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ABSTRACT

Major arguments and background of the worldwide land reform debate are reviewed. In developing nations in Africa, Asia, and Latin America, the control of farmland remains a principal key to wealth, status, and power. Rural landless peasants at the bottom of the socioeconomic ladder, estimated by the World Bank at more than 600 million people, are unable to meet basic needs such as food, fuel, shelter, education, health care, and family planning. Review of international agricultural output data indicates that the economic case for land reform often rivals the social case for redistributive policies. Not only do grossly skewed land ownership and oppressive tenancy conditions have social consequences, they also result in a system which uses land and capital less efficiently than small family farms. In addition to increased crop output, the economic case for land reform also rests on self-propelled economic development, full employment, and political and economic stability. However, although United Nations officials and diplomats from developing countries realize the contribution that land reform can make to agricultural progress, land reform is generally avoided by political maneuvering. The conclusion is that if developing nations combine land redistribution with population stabilization and intelligent use of foreign capital, they will generate more equitable and efficient land use. (Author/DB)

The Dispossessed of the Earth: Land Reform and Sustainable Development

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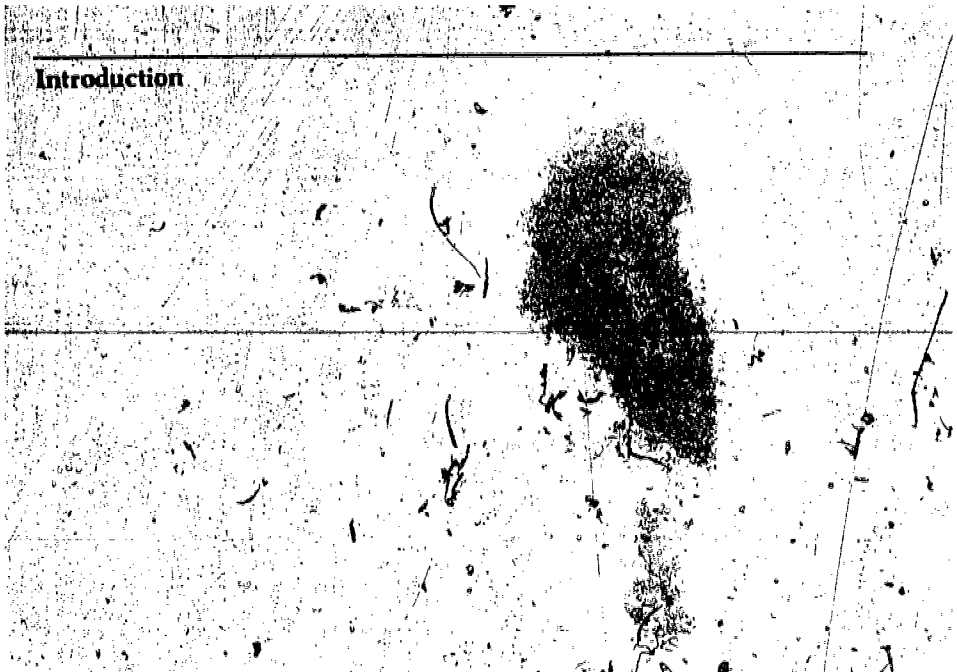
Table of Contents

Introduction



Sometimes argued with ballots, sometimes argued with bullets, and mostly argued with words, the debate about land reform has resurfaced time and again in the twentieth century. Yet today, perhaps because of their very familiarity, arguments about the social and economic benefits of equitable farmland distribution often seem stale and tired. Among many of those actively involved in development planning, concern about land reform has quietly slipped into a state of functional dormancy. Many of the world's urban residents seem to think about land reform as a rather outdated concern—when they think about it at all.

But the world's farmers and farm workers know better. In mainly agrarian societies, the struggle for control of the land and its fruits is a constant one, always simmering beneath the surface and sometimes exploding into violence. Over the next two decades, as the number of rural people lacking secure access to farmland approaches one billion, conflict rooted in inequality of landownership is apt to become more acute in country after country.

Many of the international community's widely shared goals—the elimination of malnutrition, the provision of jobs for all, the slowing of runaway rural-urban migration, the protection of productive soils and ecologically vital forests—are not likely to be achieved without radical changes in the ownership and control of land. It is a delusion to think that the basic needs of the world's poorest people will be met without renewed attention to politically sensitive land-tenure questions. It is an even greater delusion to think that the dispossessed of the earth will watch their numbers grow and their plights worsen without protesting. The issue of land reform will not go away.

Throughout history, patterns of landownership have shaped patterns of human relations in nearly all societies. They have also helped determine the possibility and pace of economic change. In agrarian societies, land is the primary productive asset, the tangible expression of economic and hence political power. Some tenure patterns have manifested and solidified social inequality while others have promoted social mobility or even something approaching equality. Some tenure patterns have blocked technological progress while others have encouraged it. And invariably, changing the relationship of people to the land has meant changing the relationship of people to one another—the stuff of political struggles and sometimes of wars or revolutions.

As societies industrialize, the primacy of agricultural landownership as a determinant of political and economic power wanes. New elites have often accrued power through control of capital, technology, or military force. Access to a broad array of nonagricultural jobs has freed many people from long-standing, stifling ties to poor land or to rich landlords. Yet even in the most economically advanced countries, landownership remains a significant source of wealth and influence. In the United States, where only one in every 28 people lives on a farm, changes in the size and ownership of farms are today generating questions about the implications for employment, resource use, and community welfare. Landholding patterns in industrial countries do not have the pervasive social impact they once had, but they still influence the quality of life and the distribution of income.

In Africa, Asia, and Latin America, where three-fourths of the world's people live, the control of farmland remains a principal key to wealth, status, and power. A large majority of the people in most Third World countries live in rural areas, and most of these must make a living through agriculture if they are to make a living at all. While rural land-

"In Africa, Asia, and Latin America, where three-fourths of the world's people live, the control of farmland remains a principal key to wealth, status, and power."

tenure and social patterns vary greatly from place to place, it is generally true that where a few individuals own a large share of the land, these same individuals dominate local politics and—through their roles as lenders, landlords, and employers—the economic lives of their neighbors. In other regions, a larger number of farmers owning small or medium-sized plots may predominate. Under such conditions these landowners, too, may be the controllers of wealth and power; at the least, they usually enjoy a certain economic security and the possibility of personal economic progress.

