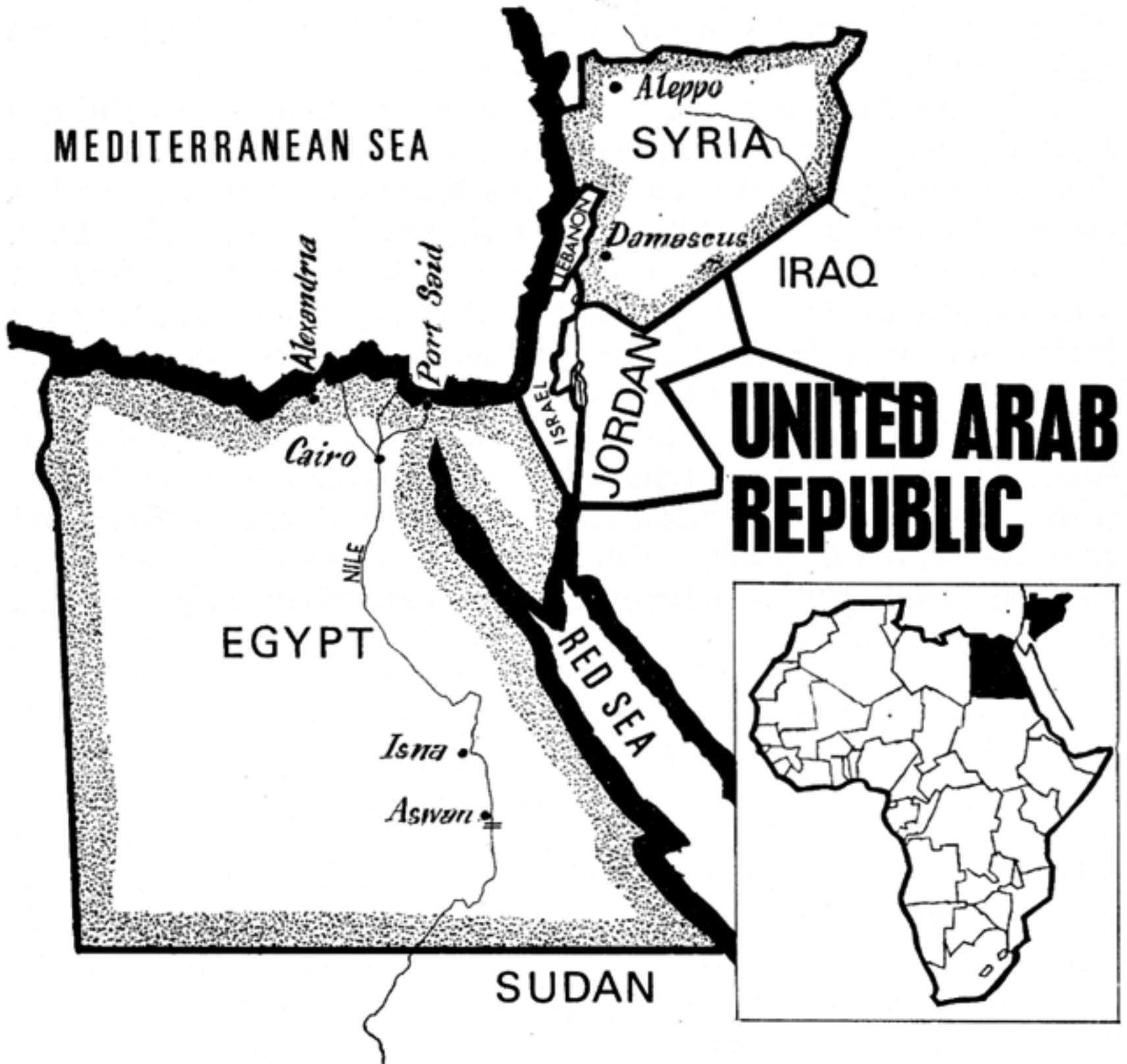


THE UNITED ARAB REPUBLIC

A Bastion of Anti-Colonialism

Desmond Buckle

IN RECENT YEARS Cairo, the ancient capital of the United Arab Republic, has won recognition throughout Africa as an impregnable fortress in the struggle against imperialism. It has provided refuge for



many of the heroic leaders of the African peoples who have been temporarily driven into exile and has gained renown as a strongpoint from which these leaders—in some cases far from the lands of their birth—are able to continue the fight for the liberation of their peoples.

