

Week 7 : Ayub Era

→ Depolitization

- Political reforms introduced
deep criticism

①. PRODA 1949

- introduced by Major Ali Khan
- Public & Representative office disqualification act
- 15 years exclusion from public office of those found guilty of misconduct & corruption
- about 3000 dismissed
- many reduced in rank
- Sindh Ayub Khado politician under PRODA

②. PODO & EODO 1959

→ to eliminate the influence of politicians from the body politics, Ayub Khan issued two orders namely

PODO : Public Offices Disqualification Order

EODO : Elective Body Disqualification Order

→ to finish political career of politicians and exercise full power.

→ It applied to those who held public office and were found guilty of misconduct & corruption. It was applied with retrospective effect from August 14, 1947.

→ Three tribunals were set up for the trial of ministers, deputy ministers, parliamentary secretaries and the members of the legislative bodies. They had the option to voluntarily retire from public life for a period of 6 years.

→ 75 leaders disqualified for 8 years

→ East Pakistan politicians from Awami League mainly targeted.

→ Some from NAP (National Awami Party)

→ about 7000's individuals were ejected

(fall victim to this ordinance, removed from civil service politics)

③ • Press and Publication Ordinance 1960

- In 1960, President Ayub Khan promulgated the PEPO 1960, which dealt with printing presses, newspapers, periodical books and other publications.
- these publications limited
- 74 - 102 daily newspapers banned
- 268 - 379 weekend newspapers banned
- Progressive papers limited was a company/group with Pakistan times newspaper (English) Enrose (Urdu) banned

④ • Student unions, trade unions in factories, universities, industries were closely monitored and given cautions to avoid from political activities

⑤ • Imams in mosques were banned to discuss political matters in sermons.
They were given summons by the govt.

→ Form of Government

- Introduced BD (Basic Democracies) System in 1959
 - Ayub believed that Western style democracies did not suited undeveloped, newly formed states.
 - So introduced BD System
 - ↓
 - i) Divisional Level
 - ii) District level
 - iii) Sub district / tehsil level
 - iv) Village Council level
 - 80 000 Basic democrats formed electoral college for elections of the president and members of Provincial Legislature
 - 40 000 were taken from both West & East Pakistan (according to equality by one unit scheme)

• Ayub Khan conducted referendum in 1960

BD took part in this + voted

95.6% votes were in favour of Ayub Khan

• 1962 Constitution (March 1962)

→ Ayub Khan described it as combining democracy with discipline

→ Main features:

- i) Presidential form of Govt.
- ii) Most powers were with President
- iii) Appointed members of cabinet + members of NA
- iv) President could not be removed in any case unless impeached.
- v) President nominated Head of Judiciary and Provincial governors
- vi) National legislature could not pass law without permission of president

vi) Constitution shall be amended only by $\frac{2}{3}$ rd majority of assembly and consent of President

vii) If the president doesn't agree it shall need $\frac{3}{4}$ th majority even then president could chose whether to dissolve the assembly or call a referendum.

• 1962 constitution based on

↳ Parity b/w two wings

Republic of Pakistan declared

federal single house at both levels

equal citizens at minority interests

• Although some people said that Pakistan was coming close to democracy after this

but, criticism

• East Pakistan was unsatisfied with it

to meet their reservation

→ two national languages Urdu & Bengali

→ one national assembly session in West Pakistan
and one in Dhakka

(1962 capital Karachi → Islamabad)

→ If President from West speaker of national assembly
from East Pakistan

despite these measures East Pakistani's believed

that they were being controlled from West

• One Unit scheme continued

• Controlled democracy to control East

↓
called

→ Economic Development

→ Agricultural reforms

It is believed from the start that wealth of Pakistan is concentrated in the hands of few individuals. Landowners hence Ayub introduced Land reforms commission in 1958 to give report in 3 months.

- Report → How to eliminate monopoly of big landowners?
- Land reforms Introduced
 - 500 acres irrigated land
 - 1000 acres unirrigated land number defined
 - tenants given protection

Ayub Khan wanted to bring reforms in the field of agriculture and make it more productive. Ayub therefore introduced land reforms which were aimed at both wealthy land lords and the poor peasants. No one could own more than 500 acres of irrigated and 1000 acres of unirrigated land. No landholding could be smaller than 12.5 acres.

The land in excess of the max limit was to be confiscated by the Govt. and distributed. As a result, 2.5 million acres land was resumed and 2.3 million acres land was distributed in 1.8 lakhs tenants.

Drawbacks:

- These big landowners resumed land that was barren and uncultivable.
- They transferred land to sons/relatives/members of extended families.
- Although proper implementation done, results achieved were not those expected.
- Tenants never given property rights.

Other measures

- Indus Water Treaty signed with India guaranteed 10 years of uninterrupted water supply and hence resolved the irrigation problem.
- Three multipurpose dams ^{New 21 and World Bank, FMI, UK, USA, Canada, Austria invested in Pak irrigation system} Warrak, Mangla and Tarbela were built under this treaty. ^(Pak irrigation system best)
- ADB P (Agricultural Developmental Bank of Pakistan) made to give loans to farmers.