Whatever land-tenure pattern prevails in a given area, it is the landless and the near-landless who are on the bottom. Hundreds of millions of families are struggling to improve their lives through agriculture without secure access to the basis of agricultural life—farmland. Many sell their labor to more fortunate farmers for whatever pittance they can get; others rent land at exorbitant rates under conditions insecure enough to smother incentives for investment and technical progress; still others scratch what produce they can from inadequately sized, often fragmented family plots and then seek other employment in order to make ends meet.

The landless, the insecure tenants, and those owning marginal plots too small to support a family together constitute nearly all the poorest of the poor—those whose basic needs for food, fuel, shelter, education, health care, and family planning are frequently unmet. It is in many cases they who are born into debt and die in debt, who see up to half their infants die before age five, who live chronically on a tightwire of survival from which they can quickly fall if the weather or the international economy turns against them. In Bangladesh during the food-short year of 1975, the death rate among the landless was triple that among people owning three or more acres of land.[1]

Discussions of the rural poor, like the programs designed to help them, too often lump all of them together as "small farmers." The truly poor often seem invisible to urban elites and the international

8 experts concerned about rural poverty. As Milton J. Esman of Cornell University writes of the indiscriminate use of the term "small farmer":

> Not only does this imprecise catch-all term conceal the many specific differences which distinguish rural households by asset position, occupation, income, and ethnicity, but it tends to produce an image of the rural poor as Asian, African or Latin American versions of the Jeffersonian yeoman farmer with relatively small but secure holdings which, with the help of improved technologies, cropping practices, inputs, production incentives, and marketing could provide a decent family livelihood. Helping the rural poor is thus conceived as providing better services to this version of the "small farmer."
>
> In some countries there are many small farm households which more or less fit this image and have a reasonable chance of providing decent family livelihoods under prevailing institutional conditions. They need and could benefit from the help of governments and development agencies. But they are seldom the majority of rural households and they are certainly not the poorest.[2]

Landless laborers, sharecroppers, and marginal farmers together constitute the majority of rural residents in most countries of Asia and Latin America and are increasing in number in Africa. They have generally been bypassed by the global development process; in fact, development programs not carefully designed to improve their status can worsen it, which is why the frequent failure to distinguish between the landless and the more secure small farmers is of more than academic concern. Recent studies in a host of countries—including Bangladesh, Indonesia, Malaysia, Pakistan, the Philippines, Thailand, and parts of India—indicate that the absolute incomes of some groups have declined over the last two decades, often in the face of considerable growth in gross national product (GNP) and agricultural output. Similar studies in many other countries would undoubtedly reveal

"Altogether, more than 600 million people live in rural households that are either completely landless or that lack secure access to adequate farmland."

similar patterns: falling real wages for some farm laborers; the absorption of marginal landholdings by better-off farmers; the ejection of tenants by landowners seeking to take advantage of profitable new technologies or to avoid threatened tenancy reforms.[3]

In the Asian countries examined by Esman and his colleagues, the proportion of rural families that are landless or nearly so ranges from a low of 53 percent in India to a high of 85 percent on the Indonesian island of Java. (See Table 1.) In the Latin American countries covered, these categories account for anywhere from 55 percent of rural residents in Costa Rica to 85 percent in Bolivia and Guatemala. Similar data are not available for Africa, but indications are that the comparable proportions for most of that continent would be considerably smaller than they are in Asia and Latin America.

Conservative extrapolations of the available data suggest that, altogether, more than 600 million people live in rural households that are either completely landless or that lack secure access to adequate farmland. Not coincidentally, this rough figure approaches the World Bank's estimate that nearly 800 million people live in "absolute poverty . . . at the very margin of existence." Along with the most destitute urban slum dwellers—themselves usually refugees from rural landlessness—landless laborers and those farming insecure or marginal plots *are* the absolutely poor.[4]

Roughly half the world's most desperately poor people live in South Asia, particularly in Bangladesh, India, and Pakistan. In these three countries, according to a World Bank study, some 28 percent of rural households are "totally landless and support a population of 157 million people by their wage labor alone in environments where unemployment and underemployment are widespread." Perhaps as many more are farming marginal plots or renting under oppressive conditions. In noncommunist Asia as a whole, reports the Food and Agriculture Organization (FAO), some 30 percent of the rural labor force is completely landless.[5]

10 **Table 1: Landless and Near-Landless People in Selected Asian and Latin American Countries***

Country	Number of Rural Households (millions)	Landless and Near-Landless as Share of Rural Households (percent)
Asia		
Bangladesh	11.85	75
India	86.00	53
Java, Indonesia	9.39	85
Philippines	4.43	78
Sri Lanka	1.89	77
Latin America		
Bolivia	.61	85
Brazil	9.72	70
Colombia	2.40	66
Costa Rica	.23	55
Dominican Rep.	.74	68
Ecuador	.86	75
El Salvador	.53	80
Guatemala	.66	85
Mexico	4.50	60
Peru	1.48	75

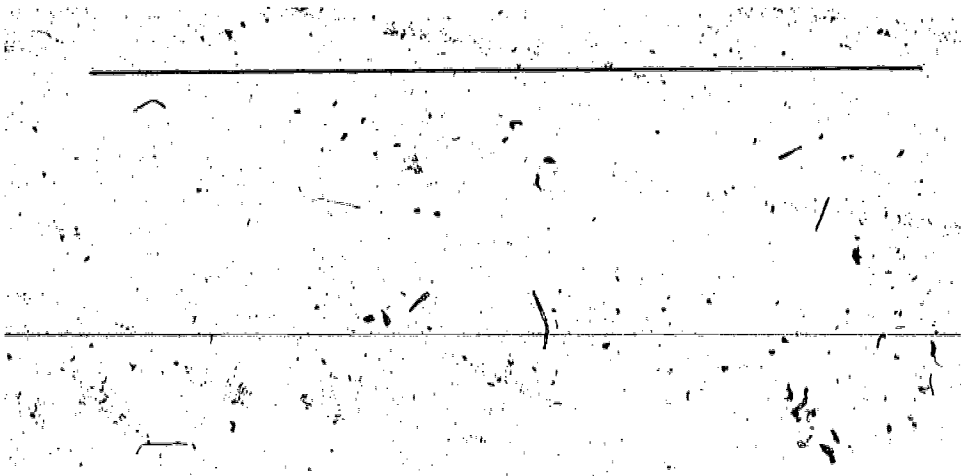
*Data for assorted years in the early seventies.
Source: Milton J. Esman.

