

Land reform:

No easy answers

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But crudely, the term 'land reform' subsumes two distinct types of initiatives, the relative importance of which differs from country to country. The more dramatic type is that which involves the *redistribution* of land to those with too little land, or those from whom it was wrongfully taken. The other main type is *tenure reform*, which although more subtle than redistribution often affects much larger numbers of people – by altering the rules that govern how people may use, bequeath, transact, and exclude others from their land.

One commonly thinks of land reform as pertaining to rural land, for instance as part of a broader process of agrarian reform, but increasingly land reform involves urban settlement, not least because of rapid urbanisation and the 'regularisation' this often makes necessary.

Roots of land reform

What are the historical circumstances that make land reform an imperative? Colonialism is certainly one of the most significant of these, particularly in countries such as Kenya, South Africa, Zimbabwe, and Namibia, where colonial powers pushed the indigenous population into 'reserves' to make way for settlers, creating stark inequalities between the latter and the former, and simultaneously entrenching dualistic tenure and agriculture systems. In other situations, such as in the Indian Subcontinent, colonialism exacerbated existing inequalities, for example by introducing taxes which compelled poorer peasants to borrow money from wealthier land owners, to whom they often defaulted and had to cede their land. However, land reform is sometimes also

introduce pressure to commoditise and/or individualise land rights, which governments may seek to accommodate in the interest of promoting orderly development, or resist in favour of other objectives.

Untangling the economics

The economic arguments for land reform are complex and contentious. Probably the one most widely cited in favour of redistributive land reform is that smaller-scale producers are more labour-using and more productive per unit of land. Therefore, land reform that entails carving up large estates into smaller units promises to increase labour absorption generally while also contributing to greater aggregate production. However, the empirical literature suggests that smaller farms are by no means always more productive, particularly in environments where prospects for intensification are modest.

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A more convincing, or at least widely applicable, economic argument is that redistributive land reform can increase the economic self-sufficiency of poor rural households. Even if such redistribution fails to boost, or even leads in a modest sacrifice of, aggregate production, it may be one of the few measures available to government to reduce the incidence of economic marginalisation and associated social problems. However, two questions often vex governments in this regard. First, what is the *net benefit* after taking into account displaced

land, and how many rural households? Second, if redistributive land reform is clearest where the return to land is high, should it be restricted to high-return land, or should it be extended to low-return land as well?

introduced to correct for well-meant but unsuccessful rural re-engineering, such as the post-colonial *Ujamaa* settlement policies in Tanzania, or the collectivist agriculture systems introduced in many of the 'Eastern Block' countries. Finally, land reform is sometimes made necessary by demographic and economic change, for example as higher population densities and commercialisation of agricultural production tend to

farm worker jobs? And second, *which poor* should benefit, and in terms of *what kind of agriculture*? Redistributive land reform in Southern Africa, for example, has struggled to find a satisfactory balance between very poor households for whom land redistribution realistically offers only a hope of augmenting semi-subsistence production, and less poor households for whom land reform promises the opportunity to become

Picture courtesy of Radhika Chhabraani/UKIDP



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fully-fledged, medium-scale commercial farmers, but of whom relatively few can be helped.

Arguably the economic rationale for redistributive land reform is clearest where the reform is of the 'land-to-the-tiller' variety, that is, where the land of an absentee landlord is vested in the tenant, as has been the case in some of the land reforms in East Asia. In these situations there is a continuity of the system of production, but with the former tenants enjoying better incentives and more operational control.

In contrast to redistributive land reform, tenure reform is generally expected to contribute to agricultural development in four main ways: first, by encouraging more investment in the long-term productive potential of the land; second, by increasing the access to and use of credit; third, by facilitating the emergence of a land market, thus encouraging the movement of land to more efficient users; and fourth,

by reducing the occurrence of land disputes. That tenure reform favours these effects is not in doubt; however, the extent to which a tenure reform does in fact have these effects depends largely on the presence of complementary reforms, including the liberalisation of input and commodity markets, and the improvement of land administration systems. Another consideration is whether tenure reform may have certain negative consequences, not least the possibility that the increased marketability of land may result in the consolidation of land away from poorer households, whose decisions to sell their land rights may later prove to be to their own – and society's – detriment.

Social and political imperatives

Land reform involves change in the relative political, social and economic power of groups within society, and therefore does not always proceed along economically rational lines. A major imperative for land reform is to provide secure and equitable rights to land for the rural poor, which usually involves taking land from the wealthy to obtain a better distribution of property and income. In theory this would also achieve a more equitable distribution of power, particularly in rural areas. Such reforms can underpin socially and environmentally sustainable development by reducing the social instability that inequality can lead to. This is the case particularly where land represents the principal form of wealth and the principal source of economic and political power.

