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**Land Policy and Land Reform in Sub-Saharan Africa:
Consensus, Confusion and Controversy**

Rogier van den Brink¹

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¹ Land Reform and Land Policy Coordinator, Africa Region, The World Bank, South Africa. An earlier version of this paper benefited from comments by Hans Binswanger, Dan Bromley, John Bruce, Ben Cousins, Klaus Deininger, Vincent Hungwe, Odenda Lumumba, Francisco Pichon, and Glen Thomas. The idea of a multi-option policy framework for redistributive land reform owes an intellectual debt to Vincent Hungwe and Sam Moyo. I am also grateful for discussions with Caesar Chidawanyika, Mike Mispelaar, Jorge Munoz, Robbie Mupawose, Nick Swanepoel, Greg Brackenridge, and the many others who were involved in trying to reach a negotiated agreement on the Zimbabwe land reform program between 1998 and 2000.

Introduction

How often have you heard someone say that land, and land reform, is a very important development issue, but it is “politically sensitive”? And how often has that description then provided an excuse for inaction? In this paper, in an effort not to continue this tradition, I attempt to give a brief overview of the most important, and politically sensitive, issues surrounding land reform. And I indicate where, I think, consensus, confusion or controversy exists among the “stakeholders”—Government officials, policy makers and analysts, leadership of the farming communities, and development partners.

The paper is in two parts. The first part focuses on property rights in land—it gives a short narrative of some of the key “land tenure” or “land policy” issues and the emerging consensus around them. I suggest that, while these issues do remain politically sensitive, there is a solid consensus emerging on how to deal with them, but only once we have cleared up the considerable confusion surrounding private and common property, and formal and informal rights.

The second part addresses the redistribution of property rights in land—redistributive land reform. Here, “political sensitivity” is often a euphemism for “explosive”. The good news is that I think we are well on our way in reaching consensus around the problem and the need to address it with a heightened sense of urgency. But the bad news is that we do not seem to agree on the solution: the “how to do it” part. Without trying to artificially create consensus, I suggest a policy framework within which the various contending solutions can compete and prove their effectiveness on the ground—there where it matters.

I. Property rights

Nobody owns the land

Why do we often hear in Africa that “nobody owns the land”? Does this mean that there is “tenure insecurity”—are people not sure about their rights to use the land? Or does it mean that anybody can occupy any land they want—is it a “free for all”?

Not at all. If you would ask around a typical African village, you would immediately answer no to these questions. Instead, you would soon pick up on an important principle: whereas no individual will say that he or she “owns the land”, every man and woman has a right to reap what he or she sowed. People have a right to the fruits of their labor. A farmer sows maize, weeds, and harvests, and she owns the harvest. There is no quarrel at all about who owns the harvest. That property right is very secure². Because if my goat comes and grazes in her maize field, I’ll get a hefty fine. I have taken someone’s property.

² The security of this property right is derived from the person’s membership of the community. The right is usually inheritable and secure, but it is not necessarily a right to a specific parcel of land. Once households become more sedentary and agriculture intensifies away from long forest fallow, property rights to particular parcels become more permanent and inheritable.

But owning the fruits of your labor is very different from saying that someone owns the land. With “owning the land” people usually mean that pretty much all possible benefits that come with it or from it are the property of the owner. In that case, a farmer also owns the trees and the fruits of the trees that grow on her land, or the water in the pond that is on the land, or the gold that may be found deep inside her land.

All these rights—think of it as a “bundle” of rights—relate to activities that could take place on the land, or with the land, and yield an income. This is why researchers would rather not speak about “ownership”, which is rather vague, but about a particular “bundle of rights which give rise to an income stream”. And researchers will always ask what exactly is in the bundle and what is not.

Because if you think about it you will know that the bundle always differs from place to place and from time to time. Both in the developing and in the developed world. Sometimes you can “own” a plot of land but you are not allowed to farm on it—you are only allowed to build a house on it. And in some places you cannot just build any house—it has to be a house of a certain type and a certain color.

In other words, there is no universal definition of the bundle of rights we loosely refer to as “ownership”. So Africans are right: nobody owns the land. And that is the first area of consensus.

Define and enforce property rights so that they are secure

To define what “ownership” means in a particular context, we need to ask the basic “who, what, where, when, and how” questions about the particular property regime at hand.

Firstly, *who* defines it? Property rights are essentially social rights: they define what an individual or a group of individuals can or cannot do with a certain thing. And this is always defined in relation to others—for instance, you cannot come and harvest my maize. My *right* is your *obligation*. Defining those rights and obligations is up to the community, or, when property rights become more formalized and legislated, the state. Defining those rights is *not* up to the individual—then it ceases to be a right.

Secondly, *what* activities and income streams are included? In other words, what exactly is in the bundle of property rights we are talking about?

The “*where and when*” of the property right needs to be specified. Where can the activity take place? What is the time period defined for the right to undertake a certain activity and reap its rewards (or incur the liability)?

Finally, *how* is the property right acquired? Through sale? Through inheritance? By virtue of you belonging to a certain group? Under “good faith” occupation? Because you were there first? Because you invested in it? All these seemingly simple questions in fact represent long-standing legal traditions and principles about ways in which property rights can be established and subsequently protected.

Do researchers and land policy specialists have any particular recommendation as to how these property rights questions should be answered? Yes, but up to a point.

There is strong consensus that these property rights should be well-defined by the community (or the state), accepted and understood by all, and be able to be enforced³.

When a community, or the state, is able to enforce what it decides, property rights acquire a very desirable characteristic. They become certain—tenure, the holding of the right, becomes *secure*⁴.

A farmer needs to know that if she sows maize, she will own the harvest—this way she will do her best to farm well. And she will logically start thinking about future seasons and invest in maintaining the fertility of the soil. Anything that makes a farmer worry about whether or not she will be able to reap this harvest—this year and all the next years—will make her wonder about investing in her crop and in her field.

So if a property right is insecure, investment will fall. People will stop caring for it. This is why we stress that property rights need to be secure.

And if there is no security at all, we end up in a situation in which there are no property rights at all—a situation of **open access**. Unfortunately, this situation is often wrongly defined as the “tragedy of the commons” giving the concept of common property a bad name. But it is not the tragedy of common property rights, it is the tragedy of open access, which occurs when communities are no longer able to define and enforce the property rules around certain resources. It then becomes a free for all, or *open access*, and everybody has a rational interest in depleting the resource as much as possible, because if they don’t, somebody else will⁵.

Confusion about private and common property

This brings us to an area in which there is neither consensus nor controversy—only confusion. And seemingly with no end in sight.