Throughout most of Asia, the average farm is quite small by international standards; in most Asian countries, more than 90 percent of all farms are smaller than ten hectares. Among those fortunate enough to own farmland, ownership in Asia tends to be more broadly based than it is in Latin America. Inequality among landowners is nonethe-

less substantial. Eleven percent of Bangladesh's families own more than half the country's land. In India in 1971, 70 percent of the farms were smaller than two hectares and included just 21 percent of the total farmland, while 4 percent of the farms were larger than ten hectares and occupied 31 percent of the farmland. In the Philippines in 1971, just 5 percent of the farms were larger than ten hectares but they accounted for 34 percent of all cropland. By contrast, in South Korea, where significant land reforms have been carried out, 92 percent of the farms were three hectares or smaller in 1974, and they accounted for 93 percent of all the farmland.[6]

The European colonization of the Americas was in many regions accompanied by the establishment of huge estates and plantations. In the mid-nineteenth century in the United States, however, many factors—among them the emancipation of slaves following a bloody civil war, and a federal homestead program under which public lands in the Midwest and West were given out in parcels specifically intended to function as family farms—encouraged the breakdown of the plantation economy and the emergence of a family-farm-based agrarian structure renowned since for its productiveness and social benefits. Today, although large-scale corporate farms are assuming ever more significant economic roles, close to 90 percent of all U.S. farms are still family-operated.[7]

Throughout most of Latin America, in contrast, huge private estates have remained predominant. In the United States in 1974, the largest 7 percent of farms accounted for 27 percent of the nation's farmland. But in Latin America, reports the FAO, 7 percent of the landowners possessed a startling 93 percent of the arable land as of 1975. A survey of agrarian structures in seven Latin American countries, carried out in the mid-sixties by the Interamerican Committee for Agricultural Development (a consortium of U.N. and regional agencies), revealed that the "latifundia stereotype" of Latin America, while oversimplified, "does not grossly exaggerate reality." Large farms employing more than 12 people accounted for more than 40 percent of all cropland in Colombia, Ecuador, and Guatemala; for 60 percent of Brazil's farm-



land; and for more than four-fifths of the cropland in Chile and Peru. At the same time, nearly 90 percent of the farms in Ecuador, Guatemala, and Peru were too small to support a family.[8]

Landlessness and land concentration have long plagued portions of North Africa, and, until its recent revolution, Ethiopia was notorious for the near-feudal conditions under which many of its peasants labored. Throughout much of sub-Saharan Africa, however, traditional tenure systems, in which land is owned by the tribe and allocated to individuals for use but not for sale, have predominated. Outside experts have often seen the need for individual land titles that could provide greater personal-investment incentives as the "land reform" challenge of Africa. The apparent availability of large unused areas has further fed the notion that landlessness is not a threat in sub-Saharan Africa.

This relatively benign image of African tenure problems is, however, increasingly misleading. To begin with, the large empty-spaces create a mistaken impression. In vast areas of Africa, the climate, soils, or other ecological factors make farming or even grazing impossible. In addition, writes John Cohen of Harvard University, "Africa's poor soils and limited rainfall often allow for only extensive land use and typically require fallow periods or costly investment in fertilizer and irrigation. In such conditions, access to 10 to 20 hectares of land means little and such an African household might be less secure than a Bangladesh peasant household holding less than two hectares."[9]

The truth is that land scarcity is emerging as a problem in more and more parts of Africa. Where populations are pressing against the arable land base, traditional tenure systems have proved adaptable, and a common result has been the development of individual land rights—accompanied by the usual patterns of land accumulation by the wealthy, absentee landlordism, tenancy, and landlessness. These trends have progressed furthest in areas growing commercial export crops, such as Ghana's cocoa regions and East Africa's coffee lands. But they are fast appearing in peasant food-crop areas as well.

The problem of landlessness in sub-Saharan Africa may be most advanced in Kenya, where both the colonial and independent governments have promoted the shift from tribal to private tenure. One-fifth of the country's cropland is in farms bigger than 100 hectares, and the large farms are getting larger. Yet more than half the country's farmers hold just two hectares or less, accounting for under 15 percent of the total cropland. By the early seventies, nearly one-fifth of rural households were landless. Notes Cohen, "The Kenyan goal of small, relatively prosperous landowning farmers with a stake in a stable capitalistic system and an interest in progressive farming practices is increasingly threatened by the rise of land concentration, exploitive tenancy, landlessness and other patterns which seem to go hand-in-hand with the tolerance of unregulated freehold tenure in the agrarian nations of the developing world."[10]

Kenya provides an ominous portent for the rest of black Africa. The population of Africa is growing faster than that of any other continent. Doubling every 25 years or so, it is far outpacing the expansion of cropped area, which increased by only 12 percent between the early sixties and 1975.[11] Increasing land scarcity and competition is inevitable throughout much of the continent, and, in the absence of national policies to control private land accumulation and tenancy practices as well as to slow population growth, Africa will develop the same land-based social conflicts and production inefficiencies that have long been apparent elsewhere.

Worldwide, the number of landless and near-landless people appears to be growing fast. Demographic pressures alone would be enough to guarantee this: despite considerable migration to cities or foreign countries, rural populations are still in many cases growing at close to 2 percent a year, which would yield a doubling in 35 years. Even where they are feasible, land-settlement schemes cannot absorb more than a small fraction of the tide of potential farmers.

The contribution of population growth to landlessness is often supplemented by other developments within the agricultural economy:

land accumulation by better-off farmers; emergency sales of land by marginal owners; the spread of large commercial farms, sometimes foreign-owned; and the eviction of tenants by landowners fearful of tenancy regulations or seeing a chance to profit from the use of new varieties and techniques. While estimates of the magnitude of these trends toward inequality are not available, recent evidence from Asia in particular suggests that over the last decade and a half of rapid agricultural growth, land concentration has generally increased, boosting the proportion of insecure sharecroppers and landless laborers.[12] At the same time, broader economic policies in most developing countries have not promoted widespread nonfarm employment opportunities that could provide alternative livelihoods for agriculture's dispossessed.

Meeting the "basic needs" of the world's poor has recently become the overriding concern of the international development establishment. Analysis of the postwar development record has revealed that growth in GNP does not necessarily improve conditions for the extremely poor. Most experts have called for a shift in investment priorities toward the rural sector, and toward smallholder agriculture in particular. Analysis of the growing extent of landlessness, however, indicates that even a small-farm-based development strategy can bypass or harm the poorest groups, who lack the means to take advantage of agricultural progress. People need assets—above all, land—or assured employment at decent wages in order to benefit from economic growth. In many developing countries today, then, a "basic needs" strategy must include reforms in land distribution and tenancy conditions if the lot of the intended beneficiaries is to be improved.