Cairo is often the venue of historic conferences and meetings of the peoples of Asia and Africa at which plans are adopted for the final eradication of colonialism and for the defence of the newly-independent nations against the intrigues and machinations of the imperialists and neo-colonialists.

It is just and proper that Cairo should be so highly esteemed in the struggle against colonialism for, as Comrade Khrushchov recently noted, the United Arab Republic (Egypt) was the first to raise the banner of revolutionary struggle on the African continent and to bring it to a victorious conclusion. In expelling foreign occupation troops from its territory, nationalizing the banks and the Suez Canal, Egypt set a shining example for the Arab and African peoples in the struggle for national liberation.

Since 1952 Egypt has been engaged in carrying out measures designed to uproot from her territory all vestiges of colonialism, end the privileges enjoyed by the rich and to prepare the basis for a happier and more dignified life for millions of the fellahin and their families.

A highly significant stage in this struggle was reached towards the end of March this year with the elections for a new National Assembly, the proclamation of a Provisional Constitution by President Nasser and the formation of a new Council of Ministers.

In the elections held on March 10 and 19, no fewer than 1,748 candidates stood for election in 175 electoral districts.

It had been decreed that of the 350 members of the new Assembly at least half would have to be workers or small farmers owning not more than twenty-five acres of land. Candidates had to be members of the sole political party, the Arab Socialist Union, and before being approved had to show that they did not own more than £E.10,000, were not former owners of land or real estate whose property had been nationalized, and were not in any way connected with former regimes. They had also to undertake not to make any promises to voters and not to submit programmes of their own.

The Arab Socialist Union, with a membership of between 4 million and 5 million, replaced the National Union which was dissolved with the secession of Syria on September 28, 1961.

In a broadcast statement analysing the political mistakes which had led to the secession of Syria, President Nasser declared:

‘We over-estimated our power and our potentialities, while under-estimating those of reaction. As a result we came to terms with the

reactionaries while they were secretly plotting with imperialism. . . . We have suffered a serious setback in the organization of the people through opening the gates of the National Union to reactionary forces. That was why the leaders of the National Union in Syria became the leaders of the reactionary coup of September 28. It is now our task to re-organize this body on a genuinely popular and revolutionary basis . . .'

The Act of December 7, 1962, by which the Arab Socialist Union was established, provided for 6,000 basic units in villages, towns, factories with fifty or more workers, large companies, universities, schools, and hospitals. These basic units sent delegates to district councils, above which were provincial councils, while at the head of the pyramid was a 'Grand National Congress' of the Union. Each basic unit was to meet once every four months and elect once every two years a committee which would meet at least twice a month. The 'Grand National Congress' would have annual sessions and elect, every six years, a general committee from which the supreme party organ, the Supreme Executive Committee, would be appointed. The main objective of the Arab Socialist Union is stated to be the 'realization of the socialist revolution'.

STEPS TOWARDS NATIONALIZATION

For several months before the organization of the Arab Socialist Union measures were being adopted and were being carried out aimed at transforming the national economy on to a socialist basis.

Prior to July 1961, the State owned the railways, the power system and a small number of other public utilities. In 1957 and 1958, the banks and insurance companies were Egyptianized, but not nationalized.

On July 20, 1961, the nationalization in whole or in part of over 400 private firms, including banks, insurance companies, and manufacturing and trading concerns was decreed by President Nasser. In the process all banks and insurance companies (seventy-one in all) were nationalized outright. Another ninety-eight concerns (seventy-five in Egypt and twenty-three in Syria) were also nationalized, including hotel and marine companies, and timber, steel and cement industries. A further eighty-two companies (seventy in Egypt and twelve in Syria) were transformed into joint-stock companies with a State holding of at least 50 per cent of their share capital. Most of them were firms in the building industry, department stores and other trading companies, cotton-ginning companies, and oil companies. Among these were the British-owned Anglo-Egyptian Oilfields Company and Philips Orient, a subsidiary of the Dutch Philips Company. It was provided that the Government might make any staff changes it desired in the companies

affected, including changes in the membership of the boards of directors.

