

Advisory Report to the Ministry of Interior

on

LAND SETTLEMENT AND RELATED PROBLEMS

by

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### MAJOR CONCLUSIONS AND OBSERVATIONS

1. Several major land development and settlement programs are under-way in Afghanistan. Emphasis has been on irrigation and drainage structures and land leveling. Much less attention has been given to soil improvement and to providing settlers with necessary supplies, services and supervision.
2. The basic requirements for successful land settlement are the same as those for upgrading small farmers of a traditional agriculture. The composition of inputs will vary, of course, for different conditions of settlement, but they also vary in the upgrading of different types of traditional farmers.
3. The amount of new lands for settlement was consistently reported to be small. It is limited to agricultural lands where there is available water from rivers and streams and potential ground water for pump irrigation.
4. The costs of bringing new lands into agricultural use will continue to be high. In addition to the construction of irrigation facilities, land development improvements call for substantial investments prior to allotting units to settlers.
5. Uncontrolled plowing of hilly or mountainous grazing lands is leading to serious soil erosion and destruction of land resources for both grazing and agricultural uses.
6. The nomadic life of the kochis in its economic, social, and land-use respects should be significantly improved. Careful planning is necessary for the management and improvement of grazing lands, and the effective utilization of grazing lands in combination or in association with tillable agricultural lands.
7. Land settlement should be conceived as the allotting of productive land in farm units of economic size to well-chosen settlers, and providing them with good seeds, fertilizers, tools, credit, and other essential services, and close supervision in good farming practices. And unless the knowledge of good practices is brought to the farmers in a practical and profitable manner, knowledge in itself is rather sterile.
8. The task of land development and settlement involves many difficulties and problems. Much is to be learned and much needs to be done. One approach would be to establish an integrated program in a few well-selected areas within major areas of development.
9. Study should be given to the education and training of men to organize and supervise cooperatives and credit societies. The focus of planning for all types of farm credit should preferably be that credit would come from one source, extended and supervised through credit societies and repayments scheduled in relation to farm income.
10. The Cadastral Survey, Land Classification Program, and Land Registration are of basic importance. They are, however, only a part of a land settlement program, and particularly that part dealing with the

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delineation of boundaries of ownership rights in private and government lands. Because of a confused situation in regard to private rights in some lands generally considered as government lands suitable for settlement, the ownership status of these lands must be clarified.

11. There is a need for a land tenure study dealing with the ownership pattern, with particular reference to extent of large landholdings, limitation of opportunities on these lands, intensity of land-use by size of holdings, and landlord-tenant relationships. Closely related to such a research project is a need for a study of water rights. The research efforts should result in a better understanding of the land tenure situation; of rights in water; and in revealing legislation and measures for progress.

12. The planning, programming, and operating of a coordinated and integrated land development and settlement program will require a re-organization of the Department of Land and Settlement. And for the total land problem of Afghanistan, there is a need for constant high-level consideration for improved administration, budgetary support and staff improvement in dealing with major land-water situations and problems. The conservation, development and management of the extensive land and water resources warrants, in the private and public interest, much closer administrative consideration.

13. The social and economic aspects of the pressures of landless people for land is a part of a larger problem; that is, expanded agricultural production on land now in farms. This is necessary not only to meet increasing food needs, but to expand the domestic market for local products of industry. The production and exchange processes that would follow are basic to a solution of the settlement problem in that many new opportunities for employment will occur with an expanded agricultural economy.

14. Rural people must be motivated in a number of ways; constant effort must be made to obtain the means for providing increasing opportunities for them; and to give increasing expression to their desires and aspirations.

#### SUGGESTIONS FOR A WORK PROGRAM

1. Appoint a well-qualified person to head the General Land and Settlement Department. Upgrade its program operations to attract and hold a good staff.

2. Hire a nucleus staff of about ten trainable people for on-the-job training.

3. Request foreign technical assistance for a land settlement project to include the services of a land economist, a specialist in land and water law, and a rural sociologist. This suggestion could well be a part of the suggested land tenure research study. The purpose of the project would be to assist the Government of Afghanistan to:

a. Organize the General Land and Settlement Department;

- b. Develop operating procedures;
- c. Train personnel;
- d. Investigate the land tenure system and to seek additional research assistance, if desirable, in the field of land tenure, water law, and other action oriented studies related to land settlement problems;
- e. Encourage concentrated efforts on a sound integrated agricultural program including improved seed, fertilizer, pesticides, credit and supervision with existing farmers on lands presently under irrigation and cultivation within or near major land settlement areas in order to obtain needed experience which can be transferred and applied to land settlement areas generally.
- f. Vigorously support organization of credit societies and water associations, training of supervisors, and the supervision of services through the reactivated Agricultural Bank.
- h. Postpone implementing any new large-scale land settlement and land reform schemes until present settlement activities are moving along satisfactorily.