The confusion basically stems from prejudices and perceptions. When we imagine “private property”, we usually imagine two things. First, we associate the concept with individual freedom. Under private property, we imagine, a person can do as she pleases. For instance, we think of private property as a tradable right which can be sold by the individual to anyone, without asking anybody else for permission to do so. And we also

³ For an application of these principles to successful community management of natural resources, see for instance Orstom (1994).

⁴ Sjaastad and Bromley (2000) remind us that we should define “security” as assurance alone, and not extend its meaning to other dimensions of a particular property right, such as its “breadth” (how many different activities are captured under the right—the “size of the bundle”) or its duration.

⁵ Hardin, 1994, even though he has given common property a bad name by coining the phrase “the tragedy of the commons”—it should be rephrased as “the tragedy of open access”.

associate it with a sign that says “Keep Out. Private Property.”—in other words, with a territorial boundary that excludes others.

But when we think of common property, we imagine non-tradability, and either very restricted permissible use of the asset, or a complete free for all leading to degradation.

Why are these associations prejudiced? Because in reality the presumed unfettered sale of private property will have restrictions. For instance, restrictions on land sales to foreigners exist in many other countries in the world, including many states in the United States. These restrictions can range from a total ban on sales to foreigners to the requirement of obtaining a special permission. Or they can mean that foreigners are not allowed to obtain freehold, only leases.

Common property regimes do the same: they either ban the sale of property to outsiders, or require you to seek a special permission. But common property regimes can, and often do, allow the sale of the “shares” to others, just like private property regimes. The only difference then is that in the case of private property you seek permission from the state, and under common property you ask the community. Same difference.

We also know that everywhere in the world what you can and cannot do with your private property is always regulated, from zoning laws to building restrictions to prohibitions to hunt foxes with hounds. So same difference again.

And finally, the private property sign “Keep Out” may also have some small print attached. For instance, the state can order you to allow public access on your private property, say for hiking or fishing, or to allow another private property right on your private property right, say a mining right.

So in the final analysis, what individuals can and cannot do is determined by the state in the case of private property, and by the community in the case of common property. That is really all there is to it.

To add to the confusion, property rights can be *individual* or *common*. Simply put, a community, or the state, can decide to give certain rights to something to an individual *or* to a group. It may allocate a right to produce crops on a particular plot to an individual, but allocate a grazing area to a group—for instance, all families living in the community. And, as I said before, sometimes these individual rights, within a common property regime, can be inheritable, exchangeable, rentable and even saleable⁶.

⁶ Individualization is driven by the intensification of agriculture caused by population growth and increased market access (Boserup, 1981; Bruce and Migot-Adholla, 1993). Typically, communities start by individualizing permanent residential and garden plots, then allocate individual rights to nearby fertile farming plots, and progressively extend individualization to the remaining areas under community ownership, until only wasteland and land for common infrastructure and facilities is owned by the community (Binswanger and Rosenzweig, 1986; Binswanger and McIntire, 1987).

So common property does *not* imply that the entire bundle of rights are only given to the group as a whole, or that the community engages in collective production⁷. Within a common property regime, rights can be assigned to individuals, like in the case of a housing condominium in the United States. By the way, how would you describe your purchase of an apartment in a condominium in Washington D.C. to a visiting African scholar? As a relic of some quaint and inefficient common property regime, or as a particular shared ownership option under a market-based modern private property regime?

So what is the non-confusing definition of common property? Common property is simply the property of a group, or, to put it differently "common property represents private property for the group"⁸. In theory, individual rights under a private property regime are regulated by the state, and under a common property regime by the community. In practice, the key to the definition of common property usually lies in the exclusion of those who are not a member of the community. So if a sale takes place to a member outside of the community, such a sale will need to have the consent of the community, which will need to accept the buyer as a new member.

An extension of common property is *public* property or *state* property. This is in essence common property but with the community now being a much larger community, say a city, or the nation as a whole, formally represented by the state.

Private property is not always necessary or even desirable

Back to consensus and controversy. Before digressing into the confusion between common and private property, we had said that there was consensus around the need for clarity and security on the "who, what, when, where and how" of property rights.

The earlier consensus among development practitioners was that such clarity and security was best guaranteed under a formalized (i.e. documented) private property regime. And that economic growth and environmental stewardship would be further promoted by making the bundle of rights as large as possible, territorially exclusive, of infinite duration and fully tradable.

This earlier private property consensus has broken down. Why?

Upon further reflection, it seemed overkill to suggest that asking for security meant asking for the largest possible bundle of property rights. Because to care for the fertility of your maize field, you do not need to own the mining rights as well.

⁷ In fact, whereas many areas in Africa fall under common property regimes, the African experience with group farming or collective production has been an unmitigated failure (e.g. Ujamaa in Tanzania, and numerous cooperative farming experiments elsewhere in Africa). What is sometimes found, though, is a system under which people set aside some time to collectively work a particular field for the traditional head of the village, to be used by him as a food security plot for the village or needy households.

⁸ Bromley (1992, p. 11).

This is important in many parts in Africa. Pastoralists, for instance, practicing “transhumance” in arid and semi-arid areas, need access for grazing and watering their cattle during certain times of the year in certain places. They do not want crop cultivation rights, and they do not want a fence around their potential grazing area.

Why? First of all, they specialize in cattle production, letting others specialize in crop production. They, and society at large, would not want to lose the profits from specializing in their comparative advantage. Second, pastoralists do not want fences because they know that their potential grazing area given highly variable rainfall would be enormous. They know that the fence could never be large enough. Just as it would be silly for fishermen to partition sea plots with floating boundaries, knowing that fish wouldn’t abide by the boundaries (they are a “fugitive resource”), it would be equally silly for pastoralists to go for fences. What pastoralists want are property rights that match their activities: access rights and rules to prevent over-use of the resource. And to start with, pastoralists would like their historic economic rights to be respected by the state and farming communities⁹.

Traditionally, pastoralists and farmers would sit down to discuss how to make sure that both parties could exercise their rights without getting in each other’s way. This type of coordination is of course best achieved under a common property regime. But in some parts of Africa, supported by the earlier private property consensus, pastoralists have been told to become sedentary farmers, or fences have been erected and new property rights created which obstruct the movements of the pastoralists, essentially depriving them of access rights they traditionally held. And sometimes the resulting tensions have led to violence.

Hence the new consensus. It recommends that Governments create the possibility of resolving such potential conflicts and support dialogue so that communities can find ways of deciding together how the bundle of property rights should be allocated and enforced¹⁰. The idea of taking down existing fences to increase animal production and reduce environmental degradation in semi-arid areas is a promising one, but has so far mainly been applied in game farming.