Shareholdings by private individuals or companies in other companies were restricted to a maximum of £E10,000 in Egypt and £S100,000 in Syria, the Government taking over that proportion of shareholdings in excess of these amounts. This decree affected 147 companies in Egypt and eleven in Syria, particularly textile and tobacco firms.

Cotton export companies allowed to continue to function were to be converted into joint-stock companies with a capital of £E200,000 each and a Government holding of at least 50 per cent.

Expropriated firms or shareholders would receive compensation in the form of 4 per cent Government bonds repayable after fifteen years.

On October 21, 1961, Mr. Zakaria Mohieddin, the Minister of the Interior, announced the sequestration of the property of 167 'capitalist reactionaries' who had 'exploited different classes of people'. These included many of the wealthiest industrialists, financiers and land-owners in Egypt who had been caught smuggling their property out of the country or were evading social legislation and tax regulations.

Nearly a year passed and then it was the turn of the shipping and ship repairing firms operating in Alexandria and the Suez Canal Zone to come under the nationalization hammer. Some 100 shipping agencies, cargo-handling companies and three ship-repair yards were affected by the measure, including five British firms as well as Egyptian, Greek, Italian, American and German companies.

Thus far a wide field of light industry remained unaffected by nationalization. But the immunity of firms in this category was not to last long. By presidential decree on August 12, 1963, a large number of these firms were brought under State control and the contracts and licences from private firms carrying on mining and quarrying operations (but not oil-drilling) were cancelled.

The newly-nationalized companies, both Egyptian and foreign-owned, included firms producing textiles, foodstuffs, cigarettes, soap, detergents, scent, fertilizers, paper, building materials, glass, chemicals, paint, batteries, rubber, metal and plastic goods, as well as breweries, distilleries, tanneries, printing works, and smaller transport enterprises not already nationalized by earlier decrees.

LAND REFORM

Earlier in the year a law had been approved by the Presidential Council forbidding foreigners (with the exception of Palestinian Arabs) to own 'cultivable, fallow or desert' agricultural land. It was estimated that by this measure 99,000 acres still in foreign ownership were taken over

by the Agrarian Reform Organization for distribution to small farmers and landless peasants, compensation to the former owners being payable in fifteen-year 4 per cent bonds.

The country's 167 flour-mills and 78 rice-mills, hitherto only half State-owned, were completely nationalized, and all pharmaceutical factories and distributing firms and all road transport firms were similarly dealt with. Thus by the end of 1963 virtually all important industries in Egypt had been brought under direct Government control.

Towards the end of 1952, the first Agrarian reform law was promulgated. It fixed a limit of 200 feddans (1 feddan=1.038 acres) as the maximum individual ownership of agricultural land. The same law authorized landlords to concede to their children another 100 feddans (fifty feddans to each child, with a maximum of 100 feddans for all the children of each landlord). The excess holdings were re-distributed among landless peasants with a maximum of five feddans each. In July 1961 this law was amended, reducing the maximum of individual ownership to 100 feddans.

The present cultivated area—almost equal to the inhabited area—is about 6 million feddans, which represent the main field of occupation and source of income for the existing 26 million Egyptians. Before 1952, about 1,176,801 feddans or 19.7 per cent of the cultivable area, were owned by 2,136 individuals (or 0.6 per cent of total land-owners). On the other hand, 2,121,864 feddans (35.5 per cent) were owned by as many as 2,641,878 persons or 94 per cent of total land-owners.

The first agrarian reform resulted in the Government taking over about 500,000 feddans of excess holdings. According to the new agrarian reform an estimated 300,000 feddans of excess holdings will be available for distribution. The following table shows the distribution of land ownership in 1952 (before the first agrarian reform), in 1961 (before the second agrarian reform) and an estimate for the situation after the distribution of lands which are available in accordance with the second agrarian reform.

The land available for redistribution (after the two agrarian reforms) totalled 954,505 feddans consisting of excess holdings, Wakf land (religious endowment system abolished in 1952) and confiscated property.

By the end of 1961, nearly 345,600 feddans had been allocated to 135,174 families. Taking into account the excess land disposed of by landlords according to the law (i.e. transferred to landlord's children, with a ceiling of 100 feddans per family), the total land re-distributed among 170,174 families reached 490,298 feddans. Thus the redistribu-

tion of the land directly taken over by the State was on the basis of about 2.5 feddans per landless family.