If current demographic and economic trends are allowed to continue, one billion or more rural residents of the Third World will lack secure access to farmland as humanity enters the twenty-first century. Many of the landless will turn up in the overflowing slums of Third World cities; some will appear as illegal aliens in the cities of richer countries. The malnutrition, illiteracy, poor health, and general power-

"In many countries, the economic case for land reform rivals the social case for redistributive policies."

lessness of those who stay behind will receive frequent comment in U.N. reports and the global media, while the sporadic violence and more systematic political activism their living conditions spawn will be described as "worrisome instability" by leaders in the world's capital cities. One way or another, the landless will be heard.

Land Tenure and Land Productivity

Grossly skewed landownership and oppressive tenancy conditions have obvious social consequences. But lopsided ownership patterns and unregulated tenancy practices can also depress agricultural output and economic growth. Far from being a costly concession to the idea of equality, land reform can often provide a key to agricultural modernization. In many countries, the economic case for land reform rivals the social case for redistributive policies.

To be sure, the diversity of past and potential agricultural patterns makes generalization hazardous. As with most controversial issues, overstatement and overgeneralization characterize many pronouncements about the effects on productivity of various tenure systems or reforms. Still, certain propositions seem to hold for many countries. Huge estates are generally far less efficient in their use of land and capital than are small, family farms. Even where, as in parts of Asia, virtually all cropland is intensively used regardless of tenure status, small farms often produce more per hectare than large farms do. Farming by tenants rather than by owners does not necessarily mean suppressed production; but where tenancy is insecure, where rental charges are exorbitant, and where landlords do not share the costs of investments and modern inputs, incentives for agricultural progress can be destroyed.

Land tenure is not, of course, the sole determinant of land productivity. It is one of many factors—including policies of taxation and

pricing, and facilities for scientific research, credit, extension, transportation, and marketing—that together create an agrarian structure that promotes or prevents broadly shared progress. Seldom can the tenure system be isolated as the sole cause of poor productivity. Nor will the redistribution of land or the reform of tenancy practices, alone, guarantee dramatic rises in output. Appropriate changes in the array of support systems and policies that affect farmers' decisions are also crucial to production breakthroughs. But the potential benefits of improvements in farm-support systems and of investments in infrastructure can be vitiated by tenure patterns that hamper innovation.

Dispelling the common assertion that equity and efficiency are necessarily competing goals, much evidence has accumulated showing that small-scale farms can be highly productive—and, in fact, that they usually outproduce large farms. Data comparing per-hectare output on farms smaller than five hectares with that on farms larger than 20 hectares reveal higher gross productivity on the smaller units in many countries. (See Table 2.) In India, for example, production on the smaller units averages 80 percent more than on the larger farms. On the other hand, where large, modernized export-crop plantations are compared with peasant farms, as in Jamaica or Peru, the big units show far higher output.

Simple comparisons of gross output by farm size have many weaknesses. They do not allow for variations in climate, soils, and crop types that can influence viable farm sizes and average yields. Nor can they reveal the advantages that larger farmers often have in terms of access to credit, inputs, and extension facilities. However, more sophisticated comparisons within individual countries have usually reached the same conclusion: under similar ecological conditions, small farms tend to outproduce large farms, mainly because of the greater labor inputs and personal attention they are apt to receive.[13] With equal access to credit and modern inputs, small farmers in many countries might well show even more production superiority than they already do.

Table 2: Output Per Hectare on Small and Large Farms in Selected Developing Countries, 1970

Country	Farms Below 5 Hectares	Farms Above 20 Hectares
	(million kilocalorie equivalent)*	
Brazil	5.9	4.2
Colombia	7.0	3.7
Ghana	5.8	5.6
India	6.1	3.4
Iraq	10.6	2.0
Jamaica	8.0	28.0
Korea, Republic of	13.7	—
Liberia	7.8	3.7
Malawi	6.0	—
Pakistan	6.6	4.1
Peru	3.9	11.0
Uruguay	3.5	4.5

*Nonfood products converted on basis of equivalent value in wheat.
Source: Food and Agriculture Organization.

An international survey relating farm size and productivity, conducted by R. Albert Berry and William R. Cline for the World Bank and the International Labour Office, found no consistent evidence that yields per cultivated hectare differ on comparable large and small farms. Yet, because farmers with small holdings tend to use their available land far more intensively—planting a greater share of it than owners of larger units do and double-cropping more frequently where that is possible—their output in relation to total farm size tends to be greater. After making special investigations of conditions in six countries—Brazil, Colombia, India, Malaysia, Pakistan, and the Philippines

18 —Berry and Cline reached a striking conclusion. Other factors remaining the same, a transition in each of these countries to uniformly small, family farms would increase national agricultural output by amounts ranging from 19 percent in India to 49 percent in Pakistan. Hence, land reform could bring significant production gains even in intensively farmed, land-short countries of Asia as well as in less intensively tilled areas of Latin America. Analyzing conditions in Brazil's northeastern region—notorious for its concentrated landownership and extensive poverty and landlessness—they argue that the redistribution of land into small holdings there would cause an astounding 80 percent rise in production.[14]

"Productivity" can, of course, be measured in many different ways. If output per unit of labor is measured, then larger farms clearly have an advantage. However, where labor is abundant and capital and land are scarce, then output per unit of land—the measure discussed above—is a more important consideration. Even where large farms have higher yields than small farms, as in Mexico, careful analysis may reveal that they serve society less well. Big farmers' production advantages often reflect their preferential access to credit and technical services rather than an inherent advantage due to size. Moreover, the higher production on large farms may depend on greater use of resources that are relatively scarce in most developing countries—capital and fossil fuels—and less use of abundant labor.[15]

Close scrutiny from a national economic point of view often shows that larger farms lack many of the production advantages they may appear to have at first glance. This holds in rich as well as in poor countries. Studies of U.S. farms indicate that, for most crops, one- or two-person modern farms take advantage of all the economies of scale achieved by larger farms. The individual owner can make more money by increasing farm size, but he or she does not necessarily farm more efficiently as a result of that growth.[16]

A variety of studies have shown that tenancy, per se, does not necessarily hamper farm productivity. International and intracountry com-

"Certain tenancy practices not only oppress humans but also suppress technical innovation."

parisons frequently show yields and innovation to be as high on many tenant-operated farms as on owner-operated ones.[17] Even tenancy conditions that seem exploitive to an outside observer can create an incentive structure that elicits great effort and productivity from tenant farmers.

