Persia (England: Oxford University, 1953), p. 13.

[4]Richard N. Frye, Iran (Harvard University, 1953), p. 42.

[5]Ibid., p. 42.

prisoners, who made three large dams in Khuzistan. Persians believe that if these three dams be repaired or rebuilt the province will have enough water to restore its neglected agriculture.

A land tax was levied by Sasanians in relation to crops, type of farming and size of land holding.

Arabs conquered Persia in the seventh century A. C. Persia then became a part of Islamic world and had to follow their laws concerning land and land ownership. Although taxing practices remained the same, Islam affected the conception and development of landed property and land tenure. Water and pasture became common property. Private property was recognized as legal. According to Ann Lambton, "One of the main reasons for such speed and comparative ease of the Moslem conquest was that Islam offered the mass of people release from conditions of intollerable social inferiority."[6]

Arabs divided the land as (1) belonging to the king; (2) Ushr, land given to captors paying one-fifth of crop or price of crop to the religious agencies; (3) Karz, land given to everybody for a small yearly payment to government. Progress was made in land tenure situation by Aralis, however, this was interrupted by the invasion of Persia by the Mongols. The population declined rapidly. Land was divided between four groups. Mongol princes and ministers owned all land and made the people work for them. Cattle tax and cultivating

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[6]Ann K. S. Lambton, Landlord and Peasant in Persia (England: Oxford University, 1953), p. 17.

tax were levied by Mongols. After the death of Changeez Khan, the head of the Mongol, his vast kingdom was divided among his sons. None of the Mongol kings introduced a sound national reconstruction plan in Persia, until Ghazan Khan accessed to the throne in 1295. Ghazan, realizing the tremendous corruption and disorder and need for immediate reform introduced the following measures:

1. Decreasing taxes

2. Habit of writing bills by the princes and the extortion of the governors was to some extent stopped.

3. Prominent and honest individuals were selected to office.

4. Ghazan realized that insecurity of tenure was one of the reasons for the prevailing decay, attempted to secure the position of tenant and landowners in their title to the land by a series of measures.

5. Soldiers who travelled around and lived on peasants' crops and animals without payment were given right of holding land.

Later in 1500, when Ismail Safavid, the founder of Safavid dynasty, became the new ruler of Persia; he tried to give the sole authority of management and treatment of the land to private owners. He set aside many acres of the emperor's land for army expenses and general well being. New taxes on land and crop were levied also.

The next two dynasties--Afghanian and Afsharian--brought about no lasting changes in land administration and tenure.

In 1779 Agha-Mohamed-Khan Ghajar captured Teheran, the capital of Persia, and became the first ruler of Ghajar dynasty.

Ghajar kings played a great role in spoiling the morality of people. Their chief interest was the accumulation of money from any possible source. Insecurity of life and property arising from the tyranny of government appeared throughout the nation. Such instability and insecurity damaged the nation's economy tremendously. No man will produce what he will be deprived of next day or hour. Every class of society was kept in servitude and poverty.

Morier described the social status of the Persian peasant during this period (1779-1880) as follows:

> There is no class of men whose situation presents a more melancholy picture of oppression and tyranny, than the farmers and cultivators of ground in Persia. They live continually under a system of extortion and injustice, from which they have no means of escape; and which is the more distressing, because it is indefinite, both in form and extent, for no man can tell when, how, or to what amount demands upon him may without warning be made.[7]

However, peasants and other classes of society seemed to have been more satisfied economically than under previous dynasties, because of high wages and cheap price of commodities. Peasants not only had to pay high taxes for army's expenses, they were also burdened by government officials and foreign ministers who stayed in their (peasant) home during their term of office in a particular region.

In short, early Ghajars brought about insecurity, oppression, and maldistribution in the land revenue system and administration.

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[7] Ibid., p. 137.

Considerable changes took place in the land tenure system in the second half of the nineteenth century. Up to this date the main source of wealth, power and influence was land. In 1878-9, because of the great need of government for money, Khaleseh (land owned by government) turned into private hands for reproduction of wealth. At the latter part of the Ghajar's reign steps were taken toward unifying the tax system of the country, also insuring that all taxes collected would reach the government's treasury.

Judiciary System and Grant of Constitution

There was no judiciary system in Persia before Seljuqs (1063). The king of kings had the executive, administrative and judiciary power at his own hand. He often selected members of his family for all the branches of government. There seldom were any laws, regulations, humanity or justice at all.

In time of Seljuqs judiciary courts were established. Peasants could appeal to a court presided over by Gazi who was independent or at least not entirely subordinate to the landowner. Under Mongol land disputes also were settled by Gazi. During the Safavid's dynasty the power of Gazi was greatly reduced. Moreover the power of landlord and landholder increased tremendously. Full power of control of the property was given to the landlord. This situation lasted during the Ghajar's reign. The power of local government was reduced to nothing and tenants became more dependent upon the landlord.

At this time foreign influence in Iranian affairs became very pronounced. A great number of intellectuals, professors, teachers, writers and patriots started a rebellion against the dictatorial government. At last in 1905-06 Mozafari-din-Shah signed the Persian constitution. With the establishment of constitutional government a new period in the history of Iran began. As far as land tenure is concerned the general attitude of people toward land did not change much. Power remained in the hands of the few landowners and tribal Khans and it was not until the reign of Reza Khan, December 17, 1925, that the land tenure system was materially altered.

Constitution

One of the first actions of the newly formed government was election of an agency to examine the question of financial reform which was directly related to the problem of land tenure and land revenue administration.

The following four measures of reform were adopted:

1. Pension and grants which were paid to a large group of individuals were abolished.

2. The great sum that local governments collected over the revenue assessment for their own expenses were declared illegal.

3. Landlords who often paid farmers in accordance to the old rates were taken to court.

CHAPTER II

RELATIONSHIP BETWEEN LAND AND POPULATION

Population

The population of Iran, according to the latest census is 19,518,771. The greater portion of the population lives in the northern and western part of the country.

There are several ethnological groups which form this population. The most important are Kurds, Shiah, Zoroastrians, Armenians, Nestorians, and Jews. Between 75 and 80 per cent of the population are involved either in agricultural production or marketing of farm products.

The density in general is 10.2 hectares per person; however, there is only 1.3 hectares of cultivable land for a person.

Table I shows the tremendous portion of the rural population in comparison with the small number of urban inhabitants.

Land Use

More than two-thirds of the land area of Iran is covered by great mountain ranges and deserts and is therefore unsuitable for cultivation. As is indicated in Table II, 10 per cent of the total area of the country is under cultivation. Six per cent of the area is in permanent pasture. Eleven per cent of the area is in forest.

There is another 20 per cent of the total area which is potentially productive but unsuited for crop production at the present.

TABLE I

POPULATION BY OSTAN, IRAN, 1940-41

Ostan	Number of Villages	Total Population	Rural	Rural as Per Cent of Total Population
1	5,037	2,367,537	2,022,912	85.8
2	4,384	2,304,677	1,456,177	63.2
3	2,911	1,540,586	1,091,004	70.8
4	3,896	1,194,387	1,010,387	89.3
5	5,329	1,827,591	1,522,132	83.2
6	3,914	1,362,724	1,038,181	79.5
7	3,765	1,403,586	1,038,543	73.9
8	4,358	1,080,438	911,438	84.4
9	5,806	2,036,549	1,613,579	79.2
10	2,122	1,431,762	1,106,106	77.2
Total	41,521	16,549,837	12,855,459	77.7

Source: Department of State, Report on Agricultural Statistics, 1950, p. 3.

TABLE II

ESTIMATED LAND UTILIZATION IN IRAN 1948-49

Major Land Uses	Area in Hectares	Per Cent of Total
Land in Farms		
Cropland		
Grains	3,305,000	2.02
Other field crops	615,000	.38
Fruits and nuts	680,000	.42
Fallow	12,000,000	7.33
Total cropland	16,600,000	10.15
Pasture in farms	160,000	.10
Farm woodlands	1,000,000	.61
Villages, roads, wasteland and other land in farms	1,240,000	.76
Total land in farms	19,000,000	11.62
Land not in Farms		
Forests and ranges		
Forests	18,000,000	11.00
Grazing land	10,000,000	6.11
Total forests and ranges	28,000,000	17.11
Cities, roads and railroads	2,000,000	1.22
Wasteland		
Potentially cultivable	33,000,000	20.17
Desert and other wasteland	81,600,000	49.88
Total wasteland	114,600,000	70.05
Total land not in farms	144,600,000	88.38
Grand total land area	163,600,000	100.00

Source: Department of State, Report on Agricultural Statistics, 1950, p. 18.

There are many reasons for the high proportion of uncultivable land in Iran. The main factors are the following:

1. Lack of water
2. Low degree of mechanization
3. Shortage and unavailability of credit
4. Indifferent attitude of absentee landlords to the needs and problems of farmers and farming.
5. Not using adequate amount of fertilizer and not using modern techniques of farming.
6. Inefficient use of water, fertilizer, machinery, equipment, labor and management. Each of these factors will be discussed in detail in the next chapter.

In short, only 25 per cent of the cultivable land in Iran is under cultivation. Thus the average area of land actually in crop does not exceed 0.35 hectares per person. It means that if a higher standard of living is required, there must be an increase in the acreage of land under cultivation or innovations in the system of farming.

Type of Soil

No study has been made of the soils of Iran, but several professional agronomists who have visited certain sections of the

country mention low fertility in general in Iranian soils. South-western coastal plains are alluvial, vary from silt loam to silt clay and are very alkali. The presence of salt in a large group of Iranian soils makes them unproductive.

Fertility

Iranian soils are producing far below their potential capacities due to poor management practices such as failure to control weeds and shortage of amendments. Stunted crops and ill kept animals in most areas of the country are indications of the low fertility of the soil.

Water and Irrigation

Water is one of the limiting factors in agriculture. A large portion of Iranian crops are raised under irrigation. Except in the Caspian region and northwestern section of the country which have enough water for production of the field crops, other areas are dry and irrigation is essential. Having knowledge of the importance of water, Iranians have been developing certain methods for irrigation for centuries which helped them survive. By law, water cannot be bought or sold. Only the use of the channels through which water flows can be sold.

A majority of Iranian rivers have a high concentration of salt and cannot be used for irrigation. Salt deposits in abandoned irrigation channels in many parts of the country are proof of this.