CHANGES IN LAND OWNERSHIP 1952-1961

(Numbers = thousand owners) (Area, in thousands of feddans)

Holdings	1951		1961 (estimate)		After July 1961 (estimate)	
	Number of Owners	Area Owned	Number of Owners	Area Owned	Number of Owners	Area Owned
Less than 5 feddans	2,642	2,122	2,870	2,660	2,920	3,040
5-10	79	526	79	530	79	530
10-50	69	1,291	69	1,300	69	1,300
50-100	6	429	11	630	11	630
100-200	3	437	3	450	5	500
Over 200	2	1,117	2	430	—	—
Total	2,801	5,982	3,034	6,000	3,084	6,000

(Source: *The Economic Bulletin of the National Bank of Egypt*, Vol. XV, No. 4, 1962.)

The Land Fragmentation Project aims at consolidating the dispersed agricultural holdings into comparatively larger plots, thus allowing for the efficient implementation of crop rotation.

The preliminary figures of the 1961 agricultural census reveal that holdings below three feddans constitute about 70 per cent of the total holdings. Originally it was envisaged that the project would cover all 'fragmented' holdings within ten years, but the duration has been reduced to five years. The scheme was put into operation in 1960-61 in 104 villages covering an area of 150,000 feddans. In 1961-62, it was implemented in 1,218 villages covering 1.7 million feddans (one-third of the total cultivated area).

VOLUNTARY CO-OPERATION

There is no legal obligation on the farmers to apply the fragmentation project. The project is based on the willingness of the farmers to gain the benefits of the scheme, and the assurance that its application does not affect their property rights or any other rights.

The consolidated agricultural holdings are cultivated through the organization of plots into divisions according to the crop rotation and as such the holder may plant several crops in the different divisions of the plot—at the same time—through exchange with other holders. Each holder is responsible for the services required for his various crops, and his profit is the net return of his cultivation. An agricultural engineer is assigned to one village or more. Local committees each headed by the agricultural engineer are formed to undertake in the villages the agricultural policy determined by the Ministry of Agriculture. Regional committees are formed in the provinces including representatives of all Government departments and offices which are concerned with the implementation of this project.

All farmers are required to join local co-operatives, which are under the control of the Ministry of Agriculture, in order to implement the agricultural policy. These co-operatives provide farmers during certain periods with seeds, fertilizers and agricultural machinery, besides marketing the agricultural crops and distributing the net yield among the holders.

. . . Expected benefits: avoiding the harmful repercussions of cultivating simultaneously different crops near each other; organizing the control of pests on a large scale by using modern methods and mechanical methods; organizing irrigation and drainage, thus allowing for more water for irrigation; facilitating the provision of agricultural services and controlling their application to specific purposes; and allowing for the use of agricultural machinery—which may be obtained through the co-operatives—on a large scale.

It was, indeed, a tribute well earned by the Egyptian people when Comrade Khrushchov, addressing a vast crowd of them on May 10 this year in Cairo stadium, said:

‘The present generation of Egyptian people can be justly proud not only of their ancient culture but also of the new things they are creating with their own hands: the developing modern industry and agriculture, the progress of culture, the new elements which are emerging in social and economic life

‘The nationalization of banks, large industrial enterprises and monopolies concerned with foreign trade, the establishment of a state sector in the economy, the land reform and the development of co-operation in agriculture—all this speaks louder than any words of the fact that the people of the United Arab Republic have rejected the capitalist system of oppression and exploitation and have risen to the struggle for their social emancipation.’

The speech was, of course, on the occasion of the completion of the first phase of the building of the Aswan High Dam, towards which

Soviet assistance is making a major contribution. When completed, this dam will effect a major transformation in Egypt's economy. It will add one million feddans to the cultivated area, control the Nile water and prevent devastating floods. It will also generate 10 milliard kilowatts of electric energy, multiplying the present power production by six times. This vast project is symbolic of the new and vigorous life burgeoning in Egypt's ancient land. It is pleasing indeed to note that the occasion was marked also by the release of the imprisoned Marxist patriots whom prejudices, buttressed by reactionary survivals and misunderstandings, had hitherto prevented from making the important contribution of which they are capable towards the building of the new Egypt.