#### LAND SETTLEMENT AND RELATED PROBLEMS

##### I. Introduction:

##### 1. Services Requested:

The USAID-Afghanistan Mission requested at the invitation of the Royal Government of Afghanistan that the Consultant prepare an advisory report to guide the General Land and Settlement Department of the Ministry of Interior in the following areas:

- "a. The feasibility of, and planning for, settlement of nomads, including resettlement;
- b. Need for, and policies related to, various kinds of land use allocations;
- c. Relation between land use, agricultural credit, and other supporting needs for settlers;
- d. Government land management policies as they relate to land settlement and the sound use of land-water resources;
- e. Multilateral bodies most suitable to provide long-term land tenure technical assistance.
- f. And appraisal of land settlement and the nomad problem, in the agricultural development of the economy of Afghanistan."

## 2. Approach to Task:

The Consultant first conferred with a number of officials in Kabul and became generally acquainted with the assigned task. He was then accompanied by car from Kabul to Kandahar and Bost, visiting land development and settlement projects in the Helmand Valley and the established agriculture in the area. Returning to Kabul, a trip was made to the land development and irrigation project areas near to Jalalabad. There followed a trip to the northern part of the country observing farming conditions in the vicinity of Bughlan and Kunduz, land which were settled some 30 years ago. These trips, covering a distance of some 1,500 miles, afforded an opportunity to obtain an impression of established valley agriculture, new agricultural developments, dry land farming and the kochis on the move on range lands.

In addition to observing conditions of the use of agriculture and grazing lands, meetings were held with four Provincial Governors, a number of agriculturists and visits were had with farmers.

The travels and the discussions were the main sources of information of the Consultant. Very little material was available for study on land settlement problems or on basic land problem issues. Considerable experience, however, in similar types of areas recalled much from a "look and see".

The first section of this report deals with the nature and scope of land settlement and related problems. This is appropriate in that a broad view of the total problem, treated in a general manner, should reveal many relationships which the substantive part of the report can only state or imply. The task of land settlement is broader than merely placing people on land.

In each of the main areas discussed as--the land base, capital requirements, institutions, research and investigations, program organization and legislation--there are first presented some overall considerations, followed with mention of some specific problems and recommendations for dealing with them. Some reference to existing situations are made for clarification in dealing with problems. We are, however, concerned primarily with problem situations of land settlement and related problems and with some suggestions and recommendations.

Land and settlement problems and all that they involve are difficult. In a short report one can only deal with some of the major problems. The difficulties ahead must not be underestimated; and limitations on possible achievements should be frankly faced. But, through vigorous action and well integrated programming, even with a modest beginning, the outlook is promising.

The Consultant's understanding of land settlement problems in Afghanistan is limited to what could be grasped in a short period of time. It is hoped, however, that the effort will be thought-provoking as well as, to a degree, informative; and that this report will be of interest to officials and those concerned with land and settlement problems in exploring together ways, means, and requirements for successful programs in Afghanistan.

Thanks and appreciation are expressed by the Consultant to the officials of Afghanistan for their helpfulness and hospitality; and to officials of the USAID Mission, Contract Personnel, and others for their assistance and courtesies.

## II. Significance of Land Settlement and Its Relation to Development

### 1. Policy Objectives\*

Underlying the programming efforts of the Government of Afghanistan in the area of land settlement, the Consultant gathered from a discussion with Government officials that the main policy objectives are:

- a. To further the development of the human and land-water resources of the economy;
- b. To minimize the conflict of economic and social interests associated with the nomadic way of life;
- c. To give more political stability and strength to those government institutions that serve the interest of farmers and kochis.
- d. And to point toward the drafting of legislation needed to make for more effective land settlement and improved landlord-tenant relationships and, possibly, at a later date, for the redistribution of large landholdings, and particularly if found to be under-utilized.

Briefly, the overall policy objective would appear to be to establish a land tenure pattern and land use practices more conducive to increased agricultural production and for the improved livelihood of settled farmers and kochis.

### 2. Meaning of Land Settlement:

The history of man is, in large part, a story of the settlement of the land. Progress in settlement within countries has been both very slow and rapid as conditioned by available land resources and the skills of man to bring about agricultural development.

In Afghanistan, the life of the kochi has for centuries not been subject to forces that make for rapid change. Much of the way of life has gone on for decades, or even centuries, with little basic change. But, forces making for change are on the move as never before, and farmers and kochis are more and more rapidly becoming a part of a new environment. The feasibility

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\* The words "policy", "plans", and "programs" appear at times in this report. It may be well to define briefly these terms. The term policy is considered to mean a statement of broad objectives as a guide for legislation and programming, realizing, of course, that the goals of a policy statement will change from time to time as conditions within a country change and experience is gained in dealing with problems. Plans may be referred to as the blue-prints for carrying out desired programs. Thus, programs are the plans of action to carry out policies. In this report we are concerned with these concepts in the economic and institutional fields.

of settlement of the kochis and the nature of settlement are both a matter of time, and availability of land and capital resources to provide for increasing site-status.