Underground water has been exploited by Iranians very effectively. Wells or ganats are very common. By means of ganats underground water

is brought to surface and used for irrigational purposes. More land in Iran is irrigated by ganats than by diversion of water from streams.

In 1945 the Irrigation Institute was established. This institution was to exercise supervision over all matters connected with irrigation in the country, such as irrigation establishment, sluices for river division, public channels, dams, reservoirs and springs whose water is used for irrigation. This agency has been successful in settling many problems among farmers concerning division of the water or water rights. Many projects were designed for building huge national and local dams by this institution. A dam on Zayandeh-Rood making the tremendous amount of water of this river available for irrigation and construction of a very high storage dam on the upper Lar river were two of the main projects proposed by this institution. However, many other projects proposed by this agency have not been undertaken because of the lack of capital. Altogether this institution was not very successful in accomplishing its aims.

As we will see later in term of this thesis, the essential reason for the failure of many projects in Iran is lack of sufficient fund.

Crops and Rotations

The climatic condition of an area decides the type of vegetation that ought to be grown in that region. The cereals--wheat, barley, oats and rice--are grown very extensively. Wheat and barley are grown in almost every part of the country except along the Caspian Coast, where they are replaced by rice.

Table III indicates the amazing fact that a tremendous amount of wheat is produced; this large amount of wheat is supplemented by high importation. It is logical to say that one of the major disasters confronting agriculture in Iran is the fact that farmers are not willing to take risks in producing new crops. They prefer to plant all the land allotted to them in wheat or barley, ignoring all the other possibilities. If one could induce farmers or make landlords to force them to devote at least a small area of their lot to the production of tobacco, cotton, rice or other crops having market value, it would increase their income, their standard of living and their social status. Such a courageous decision on the part of farmers will raise the national income enormously.

Cropping System

Many of the Iranian farmers being conservative and limited to a few acres of land for their subsistence have been greatly concerned with the protection of the soil's fertility. Rotational farming used by these farmers for many centuries has been one of the major means for protection of the soil fertility. Climatic conditions decide the type of crop sequence to be used in many regions of the country. For example, two and three year rotation is practiced in arid and semi-arid regions. A two year rotation is followed as such: one-half of the land is sown in grain and the other half with (safi) crop or clover in the first year, and alternated the second year. A three year rotation is accompanied by dividing the land into three pieces--

TABLE III

CROP AREA, YIELD, PRODUCTION, TRADE AND DOMESTIC UTILIZATION
IRAN, REPORTED YEARS, 1946-49

Commodity	Area Hectares	Yield Kgs.	Production Met. Tons	Net Trade +=Imports -=Exports Met. Tons	Available for Domestic Consumption	Year
Wheat	2,245,000	893	2,004,000	+ 2,474	2,006,474	1946-47
Barley	788,000	1,042	821,000	- 40,000	781,000	"
Rice	220,000	1,175	258,500	- 47,793	210,707	"
Other grain	63,500	1,458	92,600	- 810	91,790	"
Tea	12,400	548	6,798	+ 6,155	12,953	"
Tobacco	15,115	1,141	17,250	- 150	17,100	"
Opium	15,000	27	406	- 117	289	"
Apricots (dried)	---	---	5,750	- 4,880	870	"
Raisins	---	---	26,250	- 6,410	19,840	"
Dates	---	---	110,000	- 38,491	71,509	"
Pistachio (shelled)	---	---	1,085	---	1,085	"
Almonds (shelled)	---	---	6,250	- 4,250	2,000	"
Beetsugar	60,000	705	42,280	+ 92,000	134,280	"
Cotton	78,210	201	15,750	- 1,100	14,650	"
Pulses	150,000	1,087	160,000	---	160,000	1948-49
Fruits and berries	---	---	1,200,000	---	1,200,000	"
Olive oil	---	---	1,300	- 10	1,290	1946
Olives	---	---	15,800	---	15,800	"

TABLE III

CROP AREA, YIELD, PRODUCTION, TRADE AND DOMESTIC UTILIZATION
IRAN, REPORTED YEARS, 1946-49 (continued)

Commodity	Area Hectares	Yield Kgs.	Production Met. Tons	Net Trade +=Imports -=Exports Met. Tons	Available for Domestic Consumption	Year
Cottonseed	---	---	28,000	---	28,000	1946
Cottonseed oil	---	---	2,210	---	2,210	"
Sesame seed	---	---	7,550	- 4,870	2,680	"
Castor bean oil	---	---	1,890	---	1,890	"
Linseed	---	---	1,000	- 150	850	"
Linseed oil	---	---	310	---	310	"
Poppy seed	---	---	5,000	- 1,800	3,200	"
Poppy seed oil	---	---	525	---	525	"
Other oil seeds	---	---	1,500	- 530	970	"
Other oil seed oil	---	---	120	---	120	"
Condiments	---	---	---	- 2,401	---	"
Fiber (hamp, pete, etc.)	---	---	3,000	---	3,000	"
Walnuts	---	---	8,600	---	8,600	1947
Roots and melons	180,000	4,000	720,000	---	720,000	"

Source: Department of State: Report on Agricultural Statistics, 1950, p. 27.

one-third sown in grain, one-third with clover, and the other one-third is plowed for preparation of sowing.

In places with abundant water supply a four year rotation is practiced. The land is divided into four parts: one-fourth is sown in grain, one-fourth in tobacco, cotton, or other crops of this nature, one-fourth in clover and the other one-fourth is plowed and prepared for the next year's seeding.

There are also a large number of low income farmers, especially in the central part of the country who use continuous cropping system. They plant wheat on the same piece of land year after year and land is left bare during the interval between harvesting and planting. These farmers, unknowingly, have caused a great damage to Iran's soil.

Livestock

The major animals kept on Iranian farms are sheep, cattle (dual purpose), chickens, and horses. Table IV shows the production and amount of export and import of livestock.

Buffaloes and camels have been decreasing in number very rapidly during the past few years. It has been estimated that within the next 20 years there would be only a few camels, donkies and buffaloes on Iranian farms. This estimation is based on the degree of adoption of new techniques and methods of farming.

Iranian farmers keep their animals on the common pasture, which is nothing but a dry desert with a few shrubs, during the summer and feed them a very small amount of low quality hay in the winter.

TABLE IV

ESTIMATED PRODUCTION AND TRADE AND CONSUMPTION IN LIVESTOCK PRODUCTS IN IRAN, 1947

Livestock Products	Production Metric Tons	Net Trade + = Imports - = Exports 000 m.t.	Consumption 000 m.t.
Mutton and lamb	84,000	9	84,000
Beef and veal	48,000	---	48,000
Goat meat	36,000	---	36,000
Pork and other meat	2,000	- 635	1,365
Fish	23,000	- 3,969	19,031
Milk	1,530,000	+ 1,808	1,531,808
Butter	43,000	+ 392	43,392
Wool	13,600	- 3,584	10,016
Eggs	34,000	---	34,000
Skins and hides	8,500	- 3,123	5,377
Furs	---	- 279	---
Honey	50	---	50
Guts	520	- 261	259
Animal fat	20,000	- 1,000	19,000
Cocoons	1,000	- 34	966
Hair	2,500	- 184	2,516

Source: Department of State, Report on Agricultural Statistics, 1950, p. 28.

Table IV shows that Iran is exporting a higher quantity of animal products than she imports. It is stated by many prominent agriculturists that the exportation volume can be increased tremendously if farmers are encouraged to keep more animals. It is the responsibility of the government to either induce the landlords through adequate legislations to provide farmers with adequate pasture and encourage them to maintain livestock, or help them directly through governmental agencies, making it possible for them to keep more and better animals.

CHAPTER III

LAND TENURE PROBLEMS

General Discussion

It is important to mention that land tenure in our country does not mean the same as it is understood to be in the American philosophy: a man owning a family size farm and cultivating it by his own labor. In Iran one is either landlord or fallah (peasant). Fallah is the man who tills, sweats and lives like animal; on the other hand landlord reaps the fruit of his efforts, living in towns, enjoying all comforts and pleasure of city life and doing no work.

To be landlord is a status of high esteem. Whether an acre or a thousand acres, he is a land owner and can enjoy all the privileges granted to the landlords.

Customs, traditions and laws give one group the power of owning the land and another the privilege of cultivating this land. In other words the man who owns the land cannot cultivate it, and the one who cultivates it cannot own it.

Land being the symbol of wealth and power, the whole population is striving and struggling to acquire the land despite its acute shortage.

Land Ownership

There are several groups in the society who own land:

1. Those whose land holding goes several generations back. The land owned by their ancestors has been inherited by them. Today their number is large and are known as landowning families.

2. Secondly are tribal Khans, who have acquired land by purchasing or governmental grants or hereditary transmission estates.

The estate held by Khans is very large with many families. To protect such a large estate and control the action of so many uneducated, undernourished and oppressed individuals Khans usually keep their own army. Such private armies are the cause of many internal conflicts at the time of a weak central government.

3. Religious groups, who became popular at the time of Safavid 1499, in some areas such as Azerboyajian and Isfehan. They still own a considerable area of land.

4. Finally, there are new groups of land owners who can be divided into three categories.

a. Bailiffs (Mabashir) who have used or misused the influence of their positions to acquire estates for themselves.

b. Government officials and military personnel who acquired property in places where they held office.

c. Merchants or contractors who have invested their money in land.

Tenure System

The system of land tenure in Iran is complicated because it is a combination of the civil code regulations promulgated by Reza-Shah Pahlavi in 1927 and Islamic and Pre-Islamic systems of land holding. The civil code describes three various rights which may be exercised over a property or may accrue to persons from their ownership of a property.

1. Right of ownership.

2. Right of usufruct which recognizes life rights; rights of occupation. The law indicates that the user of usufruct land must not misuse and allow encroachment or waste in the property he is operating.

3. Right of easement or servitude in the property of others. Thus if a person has the right of taking water from a tank, reservoir, or spring of others, he has the right of trespassing to such tank, reservoir, or spring for taking water.

To the above rights should be added Wagf, which is holding of land in trust for the benefit of religious institutions or private individuals. This type of holding is derived directly from the Islamic system of the land tenure. Finally, there is Khaleseh, or Crown's Land, which goes back to Pre-Islamic times.