The old consensus also assumed that environmental degradation was worse under common than under private property. Empirically, this assertion cannot be confirmed. Soil degradation on private property in Nebraska can be just as substantial as on common property in Namibia¹¹. And there are many examples in the world of natural resources being managed by a group in common and in an excellent way. The Swiss Alps have been under common property since the Middle Ages. You will agree with me that they don’t exactly look like they have been affected by the “tragedy of the commons.”

⁹ Van den Brink, Bromley and Chavas (1995) coined this problem the “Cain and Abel” problem—the first recorded clash between a pastoralist and a farmer in history.

¹⁰ Recent livestock policy research containing the “new consensus”: McCarthy et al. (editors), 2000.

¹¹ Daniel W. Bromley (mimeo)

The other idea under the old consensus was that investment incentives would be strongest, and economic efficiency best served, if the property right was of infinite duration and freely tradable. This way the productivity of the resource would be maximally exploited, and if a particular owner was unable to extract the maximum profits from it, the property would be sold to someone who would.

In a world of perfect markets, the argument holds. But in our imperfect world, it breaks down. For instance, one of the great advantages of many common property regimes in Africa is a risk insurance function—community members can claim access to land for farming when necessary. In the absence of a formal social security scheme, this insurance function of common property regimes has reduced the poverty impact of the many external shocks and macroeconomic crises that have hit Africa.

Similarly, in societies that do not have pension schemes, the pivotal role that the elders play in the allocation of individual property rights to land ensures that they have a strong bargaining position vis-à-vis the young adults. The elders use these powers to ensure that the young contribute to their “pension”.

Common property regimes often constitute very important social insurance mechanisms for the old and the poor—we need to be mindful of this when we add up the costs and benefits of moving to private property¹². Finally, just as it was wrong to vilify common property regimes, it is equally misguided to romanticize them. Yes, common property regimes can provide important insurance functions. But they can also be used to exclude people, especially those who are not “real” members of the community, for instance women, especially widows, and outsiders.

To sum up so far, all we have said is that property rights need to be secure. They become secure if they are well-defined by the community (or the state), accepted and understood by all, and be able to be enforced. We have *not* said that they should confer full “ownership” and be private. That would be misunderstanding the consensus.

Formalizing property rights is not always necessary or even desirable

Another controversy was about titling, i.e. creating formally documented proofs of “ownership”. During the 1970s and 1980s, there was a consensus on the need to formalize property rights.

This consensus has changed. For instance, many researchers have adopted a very pragmatic attitude to the issue of formalization. They would simply ask if formalization would increase tenure security and lead to collateralized lending. Is security higher if someone has a formal property right—a title deed or a lease, which is issued by the State? Not necessarily. Some title deeds are not worth the paper they are written on, and may create more confusion than security¹³. And some property rights which are only informally agreed on and enforced can be very secure, lest you want your kneecaps broken.

¹² Jodha (1992).

¹³ Bruce, Migot-Adholla and Atherton, 1993.

But don't banks require title deeds as collateral for lending? Sometimes they do, and sometimes they don't. Sometimes a bank will only look at the intrinsic merits of a project proposal or look at track record that someone has in repaying past loan. Think of the way US credit cards are managed, or some of the success stories of micro-finance. Successfully funding small-scale farming does not necessarily need a title deeds register and collateralized lending. There are many examples of successful lending to farming that were not based on mortgaging title deeds. The history of cooperative banking in part of Europe is a very good example. There, when farmers found that banks would not lend to them on an individual basis, farmers invented the concept of joint liability. They went to the banks and said: lend to us as a group, and we will all be responsible for repayment. In this way, if one of us defaults, and we as a group do not solve this problem, you can punish us all.

There is another reason why bankers may not be very interested in mortgaged title deeds. Presumably the idea of using a title deed as collateral implies that when the farmer cannot repay the loan, the bank seizes the collateral and recoups its money. But that presumes a lot. Imagining a small farmer in a village in Burkina Faso having a title deed, and defaulting on her loan from a bank. Would the bank go in and seize her groundnut plot and auction it off to the highest bidder? No. If the banker tried to do that, he would either be laughed at, or worse, chased out of the village. He would be forcefully reminded that nobody owns the land, least of all some banker from town.

So we should not exaggerate the necessity of formalizing property rights¹⁴. But this does not of course mean we are against it. As markets become more accessible or as population pressure grows, people intensify their agricultural practices and start to invest more in their natural resources. The value of the resources goes up, and that means often that the potential for competition and conflict grows. Sometimes communities are perfectly capable of handling this and continuing to enforce and adapt the traditional rules that govern property rights, but without needing documentation, administrative courts, etc.

But sometimes the capacity of the community to manage competition and conflict can decline. Or it can be undermined by intervention by external forces, or even by the state itself. As a result, the community, or the state, may decide that it is high time that rules become more formalized, documented, and more easily enforced in a court of law¹⁵. In

¹⁴ Bruce and Migot-Adholla (1993), summarizing recent research on the security of customary tenure in Africa, conclude that in many parts security of customary tenure is quite secure and does not seem to be in need for a wholesale "replacement" with formalized property rights. Rather, an adaptive and incremental policy reform approach is suggested.

¹⁵ Examples of World Bank-assisted programs to assist communities to register property rights: (i) Cote d'Ivoire, where both individual and communal rights are registered under customary law; (ii) Colombia: titled natural resources exclusively to Afro-American and indigenous communities rather than to individuals; and (iii) Mexico: choice between individual and communal title, with well-defined mechanism which allows to make the transition between both—more than 50 million ha were registered in about 6 years.

fact, one famous, Nobel Prize-winning economist¹⁶ has always argued that it was this process of more carefully defining and formalizing private property rights which has been one of the driving forces of economic development in world history.

We started out by saying that researchers had ideas about the definition of property rights, but up to a point. We have reached that point now. Because the definition of property rights is in essence a definition of social relations. At the end of the day, this definition is the business of the community (or the state). For instance, a community may have very definite notions about fairness, and this will, and should, profoundly influence the decision about property rights regimes and the distribution of rights within that system.

Let us briefly summarize what we have said so far on property rights. They are essentially rules that govern relations between individuals and they should therefore be defined by the community (or the state) that such individuals belong to. Property rights should be clearly defined, well-understood and accepted by those who have to abide by them, and strictly enforced. Property rights can be private or common or state. Most important for sustainable development is that property rights are secure. And as development progresses, property rights tend to become more individualized and formalized, but there are no short-cuts to this process—introducing formal and individualized property rights in situations where there is really no need for them is just a waste of time and money.