The issue of historical redress is another major imperative for land reform: to remedy the ills of the past through restoring land to people dispossessed by conflict or unjust practices such as expropriation, land grabbing, or forced removals. Thus land reform can be used to build national reconciliation and stability. In countries with a colonial history, such reforms are often about repossession of land alienated by colonial settlers. The legacy of this history often means that existing land relations – and the impetus for land reform – are defined in racial terms. Land reform in Southern Africa is largely driven by the need to reverse the white-black racial imbalance of land ownership wrought by colonialism and apartheid. In Latin America, land reform is seen as necessary to resolve the huge inequality between large landowners of Latin descent and land-poor indigenous Americans. In Fiji, a source of conflict between Indian-Fijians, who are descended from the indentured labourers brought by the British to work on the sugar estates, and Melanesian-Fijians, is the

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wish of the latter to ensure the former do not gain ownership of too much land, a concern that leaders of the Melanesian-Fijians have both fuelled and capitalised upon. The redress of these imbalances is often crucially important for racial harmony, but much depends on whether the dispossessed are numerically superior or are otherwise powerful. A case in point is Botswana, where the indigenous Basarwa (San) have lost land rights to the majority Tswana-speaking people, in relation to whom they are relatively powerless.

The historical/racial dimension of land conflict and land reform often goes to the heart of issues of identity and citizenship. Such psychological issues are

encapsulated in the concept of the 'burial' of the umbilical cord as a powerful symbolic 'root' to a particular place, or in a related vein, the psychic and cultural importance of maintaining (or re-gaining) access to the land where one's ancestors are buried. It is not always easy for policy-makers to understand, never mind respond to, the fact that the psychological/political and economic impetus for land reform sometimes exist at different levels. Taking again the example of Southern Africa, survey information indicates that the overwhelming majority of Africans are keenly aggrieved by the fact that the minority white population controls the vast majority of agricultural land, even while the number of Africans who identify more agricultural land as a personal priority appears to be relatively modest.

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Risks and abuses of reform

Land reforms have a habit of proceeding in fits and starts. As in Pakistan, land reforms may stall due to resistance from current larger landowners, who often have access to economic and political power. The flipside of the power of the 'landed classes' to dictate the pace and extent of reforms, is the frequent lack of organisation of the landless or rural poor to exert pressure on government. However, a land reform may also stall because there is a lack of clarity as to the true benefits and objectives of land reform, such that the actual resources allocated to land reform in fact fall well short of the stated political commitment to it. Much of the land-related discontent in Guyana owes to the reluctance of the government to apportion state land to small-holders, thus an impasse can occur even in the absence of identifiable opposing vested interests.

The dangers of allowing land reform to stall, or of not getting it underway in the first place, can be significant. The deep sense of grievance of the landless can lead to social unrest and land invasions, further polarising different interest groups, and possibly serving as an opening that opportunistic politicians can exploit

to gain short-term support. Sometimes what passes for land reform is merely the replacement of one landed elite with another, with the landless poor benefiting to a much lesser degree.

Land reform in changing times

It is instructive to note that unequal land ownership does not always constitute an impetus for land reform. Inequalities of rural land holding, for example, are more extreme in North America and much of Europe than in, say, South Africa or Pakistan; however, where land no longer represents a principal form of wealth, and

agriculture no longer constitutes an economic proposition for a large share of the population, land reform may well not be an imperative. The impetus for rural land reform depends in large measure on the quality and accessibility of alternative economic opportunities. To an unfortunate extent, some of the urgency for land reform in developing countries today owes to the fact that these alternatives remain scarce.

The fact is, it is probably not in a country's long-term interest to have large numbers of widely dispersed rural small-holders, not least because of the challenges of providing rural dwellers with education and health care, and ultimately integrating them into the modern economy. Moreover, in so far as land reform entails a 'return to the land,' it is important to note that what constitutes a viable farming-based livelihood today may be entirely different from what was viable in the 19th or early 20th century.

This is not to suggest that land reform may not be urgent in the short-term, but the expectations of it must be assessed realistically. Ironically, it increasingly appears that the social/political/psychological imperatives behind land reform are more solid than the purely economic ones. The question then is, given the imperative of land reform for these ends, what form should it assume, and how much is the country willing to pay for it?

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