Maldistribution

In 1949 the statistical department of Seven Year Plan Administration conducted a sample survey of 1300 villages in Teheran and Dawanand areas. The survey revealed that 60 per cent of the rural

families possessed no land at all, another 25 per cent owned less than one hectare (2.5 acres), about 10 per cent owned between one and three hectares. In other words 95 per cent of all the rural families surveyed held three hectares or less, owning 17 per cent of the total land. One per cent of the land holdings were over 20 hectares each or larger; of this top group one-fifth were 100 hectares or more and included 34 per cent of the land surveyed.[1]

There is little information concerning the actual size of land holdings in Iran. It is generally agreed, however, that large land owners, mostly absentee, play a predominant part in Iran's economy. Small peasant properties are scattered all over the country, and it seems that they occupy the less productive patches of land.

The system of land ownership is a system of complete individualism which has resulted in the concentration of land into the hands of a privileged minority who developed into the present landlord class. Not more than 100 families own 90 per cent of the farms in Iran. Some own thousands of acres, whole villages with their inhabitants, who do not possess any land and therefore are entirely dependent upon the estate to which they are attached for their subsistence. The landlord being perfectly aware of his power and weakness of the fallah forces him to accept whatever he may fix as a rent or as a wage.

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[1]International Credit Association, Conference on World Credit System, University of Bayrot, 1953, p. 3.

Inefficient Size of Farms

Besides the large estate owned by landlords there are at the other extreme small holdings made up of millions of plots of uneconomic units of land. There are many farmers who own less than one hectare of land. A farmer may own half a hectare here and another half a hectare within a distance of two or three miles without any regard to the waste of effort. Land ownership is the goal of all farmers. They spend all their lives investing their savings on a cow or an ewe, hoping that a day will come when they will be able to buy a tract of land, and move up the ladder into the landlord class. Also owning a piece of land is regarded as security against future uncertainties. These small holdings inherited by farmers remainder, whose number is usually over five, will be submitted to division. Such fragmentation and minute subdivision not only would cause smaller production units, but also certain damage to soil and a positive decline in production. Holders of such uneconomic farming units will be influenced by inferiority complex, frustration, humility, and submission, all of which are detrimental to the peace and unity of a nation.

Absentee Ownership

Information is not available concerning the number or the amount of land held by absentee landlords. However, a conservative estimate is that more than two-thirds of the farming area is owned by absentee landlords. Large land owners spend all their time in the cities, where all measures of comfort are present, and manage their farms

through telephone or telegraph communications. Many of such landlords are indifferent to the conditions of their farms and farmers. Some even live in a foreign country without knowing where their villages are located. This last group of landlords often hire a manager to take care of their farms. These managers seldom think of the peasant's welfare; they are only interested in collecting the landlord's share and gaining his confidence.

Those landlords remaining on the farm will never work on the land themselves. They either manage a small portion of it while the remaining part is rented to tenants, or they may hire a mobashir to take care of the farm.

There are some medium size and small holdings which are usually rented to tenants. Collection of rent from tenants is a burdensome task and often rents are collected by force.

Absenteeism, as the system works in Iran, is a misfortune to farming, farmers, and society. A tenant renting a small uneconomic unit of land will try to gain most of the profit out of it. In other words, a tenant thinks that his responsibility is that of mining the land without any care for improvement or conservation. There being no mutual understanding between landlords and tenants the soil is subjected to depletion, the buildings and equipment fall into disrepair.

There is a great struggle for acquiring land in Iran. All upper and middle classes of the society, no matter what their occupations, strive to gain some land. They believe that land is the only property worth owning.

This competition results in inflated land values, making it impossible for farmers to own the land.

Landlord-Tenant Relations and Problems of Tenancy

System of Tenancy

The land tenure system is the root to most of the social problems in Iran and other Near Eastern nations. A peasant, whether he owns any land or not, has to stay on the farm and till the land. A peasant has two choices, either to move into the city hoping that he might find a job, or stay on the farm and continue his miserable life. Most peasants are forced by their customs and traditions and landlord's pressure to accept the second choice and remain on the farm.

There are no data available concerning the number of tenants and size of the lots they operate. Also there is no information about the trend of tenancy, though it is understood that tenancy increases as population increases and as a result the size of farms decline and rent goes up.

Although the law provides some security to tenants with respect to their tenure and in the crop, yet in reality the landlord can evict his tenant at any time. In some areas the tenant's share of the crop is divided into three equal parts; one-third for the sowing and tending of the crop; another for the preparation of the land and cultivation; and the third for the reaping and harvesting of the crop. Thus if a landlord expels his tenant after the latter has prepared the

land for cultivation, the expelled tenant is entitled to receive only one-third of the share of his successor.

Most tenants receive for their labor a share of the crop which varies with the crop sown, the fertility of the land and the method of irrigation employed. As a rule crops are divided into five shares with one-fifth going to the person who furnishes each of the following: land, seed, labor, power and water. In practice, however, there are many variations of this system and the shares going to the various factors of production differ widely from one village to another and within villages for different kinds of crops. According to this division between one-half to four-fifths of the crop goes to the landlord. The tenant's share is very small and hardly sufficient for his subsistence.

Cash Rent

Cash rents prevail in many areas, particularly along the Caspian Coast, northern Khuzistan and in gulf districts. The usual length of the cash rent lease varies between three to five years with the understanding that should the contract be terminated within such a period, a tenant can reap the benefits of any unexhausted capital improvement he has made on the farm.

A study made by the International Credit Association in 1953 shows that cash tenants enjoy a better financial position than share croppers. The detail of this study is not published.

Leases

Unequal distribution of land, competition for land, ignorance and lack of education of tenants on one hand, and supremacy and exploitation by the landlords on the other hand are factors which affect leases market, giving the landlord an extreme power of bargaining.

A majority of farms are managed by landlord agents, who have no interest in land or the welfare of farmers, having only one purpose: to extract from the tenants to the last penny in order to collect the landlord's share and please him. Farmers being dependent upon land for their subsistence have to bow to the agent's injustice and suppression. Leases are written solely for the purpose of making this robbery and oppression legal.

This disregard for the tenant's welfare is well demonstrated in many instances where farmers have starved to death or left farm and starved in the cities at times of mild depression or drought. There is no doubt that tenants would have been able to keep their farms longer and overcome the economic depression if it would have not been for the severe terms of the lease.

A majority of the leases are short term. The duration of a lease ranges from one to three years. Yearly leases are very common. At the termination of the lease the landlord has the power to discharge the tenant without being liable to any claim on the part of the tenant in respect to any compensation for improvements. The legal position of the tenant is very weak. He is entirely dependent upon the good will of the landlord for the continuance of his tenancy.

In some cases the tenant's position forces him to sign agreements that he cannot meet. There is no information showing the number of tenants expelled from farms because of not fulfilling the lease terms; however, it is understood that more than three-fourths of the tenants evicted are those who have not been able to meet the least terms.[2]

Production and Marketing Method

Because of the primitive method of agriculture and unfavorable natural resources a very poor quantity and quality crop is harvested by Iranian farmers of which a great part goes to landlord, and the portion remaining to the peasant is of the most meager kind. Worst of all is that of division of this share among the household whose number is usually high. Then it can be easily noticed that the portion of this crop received by each farmer is very small and inadequate for maintaining a family in security and comfort.

The method of farming is very similar to that of self sufficing. However, in Iran most of the products are marketed no matter how small the amount might be.

Cotton, tobacco, opium and beets are government monopolies and are to be marketed. Fruits, vegetables and melons are grown almost entirely for the market.

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[2]International Credit Association, Conference on World Credit System (University of Bayrout, 1953).

The peasant performs most of the operation concerning the production and sale of his crop himself. Therefore he is concerned a great deal with the question of price and credit. His prosperity, happiness, and security depend on the margin between price and cost. This fact makes him very sensitive to seasonal variation in price. There are no cooperative marketing arrangements. Farmers being too far from market and ignorant of market fluctuations are in a weak position. His pressing need forces him to accept the price offered to him, no matter how disadvantageous it may be.

Machinery and new farming equipment are either not used at all or are not used as much as needed. Plowing is done with a wooden plow. The plow-share merely scratches the soil and does not invert the furrow slice. Donkies, mules, oxen, and horses are used for plowing.

On some small farms a spade is used instead of the plow. Labor involved in plowing the land with a spade is very expensive, but the job is more perfect.

There are only a few landowners who own tractors and some other farming equipment, but they are exceptions rather than a rule. According to a publication released by the Department of State, there were only 340 tractors in Iranian farms in 1947-48.

A primitive kind of harrow called Malch is used in some parts of the country. Weeding, reaping, threshing, and winnowing is accomplished by hand.

Rice grown in the northern and eastern parts of Iran is usually transplanted, because of a higher yield. Transplanting is done by hand and mostly by the women. This task requires a great deal of labor, time, and patience.

Yield varies considerably with location, but in general it is very low. Twelve bushels per acre of small grain is average.

Transportation. Transportation facilities are very poor in Iran. Railroads connect only a few of the main cities together. The only means of transportation from rural areas to main roads are animals. "The Seven Year Plan" includes a program for improvement of roads and highways.

Storage. Storage houses and facilities are not adequate. There are some modern storage facilities for grain in some areas, but there is need for many more. Lack of refrigerator necessitates the consumption of most dairy products in the form of cheese. In cases where there are seasonal over-supply of some dairy products in an area the excess is usually wasted.

Marketing. Marketing of agricultural products is carried out the same way as was done in ancient times. Except for the staple commodities such as tea, sugar, and tobacco which are controlled by government, the rest of the agricultural products are poorly handled.

Pistachios, raisins, almonds, dates, and other commodities exported are graded. Other commodities consumed inside the country are not standardized and graded. Vegetables, meats, dairy products, and fruits are conveyed into local and central markets, bought and sold

ungraded. In short, the price of the farm products has little to do with their quality.

Inadequate storage houses, transportation and grading system forces Iranian farmers to dispose of his product at the nearest market at whatever price offered. Moreover, lack of adequate storage facilities obliges him to sell his product right after the harvesting period. It means that he will sell or barter his surplus at the time when the prices are lowest. However, if his reserves are exhausted, as is often the case, he has to buy at the periods when the prices are at their peak. There are many transactions among farmers, and farmers and village storekeeper. Such transactions are seldom to the advantage of the farmers, because the other party is in the position of manipulating prices to his own benefit.