Strictly speaking, land settlement means the development of new land for agricultural uses. Resettlement means the relocation of farmers or substantial changes in the farm land base of a people on the land. In this report, although primary emphasis is on land settlement, resettlement is also included. The use of the term "land settlement" will be considered to include resettlement.

In the concept of land settlement we must also consider past land settlement activities and programs, for they have a direct bearing upon factors making for successful land settlement. Furthermore, we need to view land settlement in relation to the requirements to get a traditional agriculture moving in that, once a settler is placed upon a piece of land, he should become a farmer, or a combination of a farmer and kochi in an agriculture-grazing enterprise.

### 3. Centers of Interest:

In a discussion of land settlement problems and policies, an understanding is necessary of the general focus of interest and the relationship of aspects of land settlement to the agricultural economy of the country. Land settlement has major centers of interest and also centers that extend to the agricultural sector as a whole. Specifically, some of these major interests are:

1. Problems associated with various types of kochis as: Those with relatively large herds of sheep who are also traders; the semi-nomadic people with some agricultural land base; those kochis whose center of interest is the raising of cattle or those producing some cheese as a main source of income; and the migrant-labor groups and other similar groups.
2. Problems associated with the adjustment of a nomadic people to a settled way of life. Changes threaten the kochi's value system, his customs and habits and fears of the unknown future. Farmers as a class are traditionally resistant to change in most parts of the world, and particularly kochi-farmers.
3. Problems associated with the selection of good sites for new or further development and their settlement; and problems that arise from the use of such lands in relation to the sound and constructive use of grazing lands, or the control and development of grazing lands in relation to the use of tillable agricultural lands. In this whole area, problems are related to the task of good land planning of the land-water resources of Afghanistan and the execution of programs. Too often action has been taken in countries in a "hit and miss" fashion without much reference to careful planning and programming.
4. Need for expanded research programs and surveys on (1) agriculture credit, marketing, land tenure arrangements; (2) range improvement and animal carrying capacity; (3) and government organization and administration for carrying out effective land settlement programs and activities.

Briefly, the focus of interest should be on forces and factors that affect or condition the use and occupancy of land for development and settlement, and on acquiring additional know-how for a more enlightened public land settlement policy as a part of the development of the agricultural and human resources of the country.

And the timing of desirable programs and the techniques employed in implementation are of the utmost importance.

#### 4. The Overall Task:

It is understood that the Government of Afghanistan is less concerned with the settlement of those kochis who are primarily engaged in livestock as a major enterprise than with the kochi groups with little or no real economic base or financial resources to become stable citizens. Obviously, this is a difficult task.

In contrast, the livestock kochi is relatively well-off and is a productive force in the developing economy of the country. He is in a position to use effectively the grazing resources and in combination with feed products produced on farms. Through control of grazing, as for instance by some type of licensing system, much could be done to improve the condition of the range for the welfare of the kochis and the country.

If the Government were to endeavor to settle all the kochis, the task would be impossible. To settle a substantial part of them would be a formidable undertaking. If 500,000 of the estimated 2,500,000 kochis were to be settled and the average family consisted of 5 members, then it would take 100 years to settle this number at a rate of 1,000 families per year. These figures only indicate the magnitude of the task, and that the problem of relocation, at best, lies only partly within agriculture.

According to data from the Department of Land and Settlement the Government has settled to date 22,386 kochi families on 545,987 jeribs (one jerib equals about one half an acre) of land. And in recent years relatively few settlers have been allotted land. This arises from limited available resources; costs and time required for large irrigation structures; and the failure to conceive of land settlement in relation to all its essential parts.

Problems of land settlement cannot be met solely by settling landless people on the land. Absorption of nomadic people must be regarded as a part of the total process of development including their employment in expanding industry, trade and services, as well as in settled agricultural pursuits.

### III. Basic Requirements for Land Settlement

To improve the rural scene, it is necessary to begin with the existing land resources and the people upon the land. Both of these factors must be made more productive by knowing more about the resource base, rights in land and water, the effective use of capital, additional know-how for good farm practices and by institution building. There are truly only four basic input requirements for increased agricultural production and improved rural living,

of which land settlement is a part. They are the land and water resources, people and their know-how, capital, and institutions. Each of these requirements is briefly considered later.

The basic requirements for successful land settlement are the same as for improving the lot of all small farmers. Once a settler becomes a farmer he should assume the duties of a farmer and be afforded similar needs of other farmers.

The basic input requirements are discussed in relation to 1) the land base; 2) people - rural farm families and their know-how; 3) capital - including farm machinery, tools, livestock, fertilizers, pesticides and general farm supplies; 4) institutions - land tenure arrangements, agricultural credit system, cooperatives, and self-help associations; 5) research and investigations; 6) training and education; and 7) government programs, legislation and organization.