I would argue that there is consensus around what I have said so far. So where is the controversy?

II. Land Reform

The controversy is about land reform proper—redistributing property rights from the rich to the poor, from large to small farmers. The roots of this controversy are to be found in ideology, politics, history, economic theory, and various efficiency and implementation arguments. A long, daunting list. I will highlight a sample of controversies.

First of all, controversy exists about what one could call the “large versus small farms” or the “farm size-productivity” debate. And many people think that institutions such as the World Bank, when it comes to agriculture, are mainly interested, as part of the so-called “neo-liberal agenda”, in supporting commercial, large-scale farming. This is not true.¹⁷ In fact, in most countries in the world, direct World Bank support *only* goes to support small-scale farming. This is for three reasons: efficiency, poverty reduction, and equity—not necessarily in that order.

¹⁶ Douglas C. North. More recently, Hernando de Soto has been arguing the same.

¹⁷ In fact this has not been true since the publication of the World Bank’s Land Reform policy paper in 1974.

Small farmers are more efficient

Why for **efficiency**? Nearly a century of research by agricultural economists all over the world¹⁸ have found an un-intuitive stylized fact: small farmers are generally more efficient than large farmers. This often comes as a shock to people, especially those of us who equate efficiency with the visible signs of modernized, highly mechanized farms which achieve very high crop yields.

But the economist's notion of higher efficiency of small farmers does not equate with higher yields. It does not mean that small farmers have higher yields. Yields are quantities, not values. For example, I can raise my yields enormously by applying lots of fertilizers and pesticides. But that does not mean that I will make a profit. I can use lots of modern inputs, achieve very high yields, but lose a lot of money. In other words, I can be hopelessly inefficient. And even if I do not lose money because my high yields are achieved through state subsidies—I am still (socially) inefficient.

Let us first define what we mean with efficiency. The higher efficiency of small-scale farmers means that they use their resources better, or, put in another way, they generate more income (in kind or in cash) for every “dollar” invested (in kind or in cash)¹⁹. Again, this does not mean that small farmers are richer, it only means that, relatively speaking, they make more out of the little they have.

Small farmers also do not necessarily operate small farms. Farm size per se is not the defining feature of what we call small farmers. Because farm size varies greatly with soil fertility, rain fall distribution, market development, technology and overall income levels in the economy. Five hundred hectares of semi-arid shrub cannot be compared to half a hectare of irrigated roses. Size is not the point.

Small farmers are defined as family farmers. They operate their farm using mainly family labor and employing capital and machinery that they can comfortably manage on their own. This is the main cause of the superior efficiency of small, family farms: the owner of the farm lives on the farm, manages the farm herself, and is aided by other family members, who do not need a lot of supervision to work their farm well, because they care about their own property.

If farms increase in size beyond a size that a family can comfortable manage itself, more and more hired labor is needed, and any large farm owner can tell you how difficult it

¹⁸ Starting with Chayanov in 1918, when he opposed the Stalinist “bigger is better” strategy, probably inspired by his PhD research (1910) and that of other “neo-populist social agronomists”, which empirically documented the efficiency of family farming (Chayanov, 1966). Stalin eliminated Chayanov and his work.

¹⁹ These findings are well-documented in the research literature. For instance, Rosenzweig and Binswanger (1993) show that small farmers get much higher rate of returns to capital than large farmers. They also show, that despite being more efficient than large farmers, small farmers do not have profit maximizing portfolios, because they face significant risk, and have to use the sale of assets, such as draft animals, to deal with the consequences of risk. If small farmers could have profit maximizing portfolios, their profits would increase by another 25 percent.

often is to manage hired labor²⁰. Not surprisingly the most successful agricultural systems in the world are in fact dominated by small, that is family, farmers.

Acknowledging that small farmers use their resources—however little they may have—often better than their larger counterparts does not mean that there are no disadvantages of being small. The main disadvantage of small farmers often lies in their more difficult access to credit, markets, and information—information about markets and new technologies. Larger farmers can usually get access to credit easier and less costly. This will make it easier for them to quickly respond to the market, especially when that market demands agricultural products that need a lot of investment, say horticulture. Another disadvantage of small farmers appears when the market demands that you produce large quantities of standard quality at exactly the right moment. Coordinating such production may be easier to organize on a large farm, even if it means managing large labor forces. This includes some of the “plantation crops” (e.g. bananas, sugar, and tea).

But overall, large estates are usually less efficient than small family farms. They often leave a lot of their land idle. They also usually generate less employment. While they may utilize modern techniques and inputs, and achieve superior yields on the land they actually crop, their overall land use intensity is usually low. And because large farmers are often “well-connected”, they are able to lobby governments to give them special tax breaks and subsidies. This may lead them to use more machines that replace labor than they would have had they not been able to obtain the tax breaks, subsidies and cheap credit. And this can mean that even as their production rises, their contribution to employment may actually go down, while unemployment becomes more severe.

Small farmers reduce poverty

One of the most compelling reasons to support small farmers comes from the international experience on what it takes to achieve successful rural development—development which reduces poverty. What seems to be the consensus?

There is little doubt in researchers’ minds that the success stories include Taiwan, Indonesia, Malaysia, Thailand and China. And that their agricultural sectors are all predominantly based on owner-operated small-scale family farms. When these countries then also made substantial investments in rural infrastructure to help these farmers, and had no or light taxation of agricultural production (including by avoiding over-valued exchange rates), they created the type of high and sustained agricultural growth which substantially reduced rural poverty.

The history of many resettlement programs also demonstrates that once poor people are given good farm land, they can be able to lift themselves out of poverty permanently, even without significant Government support. In Africa, this has been the experience in Kenya and Zimbabwe. Even without substantial support services, Zimbabwe’s land reform program of the early 1980s was a success. One of the few existing longitudinal household data sets on land reform shows that currently “land reform beneficiaries

²⁰ In the literature, the difficulty is defined as caused by heterogeneity, seasonality, and the resulting asymmetric information problem.

cultivate nearly 50 per cent more land than non-beneficiaries, obtain four times as much in crop revenues, own substantially more livestock, and have expenditures that are higher by 50 per cent.”²¹

At the other end of the spectrum, you find the countries that have been least successful in terms of rural poverty reduction. This includes countries like Brazil, Colombia, Guatemala and South Africa. And guess what? These countries are characterized by highly unequal landownership, with substantial public investments in large-scale farming. While these large-scale farms have usually become technically sophisticated, they make an economically inefficient use of labor and lead to rapid out-migration of labor from the agricultural sector into urban or rural slums. In short, by focusing too much on their large scale farms, these countries created *more* rural (and urban) poverty.