Credit

The Persian farmer is always in debt. He is in need of money for purchasing farming equipment, seed, animals, etc.; to provide these he has to borrow.

In many areas a farmer's reserve is exhausted before the termination of winter and he has to borrow in order to feed himself and his family. Current harvest in some cases is sufficient only to pay off debts and in others is not even enough for this; as a result the peasant remains permanently in debt.

To secure credit the peasant will either go to a money lender or ask the landlord for help or an advance. The lender may be a merchant, pedlar, village shopkeeper or a fellow peasant. But whoever

the money lender may be, the rate of interest is exorbitant.

Loans are raised on security of the next harvest, and the terms are extremely unfavorable. In case of landlord advancement, the rates are rather high and sometimes the rate of interest is collected in advance.

About 75 per cent of the loans are short term, not exceeding two years. Only about 4 per cent of the loans are of five years duration. The total amount of loans made by Iran's treasury in 1947-48 was about 154,518,000 rials to 10,179 farmers.[3] Most of these funds came from government owned Agricultural and Industrial Bank with an average interest rate of 10 per cent. Private loans bear interest rate, sometimes as high as 30 per cent. Table V shows amount of fund loaned and rate of interest made by Agricultural and Industrial Bank of Iran.

It can be observed from these data that interest rate charged to the farmers by this bank is quite low. However, for the following reasons the farmers do not take the best advantage of it:

1. Not many farmers are aware of accessibility of such loans.

2. Farmers have no incentive to borrow and make improvements in the farm while all the benefit goes to the landlord.

3. A majority of farmers borrowing for their subsistence prefer their fellow peasant or local shopkeeper to the bank.

4. The farmer not having the slightest idea concerning the next year quality and yield of the crop is afraid to take chances in borrowing money.

TABLE V

RATE OF INTEREST AND COMMISSION CHARGED BY THE AGRICULTURAL AND INDUSTRIAL BANK OF IRAN 1947-48

Amount of Loan in Rials	Rate of Interest Per Cent	Rate of Commission Per Cent	Total Charge Per Cent
1 - 20,000	6	2	8
20,001 - 50,000	6	3	9
50,001 - 100,000	6	4	10
100,000 +	6	5	11

Source: International Credit Association, Conference on World Credit System, University of Bayrout, 1953.

5. The Iranian farmer not being a businessman prefers to borrow in a one or two year period, as is shown in Table VI, refusing very long term loans.

6. This agency requires security for its loan. Therefore more than four-fifths of the loans are borrowed by landlords who have their registered estates as security.

In general, as will be observed in Table VII, most of the loans are short term and they are invested by the borrowers in permanent improvements such as irrigation. A very small part of such loans is spent on sale or production of livestock.

Loans are made through the Agricultural and Industrial Bank to the following groups: (a) to the landowners for carrying out provisions of the reconstruction law, (b) to landowners to facilitate the improvement of their lands, on their personal initiative, (c) to farmers for short terms for operating expenses, (d) to share croppers to execute measures appropriative to their lease hold.[3]

Risk and Uncertainties

Climatic uncertainties, lack of education and extreme fluctuation in prices add up to a high level of risk for the Iranian farmer. Thus working under such circumstances he has no incentive to take risks. He will plant crops which are most suited to the soil and climatic conditions, promising at least a low rate of return.

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[3]Department of Agriculture: Report on Importance of Government Loans, 1953.

TABLE VI

DURATION OF AGRICULTURAL LOANS MADE BY AGRICULTURAL AND INDUSTRIAL BANK, 1946-47 AND 1947-48

Number of Years	1946-47 Amount in Rials	Per Cent of Total	1947-48 Amount in Rials	Per Cent of Total
1	33,991,000	32.5	46,182,860	29.8
2	24,805,000	23.7	42,020,065	27.2
3	20,880,000	19.9	24,504,120	22.3
4	20,376,000	19.5	25,603,270	16.5
5	4,386,000	4.4	6,208,580	4.2
Total	104,438,000	100.0	154,518,895	100.0

Source: Department of State, Report on Agricultural Statistics, 1950, p. 18.

TABLE VII

UTILIZATION OF LOANS AS PER CENT OF TOTAL AGRICULTURAL LOANS MADE BY AGRICULTURAL AND INDUSTRIAL BANK, 1940-1941

Year	Irrigation	Farm Buildings	Tree Planting	Animal Husbandry	Land Re-clamation	Others
1940	31.3	22.1	30.0	4.5	5.6	6.2
1941	32.6	21.2	22.1	2.8	13.1	8.0
1942	20.0	14.2	16.5	3.5	16.3	29.3
1943	15.8	11.3	10.9	9.0	10.2	42.8
1944	21.1	16.2	13.0	7.3	12.7	29.7
1945	21.6	16.3	12.1	4.2	17.5	28.1
1946	22.8	14.8	13.4	—	24.5	24.5
1947	21.6	14.3	15.3	6.6	24.5	17.7

Source: Department of State: Report on Agricultural Statistics, 1950.

The Iranian farmer has no interest in carrying out improvements in the soil, which would remain to a considerable extent unexhausted at the end of his tenure. There is no compensation paid to the farmer for the unexhausted value of improvements, and in fact the rent might be raised as a result of the increased value of the lot due to his own improvements.

Moreover if a farmer takes a risk of increased outlay and produces a crop which would bring him more money than otherwise, he will be confronted with the problems of transportation. In this case he either has to sell his product in the local market for a scanty return or spend a great deal of money for conveying it to the central market which is often to his disadvantage.

Results of the Tenure System

The final results of a maladjusted tenure system such as ours can be grouped into four categories:

1. Lack of farm improvement and modern machinery.
2. Improper care and waste of land resources.
3. Poverty and low standard of living.
4. Political and social instability.

Lack of Farm Improvement and Modern Machinery

Because of the lack of interest, ignorance, and poverty the farms operated by tenants are deprived of many needed improvements, such as modern machinery and new methods of cultivation, while those

operated by managers or landlord himself are more efficient, making some use of modern machinery and technology. Iranian farmers are still using the same farming implements that they used two or three hundred years ago, ignoring the tremendous progress in agriculture in Europe and the United States. The same primitive machines of irrigation are still in use throughout the country.

Improper Care and Waste of Land Resources

In many areas of the nation very little effort has been made to conserve the agricultural resources. Farmers not being able to produce their own grass take advantage of natural meadows and over-graze them extensively.

Water meaning life or death to the Iranian farmer is taken care of very properly. "Farmers in Persia work tremendously hard, many hours a day during planting season and take advantage of every drop of rain."[4]

Erosion is one of the greatest and most costly hazards to farms of Iran. There is no information concerning the amount of damage of erosion. However, my past experience allows me to estimate its cost as high as 20,000,000 dollars annually. There are no provisions made for controlling erosion except in a few areas, where terracing is carried out.

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[4]Ann K. S. Lambton, Landlord and Peasant in Persia (England: Oxford University, 1953), p. 590.

Poverty and Low Standard of Living

Peasants form the great bulk of Iranian population. The poverty of Iranian fellah is striking, having no parallel in the United States. Their servitude, difficulties and hardship can hardly be imagined.

Fallah's income. The economic status of the farmer has improved a little in recent years; however, he is still considered the lowest of society and receives the smallest share of the national income. The income of the peasant varies with the location of the farm and characteristics of the landlord. His freedom of action is also directly related to the same factors.

In the northern part of the country peasants are wealthier and enjoy more freedom of action. In the other parts, especially south, farmers are very poor and their income does not exceed 30 dollars a year.

Food. The usual diet of the Persian peasant is made up of bread, tea and sugar. Along the Caspian Coast rice replaces wheat. This diet is supplemented by some vegetables and fruits. "Ghee" secured from fat-tailed sheep is the basic fat. A little cheese and butter is produced also. Not much meat is consumed by peasants, while some small quantities of mutton are available in most villages.

"The per capita consumption of grains is about 132 kilograms, or about 62 per cent of the total annual caloric intake. Eighty-four per cent of the calories are derived from vegetable products and the rest from animal products. Roughly figured, the per capita daily

caloric intake for the population as a whole is 1988 calories."[5]

There are no data showing expenditure of income for food and other purposes. However, it is known that food is expensive and makes up perhaps the largest portion of the cost of living.

Clothing. Though the climate of Iran is rather hot and farmers need but a thin coverage, they are still unable to satisfy this slight need. Most of the peasants wear skin coats in winter and turn them inside out for summer use. Once in a while some coarse cotton clothing is bought by wealthy farmers. Being ashamed of their ragged garments, many children stop going to school, because their fathers are unable to purchase a new garment.

Most of the clothing, rugs, and other household items are made locally.

Housing. Almost all of the peasants live in mud huts which are small, dark, ill ventilated, very dirty, and inadequately furnished. They are usually built around a court with housing for animals and grain in a part of the building. There are one or two rooms in a building, with no windows. Cooking is done inside and the kitchen is usually a part of the living room.

Health. The low income of the farmer makes it impossible for health and education services. Water supply is either from natural springs or uncovered brooks, which are contaminated by many parasites.

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[5]Department of Agriculture: Report on Division of the Crop, 1951.

They are also subject to malnutrition. Mr. Richard W. Frye writes:

> He [Iranian farmer] is constantly beset by disease--malaria, syphilis, tuberculosis--with diseases of malnutrition the most common. By nature conservative, he is difficult to persuade to change practices he inherited from his father and grandfather. The average peasant lives in a mud hut in a village which belongs to a landlord who may never visit the village, if he owns scores just like it and affairs keep him in Teheran.[6]

Furthermore, absence of amenities makes it impossible for respectable and experienced doctors to practice in farming areas. There are no medicines and no nurses. Typhoid, various kinds of dysentery, and internal diseases are frequent.

According to the data gathered by the Bureau of Statistics, about 70 per cent of the villagers die before the age of seven.

Education. There are seldom any rural schools in Iranian villages. Farmers are so busy performing their day to day activities for producing bread that they have no time to think of education or even amusement.

There is no information concerning the percentage of uneducated farmers, but it is not exaggerating to say more than 95 per cent of them cannot read and write. The following table shows the proportion of industrial workers who can read.

In 1943 a compulsory education law was passed. Some landlords set up one-room school houses in their villages. However, class rooms were very dark, dirty, and instructors and textbooks very inadequate.