Certain tenancy practices, however, not only oppress humans but also suppress technical innovation, keeping agricultural output far below its potential. When tenants do not have secure multi-year rights to the land they till, they are unlikely to invest in land improvements, to care much about long-term soil quality, or to invest in fertilizers whose benefits will be spread over a few years. When tenants must bear all the cost and risk of input purchases, but must turn half or two-thirds of the resulting produce over to the landlord, motivation to take such financial risks is bound to be diluted. If a farmer goes $20 into debt to buy fertilizer and pesticides and realizes a $40 increase in output as a result, but must pay $20 of this to the landowner, he or she has gained nothing.

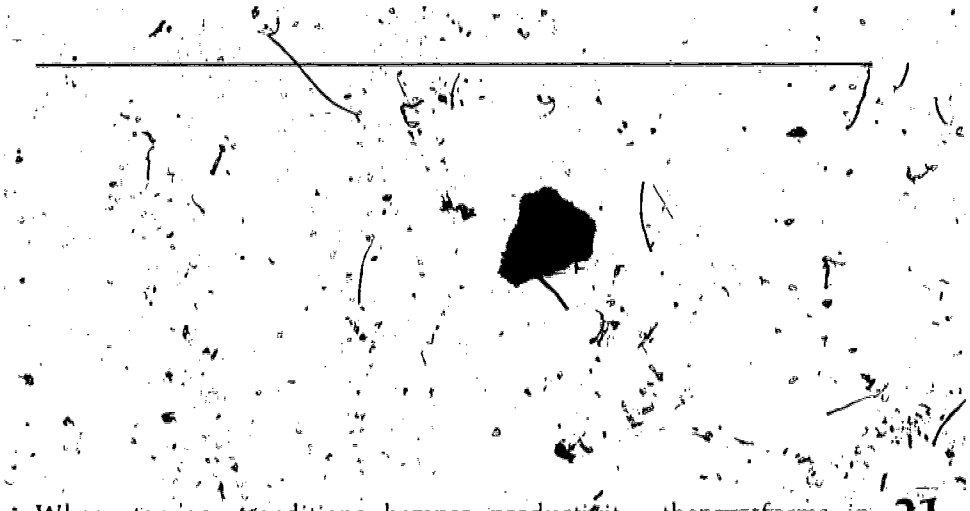
Tenancy practices in Bangladesh, for example, have been identified in a report to the U.S. Agency for International Development as a major obstacle both to agrarian progress and to improving the lot of the rural poor. Recently collected data indicate that 70 percent of the country's tenant farmers have cultivated the same plot for three years or less; under such conditions of instability and insecurity, they are hardly likely to make investments of any sort. Generally, tenants must give 50 percent of their crop to landlords at harvesttime; some must make a cash payment on top of that while others must hand over two-thirds of their harvest to the landowners. Only rarely do landlords contribute to the purchase of seeds and fertilizers.[18]

Examining tenancy in the Indian state of Bihar in 1969, a time when the use of high-yielding crop varieties was spreading fast in parts of India, Wolf Ladejinksy, one of this century's great land-reform promoters, wrote: "On the merits and demerits of tenancy as a form of

land usage, there are reasonable differences of opinion but there are virtually none about tenancy as practiced in Bihar. . . . the system is good neither for efficient production nor for the well-being of the sharecroppers." He quotes from a study by local officials that could serve as a checklist of socially and economically harmful tenancy practices:

> The landowners do not allow the sharecroppers to cultivate the same land from year to year for the fear that they may lay claim over the land. . . . Though according to the law the landowner is entitled to one-fourth of the produce only, in actual practice, the produce is divided half and half between the landowner and the sharecropper. . . . All the sharecroppers who have been examined have invariably stated that the insecurity of their tenure is the biggest handicap debarring them from adopting the new technology. . . . The study reveals that barely 5 percent of the sharecroppers have used high yielding varieties of seeds, fertilizers, and insecticides. . . . As the sharecroppers are not recorded and their legal rights over the land cultivated by them are not recognized by the landowners they do not get inputs or loans.[19]

Tenancy does not have to be so damaging; as Ladejinsky observes: "It can be and is a sound economic system. Numerous examples can be cited where a cultivator prefers the tenant status, investing his capital in basic inputs of productivity rather than in the purchase of land." Rents can be legally controlled, and special provision can be made for providing loans and technical services to tenant farmers. By tradition or enforced legislation, tenants' rights to stay on the land they work can be made secure. In parts of the Philippines, for example, tenancy rights to rice fields have assumed many of the properties of ownership, to the point where rentals by tenants to subtenants are prevalent (though illegal under the country's land-reform laws), and larger tenants are becoming elites by comparison with the growing landless and subtenant classes.[20]



Where tenancy conditions hamper productivity, then, reforms in these conditions may, in theory serve as well as land redistribution as a means of spurring production gains. Unfortunately, however, the record of attempted tenancy reforms is a dismal one. Governments unable to carry out more far-reaching land reforms are often also unable to implement seemingly less radical tenancy reforms.[21] Conversely, the most successful tenancy reforms have occurred in countries like South Korea and Taiwan that were simultaneously pushing through more pervasive land reforms. Past experiences indicate that tenancy-reform efforts must guard in particular against the eviction or downgrading of tenants by landowners, who will naturally feel less threatened by a landless laborer or a short-term sharecropper than by a tenant with long-term legal rights to the land.