Small farmers are good for equity

Why worry about equity?

The first reason is a practical one. Equity is good for growth. A country like China has recorded very high economic growth rates. Its peasant sector—after land reform, the abandonment of collective production and liberalization of key agricultural markets—was one of the key engines of this growth. And recent research²² is confirming this thesis—that equity is good for growth.

The second reason why we should worry about equity goes back to the inherent social nature of property rights. As we mentioned in the beginning, it is the community which defines property rights—it is in essence a social choice. A community, or a nation, can make that social choice on a number of grounds. History, fairness, efficiency, the environment, and many other grounds can mold what a community or a nation thinks is appropriate. And as we know from history, communities can change their views on what is appropriate and fair. But that is the sovereign right of communities and nations.

When it comes to land, societies usually have pretty strong feelings about how that land should be used and by whom. This is because the overall area of land in a country is fixed, and agriculture is, or could be, an important source of income for many people in developing countries. Notions of fairness, or equity, are often very pronounced and there is often a general feeling that land should be equitably distributed to as many people as possible. A country-side populated by small family farmers tilling the land corresponds in many people’s minds to a system that is fair and equitable.

But maybe the best indicator of the strong feelings people tend to have around land issues is the fact that when these issues go unresolved, land problems are very likely to lead to violence, civil unrest, or even civil war. We all know of the sometimes violent conflicts between pastoralists and farmers in the Sahel, or indigenous and not-so-indigenous

²¹ Hoogeveen and Kinsey, 2002, p. 10.

²² For instance, Deininger and Squire (1998) find that only 2 of the 15 developing countries with a Gini coefficient for land higher than 0.7 managed to grow at more than 2.5 percent per year during 1960-92.

farmers in Cote d'Ivoire. Apart from the tragic loss of life, countries that are plagued by such unresolved land problems can be doomed to protracted periods of economic instability. Just think of the past and current events in Algeria, Colombia, El Salvador, Honduras, Philippines, Brazil, Chiapas (Mexico), Kenya and Zimbabwe.

Consensus around a controversial issue: support for land reform

This is the most controversial issue—redistributive land reform. Invariably, by what we have said so far, policy makers and analysts worry about countries where there is a large inequality in land holdings. Invariably, they try to assist Governments in finding ways in which that inequality can be reduced and more support can be given to small farmers. In short, there is now a consensus around a very controversial issue: that the land issue needs to be addressed.

But having said that, we should also acknowledge that this has not always been the case in a consistent manner over time. Take the World Bank. While in the 1960s the Bank was actively involved in supporting land reform in Kenya (the so-called million acre scheme), the Cold War politics of the 1970s and 80s put a damper on our active engagement. Whereas some of the Bank's agricultural staff continued to believe in the sound economic and developmental arguments for land reform, politics made it difficult to "put our money where our mouth was". Also, the Bank was not quite sure on how to do land reform. Fortunately, after the end of the Cold War, the World Bank was able to renew its commitment to land reform. Dialogue took place in South Africa, Brazil and Colombia, starting in the early 1990s, with World Bank-assisted projects following on this dialogue in Brazil and Colombia.

But the politics of land reform are not gone. Land reform is always a very politicized and emotive issue. Why? Because land reform brings us back to the definition of property rights, with which we started this paper. It brings us back to issues of fairness and equity. And it brings us back to history, especially when people feel that the way that property rights were established earlier was not fair.

So let us briefly go back into history. Let us use the historical example of those countries in Africa where white settlers established themselves as large farmers. Take the former "settler colonies" of Southern Africa²³. One legacy of their past is a very unequal distribution of property rights in land and water. White settlers appropriated themselves the best pieces of land and turned the indigenous black peasants into tenants or wage laborers or simply expelled them. And when mechanization, often subsidized by the state, made it possible, the black tenants and wage laborers were removed at an even higher rate from the land and driven onto infertile lands in the "homelands" or "communal areas".

²³ Similarly systematic expropriations, and sometimes outright exterminations, of indigenous people took place in many other parts of the world. North and South America, Australia and Tasmania all suffered the tragic consequences of settler actions. Many of these countries are wrestling with the aftermath of these human tragedies until today.

This removal was done very systematically: the most fertile lands in Southern Africa are occupied by very large, sprawling farms which are, on average, under-used. And the rural highest population densities—black population densities—are found in the most infertile rural areas. This is what some call the “rural geography of apartheid”, brought about by economic policies favoring the settlers and the forced removal of black people from fertile lands over a period of over a century²⁴.

This inefficient geography imposes tremendous costs on the poor and the economy as a whole. But it is also highly inequitable. And since the history of the removal of black people from their land is often still fresh in people’s minds, land reform is a highly emotive issue in Southern Africa.

Communities and nations will have to deal with this legacy. They will invariably form opinions about what is fair and equitable. They may simply look at the land issue as one of justice and redressing old wrongs. As we have stated in the beginning: this is as it should be. People should reflect on the existing property rights and democratically make decisions about their distribution.

To give you an idea about the emotions involved, here is quote from a South African woman. She attended an NGO conference in The Hague about land issues, but didn’t say much. The organizer later wrote her and asked her why? This is what she replied:

“I was born at the foot of anthills that cast suspicion on the silent threat of mountains. I grew up in a mining town in Namaqualand. My parents grew up in so called coloured reserves. Their parents lived on missionary land. These were places with rules that men with see through skin and black holy books defined punitively - blacks will not own land. Here, generation after generation, we lived conditional lives, understanding how profoundly the development of mines and reserves and missionary stations sanctioned our castration from the land and ourselves. So we misplaced ourselves. These places made grown men faceless, weak and angry. They made grown women dependently worn out and left questioning children harshly chastised to silence the accusing presence in the hundred and ten half human trees that covered the hills. I was told that these trees tell the story of the Nama people. Who before the arrival of waist high poles and wire moved between shadows of seasons and open spaces, to honour the needs of the goats, the gods and the land. Namaqualand. The land of the Namaqua's. I say it often. Sometimes being is as simple as knowing the womb is not a place to overstay one's welcome. Sometimes it is as complex as knowing where your umbilical cord was buried, and what that means to be a part of...

²⁴ The basic economic idea behind the “settler economy” is the following: capital and good land is owned by the settlers, while the cost of unskilled, indigenous laborers is reduced by restricting their economic alternatives and creating a migrant labor system. Under the migrant labor system, only male adults are allowed to work and reside in the settler areas. The wage paid to the migrant laborer can now be below the amount he would need if his family were living with him. But his family is only allowed to reside in the homelands where its members (women, children and the elderly) will try to eek out a living, contributing to the subsistence and reproduction costs of the family.