#### 1. The Land Base:

Afghanistan is a land of high mountains, rolling uplands, plateaus, deserts, and valley lands adjoining rivers and streams. There are two major types of land uses--grazing lands and tillable agricultural lands.

Much of the land is almost worthless for crop production without water. Water rights are, therefore, of great value; and how the rights are tied to the use of land is most important.

In travelling the countryside, one senses serious conditions of soil exploitation, over-grazing, eroding hillsides and the mining of a basic resource of the country. Farm lands are in a poor state of development generally. And those lands subject to settlement will require a great deal of development energy.

Few large areas of agricultural land in the world have remained unused or fallen into disuse without good reason. In Afghanistan, the remaining good agricultural lands consist of suitable soils with prospects for irrigation and drainage. Development costs will be far beyond the financial capacity of any group of settlers; also it is not physically feasible for settlers to any longer develop lands by their own efforts as was the practice generally until some 25 years ago.

A land economist is in no position to venture an estimate of the amount of new agricultural land that could be brought into use. The task is that of a physical scientist and an economist as may be determined by a range of factors. It would appear that the extent that water is available and that development costs are economically feasible are the two major determinates of the amount of new land that can and should be developed for agriculture.

As to settlement possibilities in established farming areas they appear to be nil. Even if some lands were available, the reported value of the land of \$300 to \$600 an acre or more would preclude its acquisition for settlement unless the government were willing to heavily subsidize the transfer of such lands. These values are far beyond the repayment capacity of the land from

farm income. Also, any scattered available lands in settled areas might well be used to enlarge existing farm units. If, however, large holdings were later acquired for redistribution as family farms then there may well be some good agriculture land available for settlement. This is a problem worthy of study.

Much of the agricultural lands and grazing lands could be improved substantially by development programs, and this would contribute very much to the economic land base.

The economic supply of agricultural land depends upon available water, the basic productivity of the soils and their responses to fertilizers, and upon such factors as the demand for, and price of commodities produced, the location of the land, the land tenure system, and the status of technological development.

In the whole area of land and water use in Afghanistan, in seeking to increase agricultural production and improve rural living, we naturally think of 1) the bringing of additional areas into use by irrigation and land development; 2) the effective use of more chemical fertilizers and pesticides; and 3) the prevention of excessive soil erosion, water-logging and salinity, and over-grazing. Also, the good use of land resources and the welfare of farm families depends upon livestock programs through improved breeding, better feeding and control of diseases and pests.

A step in the process of improved land utilization is expressed by the functions and goals of the Cadastral Survey. They are:

"A. To execute an appropriate Cadastral Survey for Afghanistan, i.e., to make necessary investigations as to the identification of the land and the identity of the owner and the rights he is entitled to.

B. To prepare a land statistical register which shall indicate the location, area, classification and use of each parcel or lot.

C. To organize its survey offices or branches and its land statistics offices in each province whenever necessary."

There is underway a land value and use classification. By farm units information is being obtained on the productivity of lands, soil types, topography, availability of water supply, location of farm units, and road and other transportation facilities. On the basis of these factors, farm lands are to be classified as: 1) Garden lands; 2) first-class agricultural land; 3) second-class agricultural land; 4) third-class agricultural land; and 5) land used for other purposes than agriculture.

A land classification may serve two broad purposes, namely, 1) diagnosis of problems and formulation of land-use policy, and 2) the carrying out of particular policies with respect to land use. Specifically, for example, a land classification may serve to formulate a good land-use program, to show existing land uses, to guide land settlement, to obtain an equitable land tax and to guide agricultural credit policy. The degree of the intensity of work in land classification

depends on the purpose of the classification. In general, the finer the distinctions between land types and their use capabilities and the more detailed mapping and evaluation of land units, the more purposes will be served. For example, the present mapping and evaluation of land types as a basis for tax assessments should also serve several other purposes.

The Cadastral Survey and Land Registration Program are of basic importance and are going forward very well. Good records and maps are necessary for 1) success of schemes for planned development of land resources; 2) proper planning and execution of programs for the settlement of new lands; 3) registration of rights for the security of tenure, and for support of capital investments in land and growth of a good agricultural credit system; 4) an effective system of land taxation; and 5) looking forward to agrarian reform measures.

Land Settlement Projects Underway. The land development and settlement programs underway in Afghanistan are much better understood by others than by the Consultant. A few brief remarks may, however, be appropriate for those not familiar with the situation in this country. Government land development for settlement in the Helmand Valley began some 30 years ago and has been carried forward continuously over the past 21 years. The settlement has been retarded by soil salinity and a hard pan impeding drainage, and the fact that most of the readily available lands were being farmed through traditional irrigation systems.

In the institutional field, there is a total lack of agricultural bank credit, a poor price and marketing structure with a lack of supporting incentives, and a low level of educational and health facilities.

