

COUNCIL OF EUROPE CONSEIL DE L'EUROPE

Strasbourg, 10th October 1956

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RESETTLEMENT FUND

GOVERNING BODY

MEMORANDUM BY THE GREEK GOVERNMENT ON ITS PROGRAMME FOR THE ABSORPTION AND RESETTLEMENT OF NATIONAL REFUGEES AND OVER-POPULATION.

ROYAL MINISTRY OF
FOREIGN AFFAIRS

Athens, 1st October 1956

Sir,

In connection with the Council of Europe Resettlement Fund for refugees and over-population, I have the honour to transmit herewith, for your information, the Greek Government's plans for the absorption and resettlement of this section of the population.

I remain, Sir,
Your Obedient Servant,

(Signed) Cleon Syndica
(Director-General)

M. P. Schneider,
Chairman of the Governing Body of
the Resettlement Fund,
Council of Europe, Strasbourg.

ROYAL MINISTRY OF
FOREIGN AFFAIRS

ASSISTANCE PROGRAMME FOR
HILL FARMING COMMUNITIES

The Greek national economy is predominantly a rural one, since country dwellers represent 57% of the total population, and rural incomes 35.8% of the national income. On the other hand, it is estimated that as much as 55% of the rural population, or 31.4% of the total population, has a collective income equivalent to only 12.8% of the total national income and 35.5% of all income from rural sources.

Thus, in addition to the broader problem of economic improvement and expansion, the national economy, and particularly the rural sector, faces the acute problem of the present productive capacity and future lot of a multitude of very small agricultural holdings now scarcely paying their way and practising the most primitive farming methods.

The number of these very small holdings is estimated at about 485,000 (out of a total of 1,000,000) and their population of 2,580,000 covers an area of 7,900,000 stremmas(1) of cultivated land, mostly situated in the mountainous, semi-mountainous and island regions of the country.

Whereas this group represents 55% of the total rural population and occupies 49% of all holdings, the land farmed by it covers slightly less than 22% of the total area under cultivation. Moreover, the income earned by each family in this group is below the minimum subsistence level, being no more than 12,700 Drachmae in 1954, which works out at 2,388 Drachmae, just under \$80, per head of population.

These low figures are due in the final analysis to under-employment among the rural population in question, and this in turn stems from the lack of investments in rural enterprises which could provide work.

(1) One stremma = 0.314 acres

It has been calculated that, owing to the hilly nature of the land farmed by this section of the community, the methods of cultivation and production practised and the total absence of mechanisation, the average output of work per stremma of land - stockbreeding included - is equivalent to 8.2 full man-days (masculine labour).

Since the amount of labour required to farm the 3.06 stremmas of productive land per head occupied by this section of the population is equivalent to 25 full working days per annum, and since the working capacity per head amounts to 100 days per annum, it is clear that this group is at present employed to only 25% of its capacity.

The above remarks show that the problem of underemployment, or rather of the rational organisation and efficient use of available rural manpower, is one of the fundamental problems facing the Greek economy.

The degree of underemployment and low income levels of this section of the farming community may be traced to the small amount of capital invested per stremma and per head of the farming population (including the value of the land itself), and to the low yields derived from rural investment. It is estimated that the above-mentioned 3.06 stremmas per head, including all capital invested in them for agricultural purposes, have an approximate value of 5,000 Drachmae, 60% of which represents the value of the land, and only 40% the capital invested in farming it.

Consequently, any solution of, or attempt to deal with, the economic problems of this impoverished group will require firstly a reduction of the number of people dependent on agriculture and, secondly, an increase in rural investments of every kind. The former policy is linked with the general economic development of the country as a whole and with the growth of industry, while the latter may be considered either in conjunction with or apart from the former.

The following list gives an indication of the items for which capital is urgently required to revive this section of our rural economy:

1. Irrigation machinery (short-term);
2. Draught animals and livestock for meat production (short-term);
3. Building, rural housing, country roads (long-term);
4. Soil improvement projects, mainly of a collective nature (long-term);

5. Agricultural industries (long-term);
6. Agricultural machinery (long-term);
7. Permanent plantations (long-term);
8. Hand-tools and animal-drawn implements (short-term);
9. Other durable equipment (canvas for tobacco and currant drying) (short-term).

The grant of loans and administration of the above programme would be entrusted to the Agricultural Bank of Greece.

ROYAL MINISTRY OF
FOREIGN AFFAIRS

VOCATIONAL RETRAINING PROGRAMME

The Employment and Unemployment Insurance Organisation would be entrusted with the task of distributing loans and carrying out this programme, under the supervision and control of the Ministry of Labour.

The programme covers the theoretical and practical training of technicians in special schools and factories.