The impact of past land-reform efforts has varied widely but, taken as a whole, the record supports the notion that land reforms can unleash higher agricultural output. The more sweeping reforms have usually occurred during politically volatile, administratively confused periods and have been pursued with many different goals in mind, making the productivity effects of the land-tenure changes alone hard to isolate. Opponents of reforms can sabotage agricultural development efforts; governments can fail to back up reforms with necessary assistance for new owners, or can try to impose new production systems that are inconsistent with local traditions or aspirations. Many different factors can distort or override the benefits of land reform. Still, after examining the economic record of dozens of land-reform programs, Folke Dovring of the University of Illinois concluded in 1970 that "the data on smallholding reforms indicate in some cases that a reform actually helped increase agricultural production and improve productivity. In most other cases such conclusions may not be drawn, but usually reforms cannot be shown to have hampered agricultural production and productivity, at least not after some initial difficulties were overcome."[22]

Where rapid, fairly thorough reforms have been accompanied by effective measures for involving peasants in technological moderniza-

tion, the results have been dramatic. Japan's land reform of 1868, which broke the bonds of feudalism, "laid the groundwork for Japan's social and economic transformation," in the words of World Bank analysts. After World War II a second major reform, which redistributed farmland and transferred ownership to tenants, "resulted in greater equity and may also have removed a constraint on the growth of Japanese agriculture." In Taiwan, reforms in the 1949-53 period increased the proportion of farm families owning their plots from 33 percent to 59 percent, reduced the share of farmland under tenancy leases from 41 percent to 16 percent, and reduced rents and insecurity on remaining tenancies. As a consequence, "the productivity of agriculture has increased, income distribution has become more even, and rural and social stability has been enhanced," the World Bank reports. In South Korea, where more than half the farmers were previously landless, more than one-quarter of the cropland was redistributed in the early fifties, after which more than 90 percent of all farmers owned at least part of the land they tilled. Within a decade, yields had far surpassed prereform levels.[23]

None of the land reforms that have been attempted in Latin America have shown such clear-cut success in terms of production. Nevertheless, the production record of past reform programs, most of which have been far less complete than those in East Asia, is better than generally realized. A recent authoritative examination, undertaken for the World Bank, of the land-reform efforts in Bolivia, Chile, Mexico, Peru, and Venezuela concludes that, "almost all our post-reform findings in Latin America do point to increased output on affected lands." Examining the effects of reforms on the agricultural sector as a whole in these countries, the authors infer that "land reform may have served on balance as a stimulus to national production; and certainly it has not prevented the observed growth accelerations in four of the five countries even if it did not necessarily bring them about."[24]

Post-reform efforts to establish collective farms rather than small private ones have had mixed effects on productivity. The apparent inefficiency of Soviet collective and state farms, particularly in com-

"No ideal model of farm organization can be identified—only the widespread need for basic reforms."

parison with European and American family farms, has often been noted. But whether such comparisons are particularly relevant or revealing is another question; certainly Soviet agriculture has progressed dramatically from its prerevolutionary state, and the collective approach has served other social goals. At the same time, the extremely high productivity of private family plots in the Soviet Union and other Eastern European countries draws attention to the comparative lack of personal incentives for productive effort on the socialized farms—and perhaps to the inefficiencies inherent in any large-scale, centrally planned agricultural system. More than one-half of the Soviet Union's potatoes and nearly one-third of its vegetables, meat, and milk are now produced on private plots. In Hungary, the 15 percent of the cropland that is controlled privately accounts for 36 percent of the agricultural output.[25]

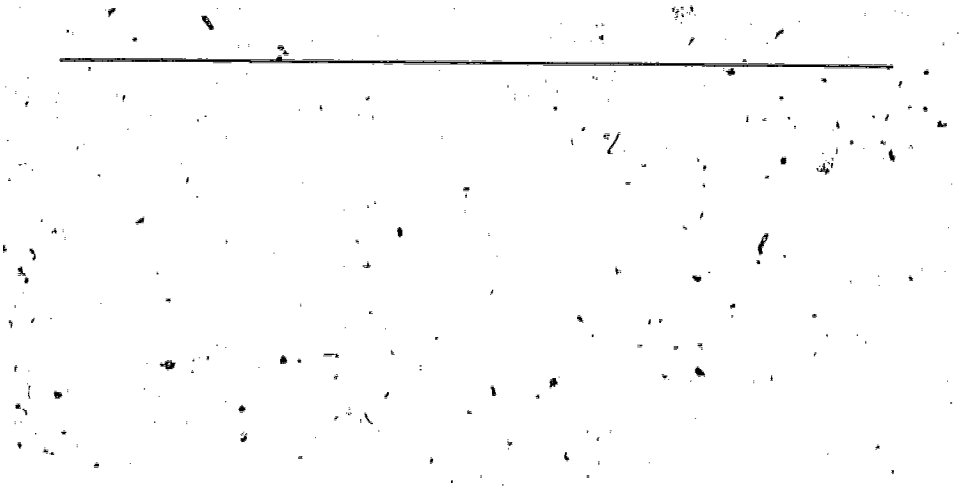
In China, where agriculture was relatively sophisticated and productive even before the redistribution and subsequent collectivization at mid-century, there has been undramatic but genuine progress. While food production has done little more than keep pace with population growth, that, given China's ecological constraints, is an impressive achievement; and the wider sharing of employment and produce associated with the new order has probably eliminated most of the previously rampant malnutrition. China's particular blend of cooperative farming with small-group and individual rewards for special effort has clearly proved compatible with technological modernization in agriculture.[26]

There would be little point in trying to identify a single system of land tenure that will everywhere maximize farm output. Cultural traditions, political goals, and ecological conditions vary markedly among countries, influencing what is possible and desirable. What can be said, however, is that the patterns of land tenure prevailing in many Third World countries are impeding agricultural as well as social progress. No ideal model of farm organization can be identified—only the widespread need for basic reforms, the outlines of which must be worked out by the affected people themselves.

The economic case for land reform goes far beyond its potential direct influence on crop output, important as that is. Widely shared landownership and agricultural progress together provide the best foundation for the self-propelled economic development, full employment, and political and ecological stability that have so far eluded many Third World countries. An equitable land-tenure system by no means ensures attainment of these basic development goals, but it can certainly encourage it. Conversely, oppressive landownership and tenancy patterns tend to channel national development in directions that are economically, socially, and in some cases ecologically unsustainable.

The harsh human price and dead-end economic results of so-called dualistic development—whereby small portions of a population enjoy the fruits of modern society while the masses remain locked in abject poverty—have received much attention in recent years. The gaping social divide between an urban elite, tied into the international industrial economy and receiving a disproportionate share of governmental resources, and a rural peasantry that receives little from the central government has often been described. Urban-rural disparities are indeed normally huge, but closer examination often reveals the existence of rural agricultural elites, too, who are linked politically and economically with the urban privileged. In effect, dualistic development extends into the countryside.