The Land Settlement Program has been influenced substantially by pressures from outside the area. This is understandable as settlement has its political aspects as well as opportunities for suitable land in the Valley. The consensus of those engaged in the development of the land and human resources is that a need exists for land settlement from within rather than settlement by families from outside the area. To date sad experiences have arisen from allotting poor land to families without previous agricultural experiences and under conditions not conducive to bringing out the best in people.

New settlers have been generally provided with a tract of land under a conditional sale certificate, seed, share-interest in an ox, shovels, a plow and a small subsistence loan. Part of the settlers were provided with houses, while others constructed their houses. The value of the land and loan for items made available to a new settler average about 17,000 afghanis or the equivalent of about \$225.00, a relatively small obligation under favorable conditions of land use.

The Land Settlement Department reports that 2,504 families were introduced to the Helmand Valley, but only 1,402 families were settled since 1952. Of these, 284 have abandoned the land.

The settlers have not made any payments on the land, repaid any of the outstanding loans or paid the annual land tax. The land descriptions,

*Indict  
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information on each settler, loan obligations and other pertinent data have been well recorded.

Successful settlement in the Valley is going to require better planning for human resource development, the infusion of more capital into agriculture, and a concentrated program of guidance and training. Much more must be invested in people and their welfare; and, in doing so, center action on a few well tested farm practices for increased agricultural production and improved rural living.

In the Jalalsbad area, there are two mechanized Government operated tracts, one of 5,000 hectares and the other, 2,000 hectares, and one tract of 6,800 hectares under development for land settlement. One of the Government mechanized operation units has good soil, the other fair soil, while the area for settlement has relatively very poor soil.

These undertakings are also very costly--reported to be \$1,000 to \$1,500 per acre--and face real hazards as successful projects and as repeatable demonstrations. No settlers, as yet, have been placed on the land. The needs of settlers for support and services appear to be similar to those in the Helmand Valley.

#### Recommendations:

1. A land policy is badly needed. There should be a growing concern over the destruction of the land, and increasing recognition of public responsibility for the improved use of the land-water resources.
2. The Cadastral Survey is necessary to delineate the ownership of private and government lands in settlement areas; and thus determine the amount of land available for settlement and raise to the forefront adverse claims on titles. If the settlement of land titles becomes a serious problem, then action should be taken to resolve expeditiously and equitably the conflicts.
3. If new legislation appears necessary after a test period, and the test should be soon, then remedial legislation should be promptly enacted. It is unlikely that conflicts between small owners will become a serious problem. Difficulties could arise over tribal claims or use rights of long standing.
4. The regular courts are often too formal, slow and ponderous, and unskilled to handle the problems. The program must not be permitted to bog down. To overcome possible difficulties, a special system of courts has been established in some countries, and also to handle conflicts arising under a code of landlord-tenant relationships. Study might well be given to this problem.
5. Land potentials, capacity of farm people, and the leadership in the country should be brought to sharper focus in a more concreted effort than now appears to upgrade farm units.
6. Thought should be given to better management and improvement of grazing lands so as to support a larger livestock industry. Steps toward controlled grazing, disease control and better feeding should be timely and in the interest of kochis and the economy generally.

## 2. Productivity of Land, Size of Farm and Family Selection:

Developing countries, as Afghanistan, have limited capital resources. Some sites are more costly than other sites for development and for the installation of minimum essential public facilities--roads, schools, and health facilities. And in the development of farms for settlement, consideration must also be given to factors other than those related directly to agriculture, as water power, flood control and water conservation. And, furthermore, only those lands that give promise of being productive over extended periods should be brought into agricultural use. Cost-benefit analyses are important and necessary.

Much of the Government land, it would appear, should be retained in public ownership, and managed and further developed for grazing and other extensive uses. This is a big resource potential.

Within well-selected agricultural sites, the farm units allotted should be reasonably adequate for economic owner-operated farms. It is recognized that as land settlement is a social and political problem as well as economic that the units allotted may well be too small. Every effort should be made, however, to minimize this from happening by directing attention away from sharing an area of land with a larger number of families than the resources will support. Otherwise, social costs may well exceed the economic benefits.

The size of the farm unit allotted should depend upon soil conditions, the type of farming, crops grown, capabilities of the settlers, and the stage of technological development. Merely extending the size unit of very poor land will not make for an economic unit; conversely, a unit smaller than an average determined unit size may be more productive than such a unit by the effective use of capital input. Size alone is not the sole determinant of an economic unit. A minimum size for general farming purposes is, however, necessary for the effective use of capital. Considerable study has been given to economic size units by land types in the Helmand Valley by the Bureau of Land Reclamation.

Along with an adequate size farm unit, the success or failure of land settlement projects in the world have rested squarely on the choice of settlers. Experience shows that the settlers who have 1) a knowledge of agriculture, 2) physical capacity and fitness, 3) adaptability and desire for farm life, 4) some capital of their own are more likely to succeed than persons deficient in one or more of these characteristics. At this time, it is very difficult to establish such criteria for the selection of settlers.