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[6] Richard N. Frye, Iran (New York: Henry Holt and Company, 1953), p. 7

TABLE VIII

THE PROPORTION OF EDUCATED WORKERS IN IRANIAN INDUSTRIES 1949

Industries	Workers	Number of Workers Able to Read and Write	Percentage
Cotton spinning and weaving	10,487	1,907	18.184
Wool spinning and weaving	6,299	1,200	19.030
Stockings and knitted goods	518	158	30.501
Soap and oil	215	58	26.976
Crystal	473	77	16,257
Matches	650	99	15.230
Leather	583	139	23.842
Wool cleaning	19	4	21.052
Flour milling	1,118	311	27.817
Total	20,362	3,953	19.423

Source: International Labor Review, January-June, 1949, p. 559.

The dominant causes for this insecurity and poverty of the Iranian farmers are: (1) the low social status of the peasant; (2) the feeling among society that the fallah is a lower order, a specie apart from the human being, whose function is to work and obey the others; (3) the attitude that farmers are satisfied with their limited means; (4) finally, the feeling that if the living condition of the farmer is improved he might endanger the security of the landlords.

Political and Social Instability

The effect of a defective land tenure system on political and social stability of a country can be summarized as follows:

1. Monopolizing land by few inflates land prices, and while landlords are not investing any money on their property the land resources will be subject to a rapid depletion.

2. Diseases due to lack of nutrition and poverty are not confined to the farmers. Being infections, they threaten the whole nation.

3. Income from land being so small and uncertain the people refuse to make any investments on it.

4. Our present land tenure system does not allow a democratic type of government "by the people, of the people, and for the people." There will be a mass struggle among different classes of the society as long as there is no equality of liberty, freedom, speech, etc. among them.

5. A tenant being stricken by poverty, and in need of his daily meal will never make a good citizen, and so the country will continue to remain backward.

CHAPTER IV

GOVERNMENTAL ACTION IN RELATION TO FARMER'S PROBLEMS

There are many factors which have contributed to the present land tenure system of Iran. These factors can be grouped into two categories: (a) historical and political factors which were mentioned in previous chapters and will be discussed later in this chapter; (b) those concerning over-population, high man-land ratio, lack of economic resources, increasing population and limited opportunities in other sectors of economy.

Those factors noted under the second category being the major cause of many social, economic and political problems of the country at the present, have been studied very thoroughly by many governmental experts and the following remedies have been suggested.

1. Twelve million hectares of land that is potentially cultivable, but is left idle at the present, because of the lack of proper irrigation system, be made available to farmers.

2. Educational and sanitation services are to be made available to farmers. It is understood that birth control is more prevalent among educated and healthy groups.

3. Introducing new techniques and methods of farming to increase agricultural yield, making farmers more prosperous and farming a more respected occupation.

4. Develop a specialized system of farming. Specialization will benefit the farmer by a greater yield and the country by having a surplus product for export.

5. Develop the industrial system of the country as a whole, giving farmers an opportunity to move into cities.

6. Other resources of the country be developed, increasing the wealth of the nation. For example, many coal, iron, lead, sulphur, copper, silver, gold, nickel, antimony, red oxdite, and tin mines which are left useless and untouched at the present be extracted. However, this extraction ought to be put on a profitable basis.

7. Considerable attention is to be given to trade. Importing only the products badly needed or those which are not produced internally. Thus giving the country's industry a chance to develop and expand.

8. Reduce the landlord's power and giving the peasants more freedom.

There have been many plans designed by the government along the above lines since 1940. An attempt will be made here to discuss each of these plans, mentioning its advantages, disadvantages, strong and weak points.

Division of Crown Lands Among Farmers

In the year 1946, the present king gave authority to the Department of Agriculture to divide all the land belonging to the crown among cultivators in accordance with the decree, taking into consideration local conditions, methods of farming, irrigation and quality of land.

No one will receive over ten hectares (25 acres) and must not own more than two hectares in other areas of the country.

Failure

There has been a failure to implement the decree however excellent the intentions have been behind it. Very little of the land distributed under this program has gone into the hands of farmers, and where it has, they have been subject to pressure of many kinds and in many cases the land has been expropriated.

The following example explains the failure of this plan very accurately.

In a survey of the division of crown lands among peasants in Sistan the following problems were noticed.

1. A great many acres of land were sold to those owning many villages already.

2. Many acres of land were sold to those not native of Sistan, who were later identified as government officials.

3. Another part of the crown lands were given to those not presently cultivating the land.

4. There was a complaint by Baram's family in respect to extortionary procedures of government officials. It was proved later that officials had sold 252 shares of Baram's land to Z. A. Kiani, a government agent.

5. Number of shares in some areas were less than the number of families, therefore some families had to be moved to the nearest village, having greater number of shares. Iranian farmers, having a great love for their home did not wish to evacuate their homes voluntarily, and government officials not having the degree of statesmanship and expertness necessary for performing this job failed

to transfer farmers to another village.

6. Many shares sold to farmers were smaller than the regular size mentioned in the decree.

7. Many shares were sold to unqualified persons.

8. Limits of allotted shares were not defined.

9. Time and again land allotted to farmers was not useful for cultivation.

10. Ignorance, lack of capital, equipment, mutual help and education made the plan unworkable.

11. No ownership documents were issued until three years later in 1949.

Therefore it appears from the above information that the attempt by the government to encourage peasant proprietorship, to decrease the influence of high officials and nobles, and thereby to increase the productivity of Sistan failed dismally. At present the standard of living in Sistan is as low as any other part of the nation; and although the land is fertile it is not fully utilized.

Seven Year Plan for Reconstruction and Development

"Seven Year Plan" was the second economic development project initiated during recent years. This plan was made by Morrisson Knudson Corporation, an American institution, under the order of the Council of Ministers. This plan was designed to embrace many government activities and coordinate them into a single program. The main purpose of this

plan was to increase and improve all the factors of production, speeding up the output. According to this plan there were budgets assigned to all lines of production and economists were selected to study the best method of utilization of this help.

As far as the agricultural aspect of this plan was concerned, it was intended to increase the production of certain main products, by providing growers with technical assistance and advance payments, mechanizing agriculture, combatting plant pest and diseases, and providing facilities for importing agricultural machinery.

There has not been much attempt by this plan to solve land tenure problems and bring about a democratic land tenure system. However, this plan endeavors to increase efficiency and increase agricultural production, by increasing the productivity of the land, regardless to whom the ultimate result will belong.

The philosophy behind the Seven Year Plan was that if a farm does not produce an economical amount of crop it will not help its peasant, even if he becomes the owner of the land himself.

Failure

The Iranian government, lacking capital funds and leadership ability, was planning to finance this project, like many others, by loans from the International Bank, from the United States, and by revenue from the oil industry of Iran. Unfortunately, the loans from International Bank for Reconstruction and Development have not been received yet. The revenue from oil was also held by the ex-Anglo

Iranian Company, because of the dispute over the nationalization act of the Maglis (parliament).

Another main reason for the failure of this plan was that of instability or continuous change of the government. The newly elected deputies were so much concerned with the oil debate and external affairs of the nation that they completely ignored the "Seven Year Plan."

In short the "Seven Year Plan" which was designed to increase the level of production of the country, making the nation more progressive and prosperous, failed because of some minor and unimportant factors; mainly lack of the interest of foreign nations and government officials in the welfare of Iran.

Division of Crown's Land Among Peasants

After the failure of the Crown Lands Distribution Plan of 1946 and Seven Year Plan another attempt was made by his majesty the King for betterment of the living conditions of the peasants.

On January 27, 1951, Shah promulgated a law concerning distribution and sale of his land to the farmers. This law, just like the previous one, passed in 1946, provided that land be parcelled into units in size according to its fertility, distance to market, and amount of money accessible to the farmer for the improvement of this land. Having failed in 1946, Shah decided to ask for foreign help--financial and advisory. Therefore a request was made to the Foreign Operation Administration to work with Iranian officials toward the

most proper division of crown lands among farmers. Foreign Organization Administration, being a cooperative agency, established by American government in order to give monetary and advisory help to backward countries accepted Shah's invitation gratefully. A Royal Commission selected by Shah for implementing the Crown Lands Program and Point Four officials have been working together very closely since the passage of the edict by his Majesty Shah. These two agencies have taken long steps toward the improvement of the living condition of peasants and development of a more sound land tenure system.

Now I will summarize some of the contributions of these two agencies.

Extent of Crown Lands

The Crown lands coming under the provision of this edict comprises some 121,200 hectares presently under cultivation and some 53,000 hectares of arable land not under cultivation at present. Another 200,000 hectares is potentially productive if sufficient water can be made available for irrigation purposes.

There are 2100 villages located in the Shah's land, varying in size from a half dozen families to around 2,000 families. The typical village is occupied by 50 to 100 families. Altogether there are 50,000 families and 300,000 persons in the Shah's domain. Crown lands are located in Ostans (Provinces) one, two, five, eight, and nine.

Implementation and Administration

The Royal Commission has consisted of ten members, who have the sole responsibility of dividing the Crown lands among farmers. The Commission has established two "pious foundations," one of which the "Bank of Development" is to operate as a nation-wide banking and credit agency whose activities "at first shall be limited to meeting the needs of ceded properties and their peasants."[1] This bank was also to promote the improvement and development of cultivated lands transferred by his majesty to the peasants.

Some of the main functions of this bank are as follows:

1. Collecting the annual payments for the purchase of the land.

2. Accepting deposits, giving loans, and performing every kind of banking and credit affairs approved by the high council.

3. Assisting in reconstruction and development of ceded property.

4. Creating cooperative corporations or participating in such cooperatives established by peasants.

5. Creating general goods warehouses.

Cooperative Corporation of Pahlavi Domain is the other pious foundation. It functions at village level and performs the following services:

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[1] Paul V. Maris, Proposing a Point IV Program for Aiding Purchasers of Crown Lands in Iran, 1952, p. 9.

1. Preparing the first need of living such as food, fuel, clothing, dwelling, medicine, and household goods.

2. Preparing agricultural equipment, seed, goods, fertilizer, forage, agricultural implements and investments, pest and animal disease control.

3. Purchasing surplus products.

4. Borrowing from Development Bank of Domains for the share holders and guaranteeing these loans according to regulations.

5. Performing services relating to plowing, supplying young trees, livestock treatment and breeding, repairing machinery, transportation facilities and care of share-holder's family.