The consequences of this broader dualism vary from country to country but certain common tendencies are well known. Exceptional profits accrue to a small number of large landowners. Aspiring to affluent life-styles, they, along with urban elites, spend much of their income on advanced industrial goods—many of which must be imported. Meanwhile, rising numbers of landless laborers face massive unemployment and low wages, while marginal farmers and tenants barely



manage to feed themselves. As the majority of people in the countryside have so little purchasing power, not enough of a market exists to stimulate emergence of the small-scale, basic consumer-good industries the poorer groups would patronize if they had more money. Thus the development of nonagricultural rural jobs is stunted. At a national level, export crops and industries are promoted in order to meet the rising import bills accumulated by the affluent minority. The broad domestic market essential to diversified, stable economic growth never emerges.

With much of the best cropland monopolized by a few—who are inclined to mechanize their farms and who, in any case, seldom use labor as intensively as smaller farmers do—rising numbers of people lack access to either good land or good jobs, and have no choice but to migrate. Many take their chances in the slums that now ring many Third World cities. Others try to eke out a living on lands that, for ecological reasons, ought not to be farmed. People forced from their homelands by land concentration and population growth clear and plant steep hillsides, plow up pastures on the fringes of deserts, and slash and burn irreplaceable tropical forests.

Mass underemployment among the landless and the marginal farmers is increasingly recognized as both a principal cause and a manifestation of their extreme poverty. One of the most important benefits of land reform is the direct and indirect productive employment it can stimulate when supplemented by appropriate policies in other spheres. As Kathleen Newland has observed: "Most of the less-developed countries that have gotten the better of rural poverty and underemployment have implemented land reforms. . . . Recent history indicates that in poor countries where land is unevenly distributed, land reform should be a cornerstone of employment policy."[27]

Virtually everywhere, more labor is expended per unit of land on small farms than on large ones. In Kenya, farms under four hectares average nine times more labor input per hectare than do farms of 40

hectares or more. Partly because of this, they also produce six times more per hectare. In Colombia, reports economist Keith Griffin, a leading proponent of land reform, small farms use labor five times as intensively as large farms and 13 times as intensively as cattle ranches do. Even in Taiwan, where all farms are relatively small, those smaller than half a hectare use well over twice the labor for their size that farms of two hectares or more use.[28]

When supported by appropriate investments in irrigation and other infrastructure, small-scale agriculture can absorb great amounts of labor with productive results. Even as returns to additional labor begin to diminish, families that own their land, or that hold fair tenancies, are often motivated to work longer hours in order to extract the last possible extra output from their plots. By contrast, a large landowner employing hired hands loses the incentive to apply extra labor to the land when the potential additional profits fall near the additional wages he or she must pay.

At some point, the amount of labor that can be usefully applied to any plot reaches its limit. Hence comprehensive rural development that maximizes employment outside as well as inside of agriculture is crucial to long-term economic growth. Here again, the fundamental importance of widely shared agrarian progress—to which land reform can contribute—is underscored. When the poor majority enjoy rising incomes and productivity they create a demand for simple consumer goods and farm implements, encouraging the emergence of local industries and handicrafts. Productive, equitably organized agriculture and small-scale industries reinforce each other. Agricultural economist John Mellor points out that increased income in the hands of peasant farmers "is spent for nonagricultural goods and services, such as textiles and clothing, electronics and bicycles, which result from relatively labour-intensive production. This type of demand provides the employment linkages favourable to the landless class. The increased income of the latter in turn becomes the basis of demand for the additional grain produced by the peasant cultivators."[29]

"Productive, equitably organized agriculture and small-scale industries reinforce each other."

In light of these potential secondary benefits, reforms in land tenure, in the distribution of associated farm credit and services, and in price and tax policies—together often called "agrarian reform"—can be needed even where population pressures on scarce farmland mean that land redistribution cannot provide viable plots to all. In a report prepared for the FAO's 1979 World Conference on Agrarian Reform and Rural Development, analysts from Bangladesh argue that a rigorously enforced redistribution of farmland could hardly make a dent in the extent of landlessness in their country, though it could provide relief to exploited sharecroppers and to a small fraction of the nearly 30 percent of rural residents who are landless.[30] And while Bangladesh presents an extreme case, a growing number of countries will, over the coming years, have too little arable land and too many people to provide adequately sized farms to everyone. However, this by no means obviates the urgency of reforms on available farmlands. Not only can the plights of tenants and some of the landless be directly improved, but, through the stimulation of increased employment both on and off farms, more equitable agricultural patterns will ultimately help even those who do not receive land.

The absolute necessity of backing up land reforms with additional changes in the provision of credit, advice, irrigation facilities, roads, and other infrastructure is revealed by Mexico's experience since its major land reforms of the thirties. A vast area was redistributed at that time and, by all accounts, this brought major economic and social benefits. Since then, however, the bulk of governmental investments have aided a relatively small number of larger commercial farms, many of them irrigated, whose productivity and profitability have soared far above those of the farms of reform beneficiaries. The failure of government-subsidized modernization programs to reach the majority of small farmers "thus left 83 percent of all the farmers of Mexico at a subsistence or below subsistence level in 1960, an almost unbelievable figure for a nation which fought a long and bloody revolution to redress the poverty of the countryside, went through a major agrarian reform, and was the early home of pioneering agricultural science,"

28 observes Cynthia Hewitt de Alcantara in a 1976 U.N.-sponsored study of agricultural change in Mexico.[31]

While undeniably productive, the big farms have made less efficient use of scarce capital than small farms have, and have used far less labor than is desirable in a nation with high unemployment and rising landlessness. Nor has the nation's overall economic growth been well served. As Hewitt de Alcantara concludes, the failure to boost productivity on the masses of smaller farms

> not only affected the general welfare of rural people negatively, but in the long run it became an obstacle to the balanced growth of the nation. Without the resources to satisfy even their most basic daily requirements, the majority of the small farmers, *ejidatarios*, and day labourers of Mexico could not participate to any meaningful extent as consumers in the national market for agricultural produce and industrial goods created in part with the fruits of agricultural modernization. Effective internal demand remains stubbornly circumscribed by the narrow social base upon which development has been built.

By 1940, when the major land redistributions had been completed, the proportion of Mexican farm families without land had been reduced to under 10 percent. By the mid-seventies, after nearly four decades of rapid population growth and inequitable development, more than one-third of the nation's farm families were landless.[32] Small wonder that each day thousands try to slip across Mexico's northern border.

The contribution of concentrated landownership to environmental degradation has received even less investigation than have the threatening ecological trends themselves. In much of the Third World, the extensive spread of people and farming onto lands better suited to other purposes is undermining the long-term productivity of natural

resources and sometimes of agriculture. Lacking more prudent means of making a livelihood, land-hungry farmers clear forests that are badly needed for ecological protection or wood production. Hilly watershed areas are denuded and farmed until the topsoil washes away; downstream, water flows are disrupted, flooding worsens, and rising silt loads clog waterways. In the humid tropics, landless farmers move into the rain forests, destroying valuable timber and unique ecosystems in futile attempts to farm the unfamiliar soils. Governments helplessly watch the incursion of squatters into natural preserves or areas slated for reforestation; governments also sponsor the large-scale clearing and settlement of forests. In more arid zones, farmers plow up areas of unreliable rainfall and erosive soils, squeezing herders into ever smaller areas that their livestock overgraze and convert into desert. When the inevitable drought comes, the new fields degenerate into dust bowls.[33]

The uncontrolled spread of people over the landscape is obviously fueled by population growth. But skewed landownership, too, contributes to the problem. In badly eroded, deforested countries like El Salvador and Haiti, the better valley lands are occupied by the large estates of affluent individuals or corporations, while the majority of peasant farmers struggle for life on steep slopes that should be covered with trees rather than corn stalks. In the tropics, government schemes to settle virgin lands are frequently undertaken to avoid confronting the need for land reforms on established farmlands.[34]

In the end, the destructive extension of agriculture over the countryside can only be halted by intensifying food production and employment on the lands well suited to agriculture, by providing jobs for the remaining landless in a growing, balanced economy, and by slowing population growth. In many countries, the needed agricultural intensification and economic development are not likely to occur in the absence of reforms in land tenure and other agrarian structures.

Insecure tenancy conditions also threaten long-term agricultural productivity by reducing personal incentives to conserve the soil.

30 Where tenant farmers are frequently moved from plot to plot, as they are in some Third World countries, they have absolutely no reason to protect the quality of the soil they till. Such problems are not confined to developing countries, either. Back in 1951, a top-level research group in the United States wrote:

> Tenure problems are one of the major "stumbling blocks" to the adoption of conservation practices in the Corn Belt. . . . Many farms in the Corn Belt are owned by absentee landlords who have little personal contact with their tenants. These owners do not realize that conservation adjustments will improve farm income over a period of several years. Instead, they want a high return on their investment *now*. On many farms the tenant is also interested in short-run profits. He may have only a one-year lease with no assurance of renewal, or the leasing agreement may require him to shoulder a larger share of the conservation costs than he receives in benefits.[35]

The situation remains the same in 1979; recent studies in Iowa reveal soil erosion rates of 21 tons per acre per year on tenant-operated farms, compared to average losses of 16 tons of soil per acre on owner-operated farms.[36] Moreover, to the extent that family-run farms have given way to those owned by investors with no attachment to the land beyond their annual profit statement, these observations may be more relevant today than ever. At the same time, a severe financial squeeze can push even dedicated family farmers into abusing the land in order to make enough immediate income to stay afloat. "Agrarian reform" to protect small farmers from personally and environmentally damaging cost-price squeezes is important in rich as well as in poor countries.

Struggling week by week just to stay alive, and resentful of the power and wealth of large landowners, the landless poor are not likely to care much about the long-term quality of natural resources, as an

incident in Ethiopia several years ago, before the 1974 revolution, illustrates. A rural reforestation campaign was initiated to help control erosion and supply local wood needs. The planting jobs were given to destitute landless laborers. Seedlings were distributed, planting commenced, and all seemed to be going well—until the overseers discovered that in many areas the seedlings had intentionally been planted upside down. The immediate cause of this protest was the substandard wages being offered.[37] However, the laborers also knew that, given the near-feudal land-tenure system in which they were living, most of the benefits of the planting would flow one way or another into the hands of the landlords. Had the workers believed that an improvement in the land's quality would seriously improve their own lives and those of their children, their behavior almost certainly would have been different.

A final point about the developmental effects of different land-tenure systems is less tangible than those discussed above, but is significant nonetheless: it concerns the overall quality and texture of rural life. In a classic study of California communities, carried out in the forties, anthropologist Walter Goldschmidt compared a town surrounded by large, corporate farms run by hired managers and laborers with one surrounded by family-run farms. The two communities had populations of similar size and produced crops of identical value. However, the family-farm community had, among other advantages, stronger local governmental institutions, more local businesses and retail trade, more paved streets and sidewalks, better garbage and sewage-disposal facilities, and more schools, public parks, civic clubs, churches, youth organizations, and newspapers. Residents of the family-farm town saw their community as a desirable place to live, while residents of the corporate-farm community "tended to regard their town as a place to escape as quickly as possible." Moreover, Goldschmidt continues, "in towns surrounded by family farms, the income earned in agriculture circulates among local business establishments," while in the corporate-farm towns "the income is immediately drained off into larger cities to support distant, often foreign enterprises."[38]

32 Studies conducted in California in the seventies have again found a greater diversity of community services in towns surrounded by small farms where people exercise democratic control over irrigation rights.[39] California's economic and social conditions are hardly similar to India's or Guatemala's. Still, as with many aspects of the land-tenure problem, the lessons from case studies in one place are to some degree relevant everywhere.

The Politics of Land Reform

The powerful intellectual case for land reform has not gone unnoticed. Most Asian and Latin American countries now have laws on the books calling for the redistribution of at least some farmlands and for the amelioration of tenancy conditions. Strident calls for land reform annually reverberate through the halls of United Nations agencies. Major bilateral and multilateral aid organizations solemnly swear to its critical importance. Preparatory documents for the July 1979 World Conference on Agrarian Reform and Rural Development show that both U.N. officials and developing-country diplomats realize the contribution that land reform can make to agricultural progress. In the debate over world development problems, few concepts have received more verbal obeisance than land reform has. But few goals have been so little pursued in practice.

Obviously, the mere identification of needed reforms does not bring them about. However harmful it may be to the long-term development prospects of a nation, the agrarian status quo clearly benefits some people—people who work actively to protect and enhance their economic interests. A government can fully endorse the need for tenure changes; but when its leaders are drawn from the landowning class, or when its survival depends on the political support of rural landowning elites, radical reforms are hardly likely. In addition, the political movements most inclined to carry through genuine land reforms are, for broader ideological or political reasons, often seen

"Experience indicates that the lofty goal of land reform is readily sacrificed on the altar of global geopolitics."

by national or foreign governments as threats to be suppressed. Experience indicates that the lofty goal of land reform is readily sacrificed on