Green Revolution

Crop production to be increased through

1. High Yielding seeds (HYV's) → emerged as the principle contributory factor to
 2. fertilizers
 3. pesticides
 4. Technology
- ↓
- fertilizer factories were set up which further contributed towards crop productivity

Benefits: 1959 - 1964 3.7% growth increased

(2 phases) → 1965 - 1970 6.3% growth increased

wheat production increased by 91%

rice production increased by 141%

Tubewells + Tractorization Scheme

→ Govt. encouraged the farmers to install tubewells by providing loans to the farmers.

from 1962 - 1965 25000 tubewells were installed which doubled farm area / cultivable area

Moreover, use of tractors, harvestors were encouraged and were made available on easy installments

Due to all these measures, large scale improvement occurred in agricultural sector of Pakistan. Crop yields were at all time record.

Drawbacks:

- Agricultural reforms also had some serious shortcomings.
- It is said that the green revolution made the rich richer and the poor poorer. The large land owners were the ultimate beneficiaries of the green ecology; they had the land to sustain mechanization and modern methods of irrigation they had the influence to obtain loans and they could take the risk of using the new technology. Conversely the poor peasants and the tenant cultivators lacked all such factors and resources. Moreover the increased use of machinery further suffocated the poor peasants who were no extensively required for labour.
- Tubewells were highly regionalized i.e. 91% of 76000 tubewells in 1968 were installed in Punjab.
- Given size and cost of tubewells they were only affordable by landowners having more than 25 $\frac{1}{2}$ acres of land (70%)
- poor and illiterate farmers did not benefit as they could not afford ↑
• regional and income disparities. Purchase of tractors was inaccessible to poor farmers of NWFP and South Eastern Sindh inadequate access to H₂O + HV
- Only benefitted farmers with 50-100 acres mostly in Punjab. Thus it is called elite farmer strategy
- Almost three quarters of the resumed land atleast in Punjab was uncultivated and not occupied by tenants.

→ Industrial Reforms

- Trained economists and advisors were brought from US
- Pakistan's growth 6.7% was so large that international world considered Pakistan miracle.
- Gradual liberalization of economy policies introduced to lessen govt's interference and restrictions in economy in exchange for greater participation by private entities
 - To encourage industrial development, new industries were given tax holidays and dividend income upto Rs 3000 were made tax free. To attract small savings National Investment Trust (NIT) was set up. Prize bond schemes, Defence saving certificates & other securities were launched so that private savings could be used for investment.
 - PIDC (Pakistan Industrial Development Corporation) introduced and capital flow into it. It promoted fertilizer, sugar, cement, jute ^{textile} & paper industry.
 - Industrial trading estates were formed in Bahawalpur, Larkana, Gujrat, Peshawar. This helped to establish in industrialization process by solving initial difficulties faced by new industrialists.
 - IPB (Investment promotion bureau) in 1959 established to attract foreign investment.
 - IDBP (Industrial Development Bank of Pakistan) gave loans on smaller levels.
 - Foreign loans and aids were provided by the Western Countries in particular USA, Germany and the UK. Large scale import of technology.

was also carried out. This played an important role in industrial and economic growth of Pak.

→ Investment in Pakistan

capital flow in 1956 13.20 million

1966 26.28 million

→ Private Investment growth in West Pakistan from 1960-1965
increased over $\frac{3}{4}$ th

→ Three factors:

1. Political Stability

2. Liberalization of Investment

3. Ample ability of foreign exchange

• 1962 Oil Refinery in Karachi established

• Mineral Development Corporation established for the exploration of mineral deposits.

• In 1964 Economic Union was formed with

RCD (Regional Co-operation for Development) was

made with Iran and Turkey to facilitate the flow of goods in 1964. Three countries agreed to develop ties in trade, commerce + industry.

RCD was brainchild to connect 3 countries with road
→ of CPEC.

1985 - ECO (Economic Cooperation Organization)

Achievements:

• During the 60's average annual growth rate was over 7% which meant that Gross national wealth was multiplied at 4th level.

• Economy was growing 3 times faster than that of India or any other country in South Asia

• During 1960-1965 manufacturing output grew at 11.5% per annum. Also peoples income went up by an avg of 14%.

Another shortcoming of Ayub's Industrial reforms was that of the industries were set up in West Pakistan and East Pak was completely deprived and so later caused resentment amongst East Pakistanis

Criticism

- The industrial reforms of Ayub had deep repercussions. In the industrial sector dependence on foreign loan and aid made the country increasingly vulnerable.
- The encouragement of private investors in the form of lower taxes, tax holidays, rebates etc resulted in the concentration of wealth in the hands of a few.
- In 1968 it was revealed that just 22 families controlled 66% of Pakistan's Industrial assets. The same families controlled 80% of Pakistan's banking and insurance companies. So small elite group of wealthy Pakistanis had almost complete control of Pakistan's wealth and a large number of Pakistanis were still living near poverty line. Therefore, there were vast income disparities.
- 1965 was political unrest started
- war & start of Ayub's downfall
- Tashkent declaration treaty (Pakistan + India) after war
- 1968 (10 years complete) Ayub Khan started becoming unpopular and he gave a suggestion to celebrate decade of development
main purpose of decade of development was to attract people's attachment by showing his achievement
- 25th March 1969 Ayub resigned and according to 1962 constitution power should be given to national assembly speaker but speaker at that time was Bengali and Ayub did not want to hand over power to him so he handed power to General Yahya and Pak went into another martial law regime
- Sheikh Mujib announced his 6 points. Yahya Khan introduced LFO (Legal framework order) according to which 1970 elections to be conducted

1970 election

Mujib's party won almost all seats in East Pak

PPP of ZABhutto won majority of West Pak

end of this decade of development

State breakage.

Bubble economy → after regime ended economy finished like a bubble.