6. Accepting deposit on behalf of bank.

The success of this program is of tremendous importance to Iran. The success of this plan means a new and better era in the lives and fortune of participating peasants and its failure will protect and strengthen the chain of poverty and serfdom that for generations has enslaved Iranian peasants. If this plan results in giving a reasonable income to new landowning class, the other villagers might be awakened, asking for governmental help and freedom from the landlord's intolerable injustice.

This program has also international importance. The supreme objective of the Crown Land's Distribution Program being social and economic betterment of the peasants will strengthen economical and political conditions of the country, giving Iran a better bargaining position and lessening the influence of foreigners in the affairs of the country.

To clarify this statement it should be said that the root of any foreign influence in the affairs of another nation is economic. Economic, social, and political systems of any country are so closely related to each other that their separation is almost an impossible task. Thus it is logical to say that a country having a sound and powerful economic system will also be very strong politically and vice versa.

By the way of illustration, the main reason for the influence of British and other foreign governments in Iran was the weak economic position or say the immediate need of the country for food and other means of subsistence in the time of Safavids and other dynasties.

However, there is doubt in the degree of the development which will result from Crown Land Division Plan; moreover even if the progress is substantially great how and to what extent it will affect the foreign influence already present in Iran can only be a guess.

Finally, Shah's Land Project is of international importance because it is the first project of its kind in the Middle East and if it bears the expected fruit all the other middle eastern countries might follow it.

Mr. Paul V. Maris, a Technical Cooperation Administration consultant, considering Iran and other Middle Eastern countries' strategic position, states the following few lines as to the international importance of this plan:

> The Crown Lands Program is of major importance internationally, because of its proximity to the Soviet Union, its magnitude measured in terms of land and people and

> because of the official character and prestige of its sponsorship. Its success should have a salutary influence extending far beyond the national border of Iran and its failure may be expected to result in adverse repercussions at least throughout the entire Middle East.[2]

The Crown Land Distribution Program is one of the most humanitarian plans ever designed by a king for the welfare of his people. However to what extent this plan would achieve its end is the question.

The land is offered to farmers for 80 per cent of the market value, which is spread over 25 small installments. Size of the lot cannot exceed 30 hectares (75 acres). Bank of Development and Consumers Rural Cooperatives provide farmers with all kinds of useful and practical services, making it easy for them to remain on the farm and cultivate the land. All these factors are conducive to the success of the Crown Land's Plan.

The Crown Lands Project is threatened with failure at the village level. A majority of farmers lack education, understanding, managerial ability and sense of responsibility which are required for the ultimate success of this plan. Most of the villagers are not able to make their own decisions. Furthermore, their livestock is inferior, and their agricultural implements are very primitive. To overcome these handicaps will require foresighted actions.

The above factors are reasons for low income, poor quality crop, financial difficulties, and eventually inability of peasants to meet land purchase payments, discouragement and desire to return to the old order.

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[2] Ibid., p. 4.

It is true to say that once the sentiment of the peasant turns against the Crown Land Plan the whole plan will fail. Furthermore, it will be tremendously difficult, if not impossible, to reverse it.

Another element of importance which ought to be added to the list of difficulties confronting the Crown Lands Plan is the mode of life and culture of Iranian peasants.

Iranian peasants living under conditions prevalent to the feudalism, most wretchedness, surrounded by many customs, traditions and religious beliefs for many centuries are exceedingly hard to be introduced to new culture, method and mode of life.

To change them for the better will require limitless patience, a great deal of time, deep human understanding and much technical and practical knowledge.

Setup of the Plan

Considering all the above obstacles and their severe effect on the Crown Lands Plan, agricultural economists and engineers with the help of Point Four advisors designed plans for the most adequate distribution of the said land among peasants. The following provisions are made by this plan.

Division of the land into villages and between families. The land belonging to the crown in each Ostan (province) is divided into villages, and village supervisors and area supervisors are assigned to each village. One village supervisor is assigned to a village having less than 100 families, and two to those occupied by more than 100

families. On the whole one village supervisor will roughly supervise 75 peasant families. One area supervisor is assigned to each 12 villages, who directs village supervisors in their daily work.

Village supervisors must be Iranians, having some college training and be willing to live in villages. They should have a good sense of humanity, not considering themselves superior to peasants, wishing to work at the side of the peasant helping him to solve his daily problems. Last but not the least they should have a very sincere interest in improving living and economic conditions of the peasant.

According to this plan village and area supervisors are to receive several months of intensive training before they are appointed to the job. However at the present, because of the lack of sufficient number of suitable individuals, the training period is limited to only four weeks. The training course is granted by Point IV.

Plans are designed by the Ministry of Education with the cooperation of the Near East Foundation for the expansion of this training school, expecting that in a very near future the enrollment may be increased from 60 resident students to 200 resident students, with a two full years of practical study.

The following table shows the division of Varamin area into peasant families and number of village supervisors assigned to each village.

TABLE IX

PROPOSED DISTRIBUTION OF VILLAGE SUPERVISORS IN VARAMIN AREA

	Name of Village	Number of Peasant Families	Number of Village Supervisors	Number of Area Supervisors
1.	Davudabad	143	2	
2.	Kheirabad	100	2	
3.	Poutitang	110	2	
4.	Gorg Tapeh	90	1	
5.	Khorin Kattan	86	1	
6.	Salehabad	50	1	I
7.	Khatoonabad	64	1	
8.	Hajiabad	34)		
9.	Mahmoodabad	42)		
10.	Kessar Kalak	45)	1	
11.	Rastam Abad	24)		
12.	Saadabad	Undetermined		
Total			12	I

Source: U. S. Department of State: Report Proposing a Point IV Project for Aiding Purchasers of Crown Lands in Iran, 1952.

Function of a village supervisor. The following are the functions of a village supervisor:

1. Utilization of land and water. Providing farmers with the best rotation system, showing him how to take advantage of every single drop of water and every inch of fertile land.

2. Crop production. Obtaining seed of proper varieties, obtaining agricultural tools and machinery, teaching farmers the proper way and time of seeding, fertilization and use of machinery; also, using modern measures for control of pests and diseases.

3. Harvesting and marketing of crops. Putting large and expensive machinery such as threshing machine or combine not available to the farmer in their access and direct them toward cooperative harvesting to the extent feasible. See that attention is paid to grading, storing and marketing of crops.

4. Proper use of credit. Determining the amount of help needed by peasants, providing them with loans and essential supplies until their crops are harvested and sold. Determining amount of production credit needed for fertilizer, seed, feed and insecticide, etc. In short, planning a family budget income and expenditure that will enable him to live satisfactorily and be able to meet annual payments for land as they fall due.

5. Helping farmers in their cooperative activities. See that each peasant participates in purchasing the required number of shares in Consumers Rural Cooperative of Varamin; takes part in cooperative purchase of feed, fertilizer, seed, insecticide, fungicide, tea, coffee,

medical supplies, clothing, etc.; participates in joint ownership and use of the farming equipments, tractors, threshing machines, pumps, etc.; participates in cooperative sale of farm products; participates in ownership of community bath, laundry, prevention of disease and promotion of health; takes the best advantage of the maintenance and use of the available water, using proper systems of irrigation and disposal.

6. The final duty of a village supervisor is to see that each peasant participates in educational and other community activities: sending their children to primary school, giving proficient and ambitious boys and girls the benefit of vocational training, participating in village improvement programs and community recreation activities and cooperating with one another for providing such community activities as schools, public health, mosques, etc.

Effectiveness of the Crown Lands Plan

It was stated in a previous chapter the degree of political maladjustment, social injustice and economic inefficiency of the present land tenure system in Iran. It was explained how two million peasants work and sweat tilling stubborn soil of Iran for their livelihood.

We also discussed how the landlord sends his agent to the farm to collect the biggest lump of the crop which is produced by these peasants, leaving them nothing but a small share, hardly sufficient for their subsistence.

Up to two years ago there were no means by which to improve the status of the tenant on the land. Since 1952 there have been many suggestions by prominent agricultural economists and land tenure specialists concerning the improvement of the tenure system in Iran. One of the suggestions worth mentioning is made by Mr. Robert J. Minges, an assistant to the Point IV program in Iran. He says there are three ways by which such improvements can be brought about: (a) by revolutionary means, (b) by a program legislated by the government or promulgated by the Prime Minister, (c) or by the introduction of technical improvements and changes to institutions within the existing framework.

The first two instruments of change rely for their ultimate success upon a broad base of public support. The fact that the Iranian peasant has not the inclination nor the political strength to force reforms by revolutionary methods suggests some of the limitations of the second possibility of change through legislation. Although almost all of the governments coming into power pay some lip service to land reform and bills toward that end are occasionally introduced and sometimes passed by the landlord-dominated majlis. There has been simply no active movement, including the Tudeh party, to help achieve the implementation of these laws by its support.

Apart from legal or extra legal methods for improving the status of the Iranian peasant on his land it is possible of course to bring to the farmer improved agricultural techniques or improved community facilities within existing tenure system.

The Point IV rural improvement program is directed toward this end, but inevitably some part of any increased production is drained off by the landlords.[3]

Only 15 per cent of the agricultural land in Iran is owned by farmers; the rest is either public endowment, royal domain or landlord owned, who receive between one-half and two-thirds of the crop. For the farmer who must give the biggest share of the crop to the landlord's agent there exists neither means nor incentive to economic and social development. It is only through an agency such as Point IV that farmers who are purposely chained and kept in poverty by landlords can be helped. It should be noted that most of the Point IV efforts for improvement of the economic position of farmers is pointed toward those peasants owning their own land, with the hope that other farmers noticing the excellent result will force the landlord to either leave the farm or give them a better opportunity for progress.

Dr. Henry Bennet made the following speech before the Wisconsin World Land Tenure Conference shortly before his death. He said:

> It seems to me . . . that there are three essential principles that underlie a just and equitable land system; first, the farmer must be able to own land or to use the land he tills, under fair conditions and terms of tenure. Second, the farmer must have access to credit on reasonable terms, to enable him to farm efficiently whether as owner or tenant. Third, he must have access to the knowledge

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[3]Robert J. Minges, Progress Report on Crownland's Program in Iran, Teheran, Iran, 1954, p. 2.

and techniques that will make his efforts productive and profitable to him and to society.[4]

Now let us evaluate the Joint Crown Lands Program and Point IV according to Dr. Bennet's concept and see if these plans fulfill the requirements necessary for a sound land tenure system.