These were the words that I could not have spoken in The Hague because they are still here with me held up by the memory of the muteness that crawled on my back and found its way to my tongue.”

After this quote, we all best be mute, too...

What about these areas which were “reserved” for black farmers? Were they not developed? Not much progress there either. Apart from the fact that the resource base of these areas was of course poor by design, the way property rights were dealt with in these areas also put a break on their development²⁵. In the Southern Africa countries, “communal areas” or “homelands” are supposedly governed by “traditional” property rights regimes, but in fact subject to a particular colonial interpretation of such regimes. These interpretations have also become quite static, and sometimes lead to the insecurity of property rights. If these regimes had been allowed to evolve based on what communities really wanted, they would probably have slowly evolved towards private property where intensification was possible and towards forms of common property where private property did not make sense, as in very dry areas only suitable for livestock production.

How to do redistributive land reform—the controversy

You might argue that all of the above is neither here nor there, because even if you acknowledge the positive association between small farms and equity, efficiency, and peace and stability, this still leaves the hard part, and an area of profound controversy. Once a country has decided to embark on land reform, how to do it? Or, as the practitioner would ask: what’s the policy implication?

Clearly, the answer to this question is not settled yet. If we look at the international experience, we have to conclude, that even though the “land question” is often a priority equity issue, many countries in the world have made remarkably little progress on it. And if you look at history, the land reforms that were done were often done in periods of upheaval and political violence. Some even go so far as to draw the conclusion that you simply cannot have land reform without violence and upheaval.

But to make a certain historical pattern into a policy recommendation is not only false logic, it is also dangerous. If a society has the choice between doing land reform with violence and economic destruction, and doing land reform in such a way that it avoids violence and destruction, surely that society would choose the latter.

So here is the challenge. Can we implement land reform peacefully?

What does history teach us? Because the “violence-is-inevitable” school of thought has a point: few governments have actually successfully implemented a peaceful land reform on a substantial scale.

²⁵ Many other brakes were put on development in the homelands. For instance, farmers were not allowed to produce certain crops and had to market through monopolistic marketing boards.

Why? There are basically three reasons for the lack of success of “peaceful” land reform: (i) over-reliance on legal and bureaucratic processes of expropriation and resettlement; (ii) over-reliance on the ability of, often distorted, land markets to correct farm size inequalities; and (iii) the influence of powerful anti-land reform lobbies.

Legal expropriation and bureaucratic resettlement: slow and costly

Land redistribution has often been slow and costly because many governments chose to redistribute land through legal processes of expropriation or compulsory acquisition. This legal process is usually rooted in the legal principle of *eminent domain*: the power to take private property for public use by the state, following the payment of just compensation to the owner of that property. In the past forty years, countries such as Colombia and the Philippines accomplished little through this process. And it took Mexico around sixty years to redistribute half of the agricultural area. Only Brazil, and only since 1995, has made a considerable dent in its land problem by expropriating about 20 million ha in seven years.

The legal process of expropriation by its nature is slow and costly. Trying to speed up the legal process of compulsory acquisition by amending the laws, as several countries have done, can make a discernible difference, but up to a point. The legal process is based on due process—a very important principle of justice—and implies that every farm owner can opt to have his or her day in court. So by its very nature, the legal process is lengthy, costly and has proven unable *by itself* to achieve a substantial redistribution of land.

Of course, a Government could chose to scrap the principle of legality and due process, and reduce land owners’ constitutional rights. This would send shockwaves to anybody who would wants to invest in such a country, including its own citizens. It could lead to dis-investment, devaluation of the currency, and economic contraction. And it would create new wrongs and legal complications which would need to be resolved at a later date, prolonging the uncertainty around the land issue. This is essentially the situation that Zimbabwe finds itself in today.

Usually, a focus on legal expropriation is also followed by very “bureaucratic” approaches to resettling farmers once the land has been acquired by the Government. All the different aspects of land reform are centrally planned and implemented by state bureaucracies. Several ministries will have to work closely together, which is often difficult. And centralizing all aspects of land reform into specialized land agencies have also not been able to speed up the process (Mexico, Colombia, Philippines, Honduras, many others), but instead spawned costly and paternalistic bureaucracies.

But again, history need not be the policy recommendation. It should be possible in principle to combine the compulsory acquisition of land with a less bureaucratic and more demand-driven and participatory approach to the rest of the process—i.e. the selection of beneficiaries, their resettlement, and the provision of infrastructure and support services.

Land markets need help

What about letting the market solve the issue? Why would you even need state intervention? Didn't we just say that small farmers are in general more efficient than large farmers? If small farms are so efficient, why does the market then not automatically transfer the land from inefficient to efficient users? Why do small farmers not go onto the land market and outbid large farmers for land? Especially since we have just said that large farmers usually do not even use all of their land?

There are number of reasons why the land market, as it is defined in many countries characterized by very unequal land holdings, fails to do this. The first is the most obvious: the poor do not have money to buy land, and no, or difficult and costly access to credit. Poor small farmers can usually only expand slowly by year after year re-investing their own profits.

So why does this not happen over time? Surely, if land markets continuously made very small pieces of land available, poor small farmers could self-finance the purchase?

But land markets in the countries that are most in need of land reform usually do not function like that. More often than not, these countries will have explicit legal or policy restrictions against the sub-division of farms into smaller units. By the way, the existence of such restrictions should worry those who believe that large farms are more efficient than small farms. If large farms were more efficient than small farms, why would you need a legal restriction on sub-division?

Where does this restriction on sub-division come from? The official reason given is that farms should not be allowed to decrease in size below the so-called "viable" size. But what is a "viable" size? The first thing to realize is that "viability" is *not* a notion related to production economies of scale. Instead, it is linked to a minimum income target.

In former settler colonies, you will find that historically, this "viable" size would be calculated by setting a minimum income target for white farmers. You set the income target and then calculate how big the farm should be²⁶. Efficiency had nothing to do with it. It was essential a social policy: how do we ensure that white farmers are able to earn an income that is "socially" acceptable. Of course, "socially" meant with reference to the society of whites, not of blacks. The sub-division policy also added to the tool kit of racial segregation: it would be difficult for a poor black farmer to buy into a rich white farm area.