The Settlement Law does set forth what appears to be reasonable conditions as to age, health and physical capacity. Enforcement is a problem. Further study should be given to various aspects of the whole problem in an effort to improve upon the selection of settlers.

It is recognized that the average settler will go through some of the growing pains of developing lands, that changes in size of farm units will occur and that problems will arise in community adaptation. This is to be expected, and it is not a bad experience, as part of a well planned land settlement program.

Recommendations:

1. Lands brought into use for new settlement should undergo a period of development and improvement in organic matter before allotted to settlers.

2. Settlers must not expect to receive for nothing what they can bear. Thus, it is very important to clearly distinguish between grants and credits. To confuse grants with loans may well result in both ending up as grants.

3. That for the livestock-kochis steps be taken to establish a program for more effective utilization of grazing lands along with farm-site bases to supply supplemental feeds.

3. Capital Requirements:

In addition to placing selected families on an adequate size farm unit, capital requirements are a major consideration. As distinguished from land, capital is considered to include goods and materials that are used by farmers for further production. A lagging need is to infuse more capital into the agricultural economy of Afghanistan. 2

It is true that capital cannot be introduced effectively into agriculture any faster than there is the know-how to use it. But peasant-farmers and kochis can learn to improve their lot much faster than may be thought to be the case, if good training, supervision and guidance is extended along with the introduction of new capital; and if there are production incentives (as a favorable farm price system, good credit facilities, and farm marketing arrangements) for farmers to raise their productive capacity.

Recommendations:

1. That in the settlement program and in the upgrading of the small traditional farmers, increased recognition be given to the need for more capital inputs under good supervision.

2. That a mobile education unit in association with capital assistance to kochis be established.

4. Institutions:

Institutions that are particularly significant in improving the rural economy in developing countries are an agricultural credit system, land tenure arrangements, farm markets, farm price system, cooperatives, and self-help organizations and group involvement mechanisms. Changes in such institutions come slowly, and they will come into existence only by positive government policy. The stage of rural economic development in Afghanistan should warrant attention to agricultural credit and cooperatives, and some aspects of farm marketing. The Consultant's comments are limited to credit societies.

That agricultural credit can be an effective tool to increase agricultural production and to improve rural living is well established.

It is possible to increase yields substantially by the combined use of commercial fertilizer, pesticides, improved seeds and good irrigation practices. To facilitate the use of these inputs, credit well used and under favorable conditions can be profitable. Conversely, credit poorly used may well result in losses. The real test of a good credit program is whether the farmer is better off after having used the credit than he would have been without it.

It is true that the mere extension of credit on reasonable terms does not assure that the benefits will go to the farmers. Gains arising from a good credit program may go to those having control of farmers' supplies and the markets through which farmers sell their products. To protect their interest, farmers need help in receiving supplies and in the marketing of their products. It is well, however, to begin with a good credit program and then move to cooperative marketing when farmers are able to undertake more involved business operations than credit transactions.

A project proposal is under study for the reorganization of the Agricultural and Cottage Industries Bank of Afghanistan as a reactivated Agricultural Bank. The reorganized bank will undertake agricultural credit operations to promote agricultural development with the introduction of new capital. It is planned that the Bank will resume operations under a sound and business like program. During the first phase of its operations, agriculture credit is to be limited to a selected number of credit programs to minimize risks. It is believed first necessary to establish good credit management and sound credit policies. If government subsidies are to be channelled through the Agricultural Bank, as may possibly be the case for financing new settlers, a separate account is recommended under which the Agricultural Bank will act only as the Government's agent on a cost/service basis.

In servicing the credit needs of small farmers, credit societies should have a place. They are easy to organize; and they enable farmers to receive credit-in-kind for needed supplies. Credit cooperatives are also a means for farmers to help themselves and to participate in policies and programs so essential to develop a spirit of initiative and self-help. Is there any better way to make available necessary supplies to small farmers? And to extend services in a more effective way? Or to work with farmers for the self-improvement of their own interest?

The Consultant was requested to comment on the effectiveness of a land tax, landlord-tenant legislation (and there is statistical evidence of large landholdings in a few provinces) and, possibly, at a later date, the acquisition and redistribution of large landholdings as family farms. Some observations are:

(1) In addition to an additional source of Government revenue, a land tax may be a land reform measure. Steps are in process to increase substantially revenue from the land tax. Some folks have thought of a progressive land tax to discourage speculation in land and also to bring about better use of the land held in private ownership. For either purpose, a good land tax system must rest on a cadastral survey and a reasonably accurate land classification. Otherwise, the tax is most difficult to establish and administer. It is possible to require self-assessment by land owners of landholdings

(in a manner practiced in Afghanistan) with the assessment subject to a penalty for unwarranted under-appraisals. Obviously, this procedure faces many difficulties.

(2) It is possible for a good, progressive land tax, when well administered and with high graduated rates, by size of holding, to be an effective tool to encourage landlords to a) refrain from land speculation, b) to intensify land use--increase the application of capital and labor, and c) to make available a part of their holdings for sale to peasant farmers. As a land tax is a direct burden upon land, and as it cannot be shifted to others, the landlord must bear the tax or dispose of the land to others, or increase production from the land to pay the tax. (The tax would need to be very much higher than the present land tax, which is only a nominal tax.) In practice, however, results have been disappointing. Progressive tax rates have been too low accompanied by a lax enforcement policy. A capital gains tax is a better way to recapture excessive earnings from land speculation and discourage it.

(3) Experience with landlord-tenant legislation, where there exists a concentration of land ownership, has also been disappointing. Good legislation has often been enacted, but seldom enforced because of power relationships and the lack of legal procedures and local courts to deal effectively with conflicts of interest.

#### Recommendations:

1. That a start be made in establishing a cooperative credit service for small farmers and settlers; also for organizing water associations for apportioning water uses and establishing regulations for the control of the uses of water.

2. That credit be extended through the reactivated Agricultural Bank under appropriate arrangements.

3. And that in doing so, the credit extended and guidance in the use of credit be a package deal--that is, the Agricultural Bank employ and train the number of cooperative-credit-agricultural supervisors necessary to do an effective job. The extension of credit, farm plans for its use, the supervision of the credit, and the collection of loans should be the sole function of the reactivated Agricultural Bank.

4. As for the acquisition and redistribution of large landholdings the task would be a major undertaking. If a program were undertaken, an agency might well be established to appraise, expropriate and distribute lands acquired; and to new landowners provide for the coordination of capital and technical assistance services, as is necessary for all new landowners or small farmers. If such an agency were later set-up it would assume the functions of the Department of Land and Settlement.

#### 5. Research and Investigations:

The absence or lack of good data and information on agricultural

problem-situations is well known. Good basic information is necessary for agricultural planning and programming.

In the field of land settlement, encompassing most of the research needs of agriculture, some specific research and survey studies are: 1) The basic characteristics of the rural population; 2) the land use pattern, use capabilities of land resources for development and land settlement, from the position of both the individual and the public; 3) the land tenure patterns--land ownership and tenancy relationships; and 4) organization mechanics or methods employed in settling people on the land.

Recommendations:

1. Bring to sharper focus the factors that have made for successful land settlement and those that have not. Those who are charged with the planning and programming of settlement can find much in past experiences to make for successful new projects.

2. Determine more precisely the nature and significance of the land ownership pattern. For this purpose, information should be obtained on: (a) the size of land ownership units and their composition; (b) land uses by size of ownership units; (c) production obtained and production capacity of ownership units; (d) intensity of land use by size of units; and (e) what are the landlord-tenant or sharecropper relationships.

A significant part of such a research project should be to determine the rights of landowners in land and water; major conflicts in established use rights; and the nature of reserve powers of the Government. This analysis could be undertaken by a foreign advisor well versed in property law in a team working relationship with two or three lawyers of Afghanistan.

3. Consideration might well be given, at an appropriate time, to approaching the Land Tenure Center in Madison, Wisconsin, to undertake a land tenure study and of water rights in cooperation with the Government of Afghanistan and the AID Mission.

The research contract between the Agency for International Development and the University of Wisconsin provides for research and training with respect to economic, social, legal and legislative aspects of land and water tenure and law in action. The research effort should result in substantial benefits by a better understanding of land-water tenure problems, and in revealing measures for progress.

This type of research has been undertaken in a number of countries, and much valuable experience is available for the preparation of suitable approaches, schedule forms, and questionnaires for cooperative studies with scholars and students of other countries.

6. Training and Education:

It is well known that training and education programs are indispensable to serve the different functional needs of a land settlement program.

Training of men is necessary in a number of closely related fields. For the Cadastral Survey and Land Inventory effective training programs have been completed or are under way. Other specialized training programs are needed.

The training of men to establish credit societies, to guide and service them, and to extend to farmers a program of supervised agricultural credit or credit plus guidance in one package is necessary and important. By working with groups of farmers in the introduction of well-tested crop and livestock practices and the different input requirements of fertilizers, seeds, tillage and other essentials, and the lending of production credit to carry out farm plans, a training--capital input relationship can be established conducive to increasing agricultural production and improving the welfare of farmers. The creation of desires by farmers by education without the means of fulfillment is rather sterile.

Recommendations:

1. As Iran has had considerable experience in servicing the credit needs of small farms, and to some extent, tribal people, the activities of the Shah's Land Distribution Program, the work of Bank Omram and of the Agricultural Bank of Iran, and the activities of the Central Organization for Rural Cooperatives offer valuable experiences for Afghanistan. Iran has also had experience with tribal schools for nomads, and recently with cooperatives for the purpose of supplying supplemental feed for livestock of tribes. The cooperative credit program is rendering good services to the small farmers of Iran.

A small group of government officials might well spend several months studying and observing the cooperative credit service program in Iran. The common language and cultural background should contribute to the success of a study and training program.

2. If undertaken, the program should be developed jointly by appropriate persons of agencies of both governments. That is, a representative from Kabul should go to Teheran and by reviewing what Iran has to offer, develop a mutually acceptable program. It is believed that Iran would welcome the opportunity to cooperate.

3. A training program in cooperatives and supervised agricultural credit should be established. A select group of high school graduates or of secondary agricultural schools should be given an intensive course of study in basic principles of cooperatives, agricultural credit, accounting and in selected agricultural subjects. There should be one supervisor, or guidance worker, on an average, for each 100 settlers or small farmers.

7. Program Organization and Legislation:

Within the Ministry of Interior there is located the General Department of Land and Settlement. It is divided into three principal sub-divisions--that is, a Cadastral Survey Department, the Land Department and the Settlement Department.

The main functions of the Cadastral Survey Department are to (1) train

field survey staffs; (2) conduct cadastral field surveys; and (3) prepare, review, and finalize the registration of land ownership records.

The main functions of the Land Department are to (1) maintain a record of information on private and government lands, showing ownership, acreage, location, sales transactions; (2) prepare records for tax purposes; (3) custodian of government lands and associated buildings; and (4) manage government lands.

The main functions of the Settlement Department are to (1) handle land settlement problems; (2) obtain statistical information on settlement projects; (3) distribute lands to settlers; (4) help clear land titles; and (5) arrange for some services to settlers' allotted lands.

Presently, the Settlement Department's duties are mainly: (1) To obtain better coverage of land ownership for the Land Tax Register; and (2) to handle applications of landless people for land.

The General Department of Land and Settlement has experienced a number of organizational shifts in recent months. During the stay of the Consultant it was without a director, which had its drawbacks to his task.

Principles bearing on good programming and legislating are:

(1) It is well known that good programs must be effectively organized. Otherwise, they are more or less paper programs. The means of doing a "thing" is as important as the "thing" to be done.

(2) An underlying consideration is that any organization should be able to act effectively as well as plan, and should be able to foster integrated development programs. This is true particularly for land settlement programs, parts of which lie outside any one ministry.

(3) The task of land settlement and all that it means deals with many families living over scattered areas. Effective integration and administration are of paramount importance to achieve good results.

(4) That good legislation ineffectively implemented achieves little, while relatively poor legislation with a will to act can achieve much.

How to organize for an effective land settlement program or land reforms is a question for any government to decide. The problems lie basically within the field of agriculture; however, the scope of the problems, their political aspects and the necessary coordination between departments of government have often led to the establishment of special land agencies and in a few instances authorities. Problems associated with government lands are often more venturesome than those within the strictly agricultural field.

In regards to what new legislation may be suggested, this is directly dependent upon the type of land and settlement program that may be developed in keeping with the overall policy objectives set forth earlier in this report. The Consultant feels that the functions of the Department are now far too narrow. In general, but also in rather specific terms, the duties of a reorganized Department have been indicated. Toward this end, or

toward some narrower purpose, new legislation could readily be drafted. The legislation should give expression to the job that the Government hopes to accomplish.

Within the present duties of the Department, the settlement legislation reviewed appears to be fairly good. The size of the allotted units, however, are believed to be too small, but this is a matter that could be resolved within the guiding principles stated in this report.

Recommendations:

1. Serious study should be given to the upgrading of the General Department of Land and Settlement. The national scope and significance of land problems, the relation of the Department's functions to other ministries, and the need for constant high level consideration of pressing land problems, and staff improvement should call for a reorganization of the Department.

2. A new Department should be concerned with planning and programming for land settlement, the cadastral survey and land classification programs; coordination of agricultural credit support through the reactivative Agricultural Bank, and of appropriate training and educational functions; and the coordinated-integration functions that are necessary with other ministries, as Agriculture, Health, Education and Planning.

VII. Concluding Remarks:

To some the overall land problem and the task of land settlement in Afghanistan presented may be bewildering. This is far from being true. The suggestions can be modest in scope and they are flexible. It is possible to begin in a small way an integrated program composed of its essential elements.

The recommendations do go beyond an approach that would first give sole attention to trying to resolve major issues of land and water rights; and of wide coverage of statistical data on the land ownership situation. This is an important task, but it can and should move forward with the other elements of good land development programs.

It has been stated that land settlement is a political matter as well as an economic and social problem. As such, group pressures of landless people for a piece of land cut across broad functions of the Government.

The task of meeting and handling the many problems that arise cannot possibly lie with one department or ministry. A well planned and executed land settlement program along with measures suggested for tribal people and grazing lands should do much to quiet discontent and social unrest.

Success in land settlement and related problems as in agriculture generally, is not achieved by reliance on a few singular techniques or practices, but by a combination of a number of well integrated basic requirements. And the economic and institutional side of planning is not less important than the physical side.