Before the establishment of the Crown Lands Distribution Program and financial and advisory help of the Point IV Program, there was no equitable credit system and technical aid available to Iranian peasants.

The issuance of the royal edict that the land owned by the crown be distributed and sold to farmers who cultivated these lands was the most important land reform program in Iran's history. "For the first time there existed the opportunity of creating the beginning of an economically secure and politically stable rural middle class in Iran."[5]

According to the last report released by Point IV office, Crown Lands Plan has been very successful in accomplishing some of his ends such as, better land utilization and conservation, increasing quality and quantity of crop, higher level of education and granting security to a group of farmers. This report indicates that out of 7,295,681 Rials loans which were made to 746 farmers up to February, 1954, 2,500,000 rials has been already repaid. About 5,000,000 of this loan will not be due until late this year.

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[4] Ibid., p. 3.

[5] Ibid., p. 4.

This report indicates that with two exceptions the income received by farmers this year has been sufficient to provide them with a decent living and enable them to repay their debts. The two exceptions were: (1) the village of Gorg Tapeh, where a severe attack of Sen destroyed a great part of the wheat crop and also insufficient water caused a low quality cotton crop and (2) a few farmers in each village who produced low quantity and quality crops, because of the poor quality of land or inefficiency in their production method.

As a matter of fact, 97 per cent of all the annual payments for land had been made as of the first week of May, 1954.

Point IV

Foreign Operation Administration has been cooperating with Crown Lands Project since 1951. It is true to say that if it would have not been for the tremendous financial and advisory help of Foreign Operation Administration the Crown Lands Project would have been a complete failure.

Sanitary and educational programs of the Point IV are widely spread throughout Iran and appreciated by all Iranians. Last year alone ten tons of certified wheat seed was sold to Iranian farmers at a price much below market level. DDT spraying for Sen and other pests were conducted in every corner of the country and was tremendously appreciated by all Iranians. Loan put in access of farmers participating in Crown Lands project for the purchase of

agricultural equipment. It was this monetary help that actually kept the new landowner farmers on the farm.

Demonstration farms made by Point IV supplied many farmers with the sufficient experience concerning utilization and conservation of their soil.

There is no doubt that Crown Lands Project and Point IV have taken a long step toward improving the condition of farmers and development of a more adequate land tenure system in Iran. However, a majority of programs written by these two agencies is in one hand long term plans, having no pronounced effect at present, secondly they are limited to the Crown Lands area. Mr. Minges says: "No matter how successful our efforts are in the Varamin area, unless the experience is utilized by others, only 12 villages out of 40,000 and 4,000 people out of perhaps 17,000,000 will be benefited."[6]

The Bank of Development is helped substantially by Point IV. There is much doubt if this bank can stay in operation without the financial help of Point IV. Mr. Minges states:

> There is considerable evidence to suggest that the Bank as presently organized is incapable of extending to other areas in any satisfactory way the experience gained in Varamin.
>
> The technical assistance aspect of the Varamin program has rested on the availability of Near East Foundation engineers or technicians and the many projects of the Near East Foundation for which there was financial support. The present Point IV and Ministry activities in other areas are presently inadequate to furnish the same kind of technical backstopping.[7]

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[6] Ibid., p. 10.

[7] Ibid., p. 11.

The points that we are trying to justify are:

1. Crown Lands Project can operate as long as it is backed by Near East Foundation. Removal of Near East Foundation's aid would mean failure of Crown Lands Plan, at least for the next four to five years while new landowning peasants are poor and badly in need of financial and advisory help.

2. I grant that intentions of this plan are humanitarian, praiseworthy and ought to be appreciated by all Iranians; however, this project embraces only a small portion of the total land in Iran and we have no reason to believe that other landlords might follow the king.

3. According to many Iranian land tenure specialists whom I interviewed in Washington, D. C., the help given to farmers by Near East Foundation and Royal Commission is still far below the required amount for proper and efficient farming.

Point IV budget was twenty-three million in 1953, a big portion of which was paid as salaries to village and area supervisors, construction of sample farms, roads, sanitation and education facilities, etc., leaving a small share for direct technical and financial help such as loans and purchase of machinery and equipment for the farmers.

4. There are probably many landlords who are willing to either divide their land and sell it to farmers for a reasonable price, or sell it to the government. But neither the peasants nor the Iranian government are in position to purchase such lands at present.

5. If we assume that a program can be initiated to distribute the land among peasants, what will happen to the excessive farmers for whom there is not sufficient land?

6. Finally, there remains the problem of inheritance. Under the Crown Lands Project each farmer receives the maximum of 30 hectares (75 acres), which is hardly adequate, with the present method of agriculture, for a decent living. If this land be divided among an average family of five, it means that each person will own only six hectares, which would be very insufficient for a family farm. How Crown Lands Project and Point IV are going to remedy this situation is not yet known.

One sincerely hopes that the Royal Commission with the cooperation of Point IV and other technical and financial agencies will be able to accomplish its so-necessary land reform program in Iran. However, it is clear that this plan alone is not the answer to all social, political, and economic problems of the country rising from improper land tenure system, and other plans are to supplement it. Therefore, we will elaborate on designing a program which might benefit the country as a whole, focusing our attention on the land tenure problem.

Characteristics of Any Land Reform Program in Iran

In Iran, where three-fourths of the people are dependent upon the land for their living, the relationship between the people and the land they occupy and exploit is a matter of the greatest interest. The

future of the Iranian farmer directly and the rest of the nation indirectly is dependent upon the amount of fertile land available and system of tenure.

Then it is logical to say that the end product of any land reform program must consider the well-being of fallah, giving him equality, adequate income, and enabling him to improve his condition, conserve his soil and live as a human being.

Objectives of the Plan

1. Equality of civil liberties for the peasants.

2. Equality of economic opportunity for the peasants.

3. Transfer of ownership of some of the land into the hands of the peasants.

4. Reasonable or equitable division of farm income among tenure groups in order to avoid human and physical exploitation.

The Role of Government in Carrying Out a Land Reform Program

The government of Iran, or the government of any other country with a rigid caste system, is the only authority with enough power to adjust social-economic differences in the society.

At the present there are many landlords who realize that peasants cannot be kept contented under the conditions of servitude and oppression forever, and that the day will come when farmers will either ask for their liberty and freedom or will acquire it by force.

Being aware of grim consequences resulting from a maladjusted land tenure system, there are many landlords who are willing to take

steps toward improving the status of peasants. However, the Iranian government has the absolute power over all the national affairs through legislation, laws, and amendments of the constitution.

It would be logical to say that the Iranian government must be the counselor to those who wish to cooperate with her in improving the tenure situation, and in controlling the action of all individuals where conflict arises in regard to rights and utilization of property.

It is true that a great portion of the government officials are landlords who are not willing to take extreme reform measures in favor of falaheen. Many of the projects which have been designed for improving the welfare of the peasants are not adequate and the process of carrying out these improvements has been slow; however, continued projects and plans will pave the way for the slowly evolving improvements which must come eventually. A sound and evolutionary land tenure system in Iran will develop although the realization of this reform is now in the unforseeable future.

The maintenance of a stable government is a prerequisite to the establishment of a satisfactory political, social and economic system which will insure personal freedom, equity, and prosperity in Iran.

If such a government is to find the solution to the agricultural problems of the country it must:

a. Establish a legal system which guarantees equality of opportunity and equity for all groups in their pursuits of a living.

b. Launch a program of general economic development to find opportunity for peasants to work in industry, to raise the general level of living, and to reduce farm population.

c. Create a program of agricultural development, land reforms, education and financial assistance to the poorer classes in the society.

Methods of Land Tenure Reform

There are three methods suggested for land tenure reform:

1. Planned tenancy. This method is based on governmental action toward regulating landlord-tenant relationships, providing for the freedom and security of tenant, fair rental rates, betterment of the tenant's position and up to a certain degree increasing the acreage of the land operated by the owner. This method requires a great deal of experience, expertness, time, and central power. It was applied successfully in England, but our country lacks the type of government and required number of honest statesmen to design an effective and workable plan.

2. Making tenants the owner of the land they cultivate. This method requires a very rich and powerful central government which can screen the best farmers and provide them with all the facilities needed for the intelligent and adequate farming, moving less efficient farmers into the industrialized cities. A successful example of this form of land tenure reform is seen in Ireland, Denmark and the United States.

3. A combination of these two methods as in France, Italy, Germany and some other countries.

In suggesting a sound land tenure program for Iran, we have to consider all political, social, and economic phenomenon affecting this plan. The most eligible method of land reform for our country is a

combination of the planned tenancy and owner tenant farming, for several reasons.

1. The country possesses a tremendous amount of unemployed human and natural resources that sooner or later will be developed, either by government or private corporations, thus creating many industries and gigantic wealth. Industries developed as such will have a great potential for the use of much human resources now exploited by landlords.

Oil, our most important natural resource, which has been left idle for the past two years, because of the dispute between Iranian and British governments over nationalization act, will start operating in a very near future, producing many jobs for unemployed persons and bringing millions of dollars into the country each year.

Therefore, it is wise to say that there will be an enormous movement from farm into the cities in the future. As a matter of fact, this movement has already started. It is estimated that about 800,000 to 1,000,000 farmers moved into the cities last year; whether this movement is because of the poverty on farms or availability of jobs in the cities is not known and has no importance to our discussion.

Evacuation of farms by peasants forces landlords to either operate it themselves or most likely sell it. This will give an opportunity to Iranian government to purchase some of these lands much cheaper than the appraised price, because of the limited demand for them, and put them in access of those who are willing to operate them.

An integration of this plan and Crown Lands Project will make many acres of land available to tenants and increase the percentage of land-owning group.

2. The revenues from oil, other industries and sale of land will also enable the government to provide necessary technical and financial help to peasants.

3. Because of some degree of industrialization, our government can provide those farmers leaving villages with satisfactory occupations.