While "viability" norms could be defended by a settler government on a "white income standards" basis, this social policy objective should have quickly become obsolete at Independence. Unfortunately, many countries have still not removed such sub-division

²⁶ A similar logic was followed in the pricing of agricultural products. You set an income target, define your preferred (i.e. capital-intensive) technology, and then ask the State to guarantee the resulting price. That price would then be paid by black consumers, by not allowing cheaper imports in years of low production, and not allowing the domestic market to clear in years of high production by exporting at a state-subsidized loss. The rationale for these regressive policies? "Viability".

restrictions. In other words, a policy with the sole purpose of ensuring white living standards and segregating the races is still in place today without any economic, let alone social, rationale. And because it restricts the land market, it makes it difficult for small farmers to buy small farms. These land markets are in need of help if we want to create a level-playing field for small farmers. The policy reform needed is a relaxation of sub-division rules.

Another set of reforms often needed to help land markets redistribute land from large to small farmers is to remove existing distortions which drive up the price of land. For instance, agricultural land prices may be very high because the rich value land not just to farm, but also as a hedge against inflation, a tax shelter, or a means by which they can gain access to subsidized credits. These policies drive up the price of land, because subsidies will be reflected in the land price. If you can buy land with cheap credit, the price of land will go up. This discriminates against small farmers, because they usually do not have access to the same subsidies that the rich do.

The absence of a land tax in many countries further raises the attractiveness for the rich of holding land as an asset, but not necessarily to farm it and make full use of it. In South Africa today, based on a 1939 law, small farms are taxed 100 times more than large farms. Apart from producing artificial economies of scale (because consolidation leads to a reduction in the tax bill), it makes the cost of holding on to unused or under-used land very low.

For all these reasons, land prices of large farms often exceed what economists call the present value of farm profits. If the land price exceeds the present agricultural value of the land, small farmers will be unable to outbid the large farmer or repay the loan given to them. And so land markets will not redistribute land from large to small farmers, and an economic justification now exists for subsidizing land purchases by the poor.

Large farmers will lobby

Removing these policy distortions would go a long way in making land markets more useful to redistributing land from large to small farmers. But removing farm subsidies and tax breaks is as difficult as it gets, everywhere in the world. Even countries which one would expect to be strong proponents of free and fair trade are often quite schizophrenic when it comes to farm subsidies. Large farm lobbies are often very powerful²⁷, especially when certain groups within government are also quite beholden to supporting subsidized, or un-taxed, large farms. You can hardly find a better demonstration of the strength of the large farm lobby than the fact that neither Zimbabwe nor South Africa relaxed their sub-division rules or imposed a land tax after independence.

Large land owners may not just be interested in agricultural profits. Often large land owners represent a powerful political force in terms of being able to influence the votes

²⁷ The best general economic history of how power relations have defined land ownership structures the world over is Binswanger, Deininger and Feder (1995).

of their farm workers or tenants. This political advantage may also find its way into the land price, and bias against small farmers.

But the advantage may also turn into a liability. Much of Zimbabwe's land reform after February 2000, when a Government sponsored constitutional referendum was defeated, was targeted at controlling the rural vote by eliminating the commercial farm sector, and punishing it for its support of the opposition.

Finally, large farmer lobbies would of course also be opposed to a legal and bureaucratic expropriation by the State, especially if there are uncertainties about compensation, which apart from presenting a personal financial risk, would reduce overall land prices.

Political theory and history suggests that these anti-land reform lobbies may only switch strategy when they perceive that a large-scale land reform program is the price they have to pay for peace. Unfortunately, the situation may already have deteriorated to such an extent by then that an "orderly" land reform program will have become impossible.

Improving approaches to redistributive land reform

If the above analysis of why so many land reform programs have had little success is correct, Governments could start by targeting policy to the above three reasons of concern. One would then suggest that: (i) Governments should improve on the legal and bureaucratic processes of land redistribution, but also by introduce new and complementary approaches that circumvent some of the inherent problems of the legal and bureaucratic approach; (ii) Governments should boost the land market forces that could redistribute land from the rich to the poor; and (iii) Governments should be clever in dealing with the large farmer lobby.

Better legislation

We have said that the legal process to land acquisition, under which the State compulsory acquires land, is often slow and cumbersome. Efforts should be made to speed up this process, while safeguarding the basic rights of citizens. Yes, the State has a right to acquire land in the public interest, but, yes, citizens should have a right to challenge the way in which this is done. A lot can be done in many countries to create better legislation which fairly balances these interests.

But even if such legislation is in place, it will always be the case that an "out of court" settlement is far easier and cheaper for all parties involved. Governments and large farm owners can anticipate this demand for a negotiated settlement by creating a legal framework which maximizes the opportunities for such out of court settlements at every step of the legal process. And Governments can create various forums, at the national and at the local level to promote negotiated settlements. The mechanisms for such out of court settlements can range from mediation, via non-binding arbitration, to binding arbitration.

Community-driven resettlement

Once the land is acquired by Government through expropriation or other methods, a lot more can be done to redistribute and resettle it in a faster and less bureaucratic way. Bureaucratic processes can be streamlined and better coordination between the various ministries can be achieved. Most important of all, the beneficiaries of redistribution should be able to have much more say into the way in which resettlement—their resettlement—is carried out.

For instance, once land is acquired, why not give the beneficiaries much more say in how the farm will be planned, what services will be needed, and who should provide these services? Why not give beneficiaries the choice as to who should help them plan the farm, provide access roads, ensure water supply, etc.? Sure, these services can be provided by Government ministries, but there may be private sector providers or NGOs who can deliver these services better and cheaper. Why not allow much more flexibility in how this is done? Why not allow much more community participation and decentralization? Why not allow for much more private sector and NGO involvement? Why not define national standards on how this should be done, but decentralize implementation and supervision to the local level? In other words, why not use community-driven resettlement?

Community-driven land redistribution

We have so far not expressed any particular a priori preference for compulsory, state-negotiated, or market-assisted acquisition of land. The case for compulsory acquisition is usually based on a planning argument. A good example would be the following. Whereas the homelands or communal areas in Southern Africa may have poor soils, they may have reasonable social infrastructure such as schools and health facilities. And there may be large farms next to these areas which have better soils, but no social infrastructure. Legal acquisition (or state-negotiated) transfer of these large farms can then be a smart way of giving poor farmers better land, while their families can continue to benefit from the infrastructure present in the communal areas.

But in other cases, this type of smart planning may be less necessary or not even feasible. If that is the case, we can go a step further. Why not have the land acquisition itself done by the future beneficiaries? If the future settlers can decide themselves what farm to buy, the process could become even simpler and more in tune with what these beneficiaries really want. Some may want a farm close to where they currently live, others may want a farm much closer to an urban center. Some may want a large farm suitable for livestock production, other may want a small plot close to town for irrigated vegetable production. Etcetera.

This approach is often referred to as community-driven land redistribution, or “market-assisted”, land reform. Communities, families, or groups of families, could be given a grant or subsidized loan by the state to buy their own farm. Of course, they may need help in negotiating these purchases, and there are various ways in which to manage this approach. Several countries are experimenting with this approach (Brazil, Colombia, South Africa) and there is enough evidence to suggest that it is a promising approach.

And there seems to be enough consensus around this model to suggest that Governments should, at a minimum, always add a variant, adapted to local circumstances, of this approach in their “tool kit” and start a “learning by doing” process, flexible enough to be scaled up fast when good results are obtained.

More importantly, perhaps, even if a Government decided to pursue expropriation as its main strategy, it would be prudent to have the alternative of community-driven land redistribution at hand, to give Government and land owners an alternative option to avoid litigation. An improved policy framework would thus consist of a package of at least three options: expropriation, mediation/arbitration, and community-driven land redistribution.

Land market reform

We have argued that in many countries, land markets as they are currently designed cannot be counted on to redistribute land from the rich to the poor. But that does not mean that land markets should not play a far greater role in land reform than they often do now. In fact, irrespective of what land acquisition and redistribution approach is taken, better performing land markets will make the land reform process work better, faster and cheaper. So land market reforms are the fourth policy element of the package.

From what we have said above, the following land policy reforms present themselves: relax sub-division rules and eliminate the incentives for the rich to hold land—reduce inflation, and eliminate explicit and implicit subsidies that benefit mainly large farmers.

And if beneficiaries are given a grant to purchase land, you need to be very mindful of the type of land market that you need. It will need to be able to supply farms in sizes that match the grant, otherwise substantial transactions costs are imposed on the beneficiaries, because they will need to organize themselves and pool their grants to purchase large farms. So the land market will need to work in such a way that a supply of “grant-sized” small farms is available, or it should be relatively costless to sub-divide the farm (or that part of the farm that the group has decided should be individualized) after purchase by a group of beneficiaries.

Also one needs to be mindful of the price-raising effect that land purchase subsidies will have, if they are being given on a substantial scale. In that case, it becomes even more important to make sure that the market can deliver farms of various sizes (so sub-division rules need to be relaxed), that large farm subsidies are eliminated (remember: they raise the price of land), and that there is a financial incentive for large farmers to sell unused land (a land tax).

Dealing with the large farmer lobbies

Wouldn't it be great if the large farmers would be actively supporting a land reform process? Already, we have pointed to the common sense idea that it would always make sense to create ample opportunities to come to a negotiated or purely market-based

transfer of land. Rather than slowing a Government down in its goal to achieve land reform, voluntary transfer of land can speed things up.

Clearly, large farmers will worry about compensation. But some Governments may have ideas about whether they should compensate for the farm as a whole, or only for the improvements. Again, these are issues to be debated at a national level in a democratic way. There are many ways of looking at this, and many ways of arriving at a compensation that is fair to both sides. But more damaging than anything will be uncertainty as to the level of compensation or the timing of it. Very simply put, people need to be able to get on with their lives and be able to plan. If they cannot, not only will their lives be affected, but overall confidence in the economy may be affected. If that happens, investment will fall, and everybody will be paying the price for this type of uncertainty. Governments need to be smart and careful on this issue. “Penny wise, but pound foolish” would be the right warning.

Being smart would also suggest that if Government is not interested in acquiring a whole farm, but just a part of it, that there should be ways of subdividing the farm, leaving the farm owner with the part on which his house and main productive infrastructure is or which he crops, and acquiring the remainder for resettlement. Apart from saving on acquisition costs, this type of approach would create a new farm “neighborhood” in which the new neighbors may be able to work together and help each other. Such new neighborhood partnerships will have substantial political benefits, in particular if there is a history of antagonism between classes or races.

Finally, there may be a lobby that is not so much interested in cutting up and subdividing large farms, but is more interested in changing the ownership of the large farms. This is the so-called “same car, different driver” lobby. While they may not be opposed to land reform for small farmers *per se*, they would also argue that there be room created for them, too. Clearly, in Southern Africa this group represents a strong “nationalist” sentiment that the commercial farm sector itself should be de-racialized. Again, these are valid issues of national policy and debate, and it would be wrong for outsiders to express pointed opinions on this.

In fact, it would make a lot of political sense to accommodate this group, rather than exclude it. In this way, the land reform process becomes more inclusive and may benefit from a much broader political base. What would become problematic, though, if this particular group would be able to torpedo the wider land reform agenda, or successfully lobby *for* their installation as “telephone farmers” (absentee landlords) and continued farm and credit subsidies and other discriminatory policy distortions, and lobby *against* the introduction of a land tax and the relaxation of sub-division rules. If the Government’s social objective is to achieve equity and efficiency in farming, such a lobby would be counter-productive.

Summary: Consensus and Controversy

In the first part of the paper, I focused on property rights in land—what most would describe as “land tenure” or “land policy” issues. There is a broad new consensus on analysis and solutions.

The second part looked at the redistribution of property rights in land. We seem to be reaching consensus around the problem—count the number of times you have lately heard people say that “we all agree that the land issue needs to be solved”—but we differ on the solutions. The biggest controversy is on the different approaches to land redistribution (expropriation, negotiation, and community-initiated).

In order not to let the controversy be an excuse for inaction, I suggest that we agree to disagree *ex ante* on the optimal approach. Instead, we agree on a policy framework which allows a menu of options to be pursued, which we can then evaluate *ex post*. So rather than debating the pro’s and con’s of each particular approach, we create a policy arena in which the particular models can show their relative performance in competition with each other. Of course, one would need to agree on some rules of the game, so that the performance of each model can be compared. In the short-term these would be the fiscal cost per beneficiary, the speed of the land transfer, the construction of complementary social and agricultural infrastructure, and the establishment of agricultural production. In the medium-term, the performance measures would include the impact on poverty reduction and agricultural and rural development.

Finally, because the jury is still out on the relative merits of the various approaches, agreeing to disagree, while allowing for learning-by-doing, on the how does not just make sense from a technical perspective. It also makes sense from a political perspective. Clearly, the politics of land reform can be such that talk about “partnerships” is just that—talk. In many cases, the best that can be achieved is a negotiated “deal”, an arms-length compromise, between the various stakeholders in Government, the private sector, and civil society. But given the downside risks associated with not addressing the land question, a negotiated deal—formal or informal—will be a tremendous improvement over in-action caused by land reform’s political sensitivity.

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R. van den Brink

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