THE POLITICAL ECONOMY OF LAND REFORM IN BANGLADESH

M. A. JABBAR

The concept ‘land reform’ has two different aspects: land tenure reform and land operation reform or land use reform. Land tenure reform refers to an improvement in the pattern of land ownership and is commonly used in the western world to mean land reform. On the other hand, land operation reform refers to changes in the pattern of cultivation or the terms of holding and scale of operation and reform in this area may be independent of or only indirectly related to land tenure reform.

The objectives of reform may be social, economic and political or a combination of them. Economic objectives deal with production and allocation. Social objectives include distribution of income and wealth and status of the peasant in society. Political objectives include promotion of political stability, legitimacy of the political system and national security.

To achieve the government declared long term objective of establishing a socialist society in Bangladesh, the immediate short term objectives to be realized in her agricultural sector are:

(a) to reduce exploitation of one class by the other;
(b) to create effective and productive employment opportunities for the unutilized and underutilized workers including landless labourers; and
(c) to ensure easy, economic and extensive use of science and technology for raising productivity.

This will involve a package of interrelated measures including mainly the following:

1. A drastic land tenure reform including fixation of higher (and if possible lower) ceilings of land ownership; distribution of excess land among landless and small holders; protection of the interest of the share tenants so long as this system can’t be completely eliminated.
2. Organization of cooperative of the farmers mainly to exploit the benefits of large scale operation (land operation reform).
3. For successful implementation of the above two measures, reliance should be made on the cooperation of the ideal-based organization of the politically educated peasants instead of the bureaucratic government officials or some dedicated personalities. This will require a drastic reorganization of the administrative system. Present government officials, particularly those working in the rural areas, should be made accountable to the people by making them employees of the peasant organization or cooperatives. At the same time, the present education system should be reorganized as to ensure productive education for all the people.

+ The Bangladesh Observer, 16 (?) September 1974.
* The author is a Lecturer in Agricultural Economics at the Bangladesh Agricultural University, Mymensingh and currently on leave as a Post-graduate student at the University College of Wales, Aberystwyth, U.K.
As has been said, these are preliminary measures. At a higher stage of development all land need to be nationalized and private ownership abolished. But many people often contradict this idea. For example, Gunnar Myrdal in his famous book ‘Asian Drama’ said that radical land redistribution and radical land consolidation by nationalization are two extreme measures for agrarian reorganization and they do not provide a feasible approach to the problems of agriculture in South Asia. But the fact is, radical land redistribution and radical land consolidation are not two contradictory extreme measures rather they are two essential measures at two ends of a single process. The process is to transform a non-socialist society to a socialist society.

Myrdal made his observation by keeping in view the socialist countries and we can see what really has happened in those countries. After the revolution in 1917, all land was nationalized in Russia without compensation and was redistributed among the landless and small peasants. Only small amount of land was kept under state farms. Even in 1927-28, out of a total of 115.6 million hectares of sown land, only 2-3 million hectares were under state and collective farms and the remainder was under private ownership. The drive for collectivization began effectively in 1932 and by 1938 about 90 percent of all the sown land was brought under state and collective farms. In China, large scale drive for abolition of private ownership of land began only after 1954. The same types of things have occurred in the other East European countries and also in Cuba, the last country to establish socialism. The only difference was the duration taken by different countries to arrive at apparently common goals. The difference has to be there because all these countries have started from different levels of their development, with different social and political order. Can Bangladesh take a different course to reach the same cherished goal?

The experiences of various land reform measures (in most cases land tenure reform) taken in Greece, Italy, France, England, Mexico, Japan, Egypt and Russia have been summarized by Tuma in the following way:

1. Land tenure reform may be effective in obtaining short term political objectives. These objectives usually are relevant to the regime in power rather than to the general political structures.

2. Land tenure reform may be effective in obtaining long-term objectives only if applied equally to all the land and all the tenure groups. However, unless the change has been imposed from below by changing the political structure, the results tend to be limited and the reform ineffective.

3. Land tenure reform does not suffice to create a sufficiently large middle class to ensure democracy, as conceived in western political theory, unless aided by a strong urban middle class.

4. By nationalizing the land and prohibiting its transaction, the reform may lead to a classless, harmonious democracy as advocated by socialist political doctrine, at least in the rural sector.

Bangladesh has a lot to learn from the above experience gathered over twenty six centuries. A land tenure reform programme of the Bangladesh Government has gone into
effect from July 1972. It includes among others a proposal for fixation of higher ceiling of land ownership at about 33 acres and for redistribution of excess land among the landless peasants. Objections have been raised from different quarters regarding the ceiling to be very high on the following grounds: (I) there is high man: land ratio, (II) there is a large number of landless labourers (presumably one quarter to one-third of the total farm labour force), and (III) there is a highly skewed pattern of land ownership (average size of holding 3.5 acres but 51 percent of the total farms fall below 2.5 acres and occupy only about 16 percent of the total land area). The government responded to this objection by assuring that the measures were not rigid and could be amended. This, therefore, amounts to confess the weakness of the programme. If the government can see the weakness and confess it, why she is not correcting it now? Will it be easy to make the amendment in future? The experience of Egypt possibly can provide some answers.

The revolutionary government in Egypt led by Nasser enacted a land (tenure) reform programme whereby the highest ceiling of land ownership was first fixed at 100 fedan. But the government (or its leader?) later decided to raise the ceiling to 200 fedans mainly motivated by short-term political objective to gain the support of the middle class. In fact these people at that time were supporting the government irrespective of the measures it was taking. However, the outcome of this policy was as it could be expected: it failed to attain the objective of (a) reducing wide disparity in land ownership, (b) increasing production and better distribution. Therefore, the upper ceiling was again reduced to 100 fedan in 1961. But this time the implementation of the measures faced a lot of obstacle from most of governments (or Nasser’s) own people who have developed a vested interest in land and who possibly would not object to it if it would be enacted in 1952.

The experience of Japan also is relevant here. The 1946 land reform in Japan was implemented under the supervision of an occupation army. The landlords then did not put any resistance because they did not get the opportunity to do so. As soon as the occupation army left the country they tried to reestablish their property rights very often by taking the help of law and the government faced a lot of trouble to dispose of those cases. The experience in India is not altogether different.

The Bangladesh government has not yet given any clear policy about land operation reform although ‘cooperatives’ is very often mentioned in vague terms. However, many people in the country, including those at the policy making level, knowingly or unknowingly speak high about the advantages of introducing Japanese system of cooperative. So let us have a look at the Japanese system and its contribution.

After the implementation of the 1946 reform, wide disparity in land ownership has been drastically reduced. In post-reform years, yield particularly of rice has significantly increased. But labour productivity has decreased due to greater influx of labourers in this sector. The rise in productivity has resulted from better utilization of land, use of fertilizer and other extension services. Since these inputs were efficiently used by the Japanese even before the reform, it is difficult to ascertain the contribution of reform in increased productivity. Some authors have concluded that the reform had no effect on efficiency of production, nor was any intended. Moreover, “in as much as economic differentiation remains the basis of class differentiation, the land tenure reform’s effect was insufficient to change the class structure considerably” because the
ex-landlords still hold the cards in their favour. While the landless and small farmers lived on the margin of subsistence, much of the benefits of price rise and price support programmes have been enjoyed by the big farmers. Cooperative farming in its true sense was never introduced in Japan. Most of Japanese cooperatives are marketing and service cooperatives and they are undoubtedly efficient in their context. Cooperatives might have contributed in increased production and income but it did not play any significant role in the sphere of distribution.\(^6\)

The condition of Japan in the fifties was much different from that of Bangladesh in the early seventies particularly in terms of literacy, industrial base, supply and use of inputs in agriculture. Yet, Bangladesh has to learn from Japanese experience because she will have to use her potential resources to overcome the crisis ahead.

Let us go back to Myrdals observation again. He said, “the most probable development in South Asian countries is undoubtedly a continuation of the present course. Under the banner of a ‘social and economic revolution’, land reforms and other institutional changes of a radical character will be talked about and, occasionally, enacted into law in some form. Very little reform will actually be accomplished and even greater inequality may result from both government policies and developments beyond government control such as increase in the labour force”. He has foreseen a bleak future for ‘socialism’ in South Asia because of the existence of various types of socialism e.g. democratic socialism, islamic socialism etc. So the salvation of south Asian countries lies in what he himself called “a modified form of welfare capitalism in agriculture”.

The question than can be asked in the above context, is there any national leader in Asia, Africa and Latin America who now can command mass support without prophesying some kind of socialism? It is undoubtedly true that today “progressive parties and revolutionary democratic forces in the third world countries favour a pro-socialist orientation. Certainly, adoption of a socialist programme does not always imply that the fundamentals of scientific socialism are correctly understood and will be readily implemented. But the fact that capitalist ideals are discredited testifies to deep changes towards a progressive outlook on the part of the multimillion masses. Shaik Mujibur Rahman, the prime Minister of Bangladesh and his party the Awamy League, is a classic example of this.

The implementation aspect of land reform is essentially political in that it is the politicians, and only politicians, who make good or poor reforms or none at all. What is the prospect of land reform in Bangladesh? If past experience with Pakistani regime is any measure of future prospect, there is hardly any hope. But one can be hopeful in light of the fact that (1) Bangladesh has been achieved through an armed struggle, (2) there is no monopoly capital in Bangladesh and 85 percent of industries have been nationalized, (3) traditional feudalist character is not prevalent in the agricultural sector and a land reform programme is already in the offing, (4) there is a national leader who commands wide support among the masses and also has moral backing of the communists and liberal democrats behind him and finally, the experience and help of socialist countries is likely to the available as required.
The non-capitalist way of development is a much-discussed topic these days. Never before a country got an ideal situation like Bangladesh to try to transform her economy in the non-capitalist way. To make good use of this opportunity, one has to be farsighted, but has to avoid the temptation of short term political gains.

REFERENCES