As a whole this phase of the program might fulfill, up to a certain extent, Miss Warriner's philosophy:

> Land reform, on the East European model, dividing all estates above certain medium sizes, between the landless laborers and small proprietors, would be the quickest and easiest way of alleviating poverty. There is nothing intrinsically impracticable in such a change and no reason to believe that it would be attended by a decline in production.[8]

However, this plan cannot go as far as liberating all the land from the hands of landlords, passing it to efficient farmers and assisting them with financial and advisory help, because of the (a) lack of capital; (b) the public looks at peasant as a lower form of human being, and does not accept the idea of tenant proprietorship; (c) Iranian government does not have the necessary fund needed by this plan at the start; (d) many landlords are very stubborn and will not leave their land into the hands of government willingly; (e) not many

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[8]Doreen Warriner, Land and Poverty in the Middle East (London and New York: Royal Institute of International Affairs, 1948), p. 48.

peasants are well equipped for ownership; (f) and if the plan is not wisely designed it will cause division, sub-division, parcelization, etc. of the land and back to the hands of the landlord.

Consequently, an integration of the first method, purchase of land by the government and making it available to farmers, and the second method, direct technical and financial help to tenants is the best acceptable form of land tenure reform in Iran. This plan is suggested mainly because of the political, economic, and psychological obstacles preventing each of the first or second plans to be successful singularly.

The line of action to be assumed toward accomplishing and regulating this plan includes:

1. Settling of oil dispute and directing the utilization of national resources.

2. Providing jobs for the peasants leaving farms and assisting those owning land.

3. Regulating landlord-tenant relationship, fixing maximum rents.

4. Family farm schemes.

5. Establishing general provisions for tenants.

6. Distribution of land.

Settlement of Oil Dispute and Directing the Utilization of National Resources

Success of any project is directly related to the ability of manager and advisors, duration of plan (short run or long run), availability of necessary equipment and infomation, effect of external

factors and most important of all, availability of capital funds.

Oil is the most important source of revenue for Iran, and the whole economic stability of the country is dependent upon this resource. According to Mr. N. Frye, the author of Iran, oil is the blood of Iran's economy. If the revenue from oil stops the whole economic and social arrangement of the nation will be greatly damaged, as we have noticed during the past two years.

It is essential to the welfare of our country that the new and progressive government settle the oil dispute, rebuilding the country's financial resource, and bring about prosperity.

One would not say that the oil dispute ought to be settled at any price, but implying that since we have succeeded in nationalizing the oil, we should take the best advantage of it, either operate it ourselves with the help of foreign technicians, or have those governments, private companies, or public corporations offering us most operate it; considering political factors by all means.

Having enormous oil revenue at hand, the government can initiate programs to develop many indispensible and important industries to utilize the agricultural and other natural resources. Establishment of such enterprises will stimulate industry, increasing employment, earnings, national income and finally making it easy for peasants to move into cities.

Iran is rich in many resources such as iron, cobalt, copper, sulphur, gold, etc.; however, most of these metals have not been worked commercially yet. Many prominent government officials explain the

reason for this idleness as being political rather than financial and technical.

Plans are to be designed for putting into use all the mineral and other resources, saving millions of people from destitution and poverty. Revenue from operation of all the country's resources including oil ought to be enough to give every Persian a decent income, decent home, and decent living.

Providing Jobs for the Peasants Leaving Farms and Assisting Those Owning Land

If we can develop our resources according to a well designed program, taking advantage of every penny in the country's treasury, every technician available, any foreign help accessible, etc., we can develop Iran to the level of one of the most industrialized nations of the world in a period of a few years. We shall be able to provide many of our poverty stricken peasants jobs with adequate salaries everywhere throughout the country, thus forcing landlords out of farms and substituting them with those wishing to remain on the land and till it; thereby reducing the economic power of the landlord class. This would remove one of the biggest obstacles to agricultural reform.

Our government must also pass legislations for regulating the employer-employee relations, limiting power of employers, helping employees to organize labor unions, setting minimum wage rates, etc. in order to assure equality, freedom and justice for all laborers.

Regulating the Landlord-Tenant Relations

A law should be enacted in order to accomplish these goals:

A. Security of tenure

B. Fair and just rents.

C. Freedom of cropping.

D. Compensation for unreasonable disturbance and unexhausted improvements.

E. Abolishing the old debts of tenants.

Provisions of the legislation.

1. A definite contract form prepared by the government must be filled out in order to establish fair relations between landlord and tenant. A copy of this contract should be kept by tenant and one by the landlord. A third copy should be filed with the local government.

2. Duration of leases should not be less than five years, with a termination notice at least six months before the end of the lease.

3. The right of the landlord to terminate the contract at his own wish is to be restricted, and the tenant should be offered compensation for unreasonable disturbances, except in the case of mismanagement, arrears in rent, and violation of the contract.

4. Tenant should have the freedom of crop selection, crop rotations and management of the farm.

5. Tenants are to be offered compensation for unexhausted improvements which were made with the agreement of the landlord, and be subject to payment for damages done to the property of the landlord.

6. A fair maximum rent should be fixed by the government. A yearly percentage could be added or subtracted from this rent according to the general condition of production and prices. This yearly percentage may be set by the Ministry of Agriculture. Tenants should

be informed about the new maximum rent before the termination of the cropping year.

7. Governmental agents are to inspect farms regularly, authorizing landlords to charge the actual prices for seed, fertilizer, etc., which they buy for their tenants. Also do not over-charge the tenants for the services that they (landlord) render to them.

8. The interest rate charged by the landlord should not exceed a reasonable return on capital.

9. If some natural or physical phenomena cause the failure of the crop, government agents are to estimate the loss and the new rent.

10. Many farmers owe a small sum to the landlord because of rent arrears. This sum being considerably small in the eyes of the landlords, is a great burden to low income peasants. Therefore, measures should be taken to void such debits.

11. Non-farmers should be prohibited from renting farms. This action of government would give protection to farmers to whom farming is not only an occupation, but a living too.

12. The lease should not terminate by the death of the tenant. The heirs of the tenant should have the right to continue it if they are able to carry out the obligations.

13. Tenants are to be given freedom of forming unions or similar organizations enabling them to cooperate with each other and organize their efforts toward collective bargaining.

14. All the complaints between tenants and landlords are to be settled in a local court. This court should be consisted of a county

judge as the chief and two experts as members.

15. Government should establish a central board to be responsible for administering tenure laws. Such a board should consist of the most well known land tenure specialists in the country. This board must confine itself to the study of the problems and the formulation and direction of general policy.

Family Farm Scheme

The government should attempt to establish a class of family farmers free from oppression and exploitation, by establishing independent owners and tenants with economic size farms which will provide a reasonable return for the peasant and his family. Increase in production will lead to a more balanced agriculture. More production also means higher standard of living, better housing, more adequate education and sanitation services, cooperation and other human needs.

The promotion of family farms by means of increasing the land under cultivation and purchase of landlords' holdings were discussed already and do not require any more elaborations. However, it should be said that under such a system of self ownership the security of tenure, freedom of utilization of land, and opportunity of reaping the whole fruits of the labor and investment without any speculation in land values are given to the holder of the property.

General Provisions for Tenant

1. A forward looking program should provide tenants and their families with technical and financial assistance, vocational training,

and teach them how to be efficient farmers.

2. Landlords are to be responsible for maintenance of adequate housing, sanitary and public services for their tenants.

3. Cooperatives should be formed by tenants in order to provide them with short term loans for purchasing livestock, seed, implements, etc., and to help them in marketing their products.

4. Public education and adult education must become compulsory and extended.

5. Dissemination of price, demand and supply outlook in order to enlighten tenants should be effected.

6. Tenants should be encouraged to form cooperatives for the purpose of leasing and operating estates similar to the program carried out by Farmer's Home Administration in the United States, and also to obtain their working capital from the Agricultural Bank.

7. In case of excessive peasants in a village governmental experts are to select those most efficient and keep them on the farm and help others to find jobs in industry.

8. Selection of government agents for distribution of land among peasants is a very sensitive and difficult task, and very often dishonest, weak personality and cheap individuals are selected. Improper selection of agents might mean bribery, stealing, exploitation and failure of the plan.

Land Distribution

It was pointed out in the previous chapters that land ownership in Iran is characterized by (1) concentration of land in the hands of a few fortunate landlords, (2) absentee ownership, (3) high land prices,

(4) non-farmer ownership, (5) excessive division of land.

Taxation may be used to remedy this problem. Through a progressive method of taxation either a large revenue will go into the hands of the government, or land values will decline within the reach of the peasant, so large estates are forced on the market. The following measures would be effective in land distribution:

1. Use a progressive system of taxation on land to make owning of large estates unprofitable. Collecting a very small amount of tax or none at all from those owning five or less acres of land would aid the peasant considerably.

2. Large landed estates would be gradually broken up by increasing the rate of inheritance tax to the degree necessary to force land sale.

3. A just income tax, which is considered as the best method for producing social equality and narrowing the gap between the rich and poor, should be levied.

4. A sales tax on the land would probably decrease speculation.

5. Legislation should be enacted to discourage the owners from disposing of land for speculative gain.

Conclusions

Land tenure problems in Iran are the most serious social problem endangering the welfare of the society day after day.

It is only through education that people can be informed about the problems of land tenure, their detrimental effect on the whole society, the way they can be improved, and the useful result of their improvements.

It is the responsibility of the Iranian government to make education compulsory, provide every village with a public school, help peasants economically and as such giving them incentive to send their children to school.

Unfortunately today there are many who accept the situation, but only few who understand it, and fewer who are interested in social reform. It is regrettable to say that even many of our highly educated professionals, preferring their personal happiness, have joined the landlords in oppressing and exploiting the peasants.

There are many highly-learned individuals who are grouped as landlords and are victim of the unjust caste system of the country.

If required educational services are put in access of farmers they might see the problem and cooperate with the government in finding a solution for it.

However, at the present none of the Iranian peasants is either acquainted with or interested in this serious problem.

The main objectives of this thesis were to show the system of tenure in Iran, the weak points of such a system, and how a defective land tenure system will affect the farm population and the whole nation.

Considering the importance of this problem, suggestions were made for the solutions of the economical development of the country which is conceived and achieved for one sole purpose--the emancipation and welfare of the people.

Being aware of the fact that 80 per cent of the population now are involved in farming, and that this is where the road to a sound national development, socio-economic and political stability must begin, many suggestions for the improvement of the living conditions of the peasants were made.

Finally, having in mind the question of land tenure not as an economical and social point of view, but also as a means of life for millions of people, programs were proposed for increasing the production and emancipating the peasant by providing him with enough funds, cheap land and suitable laws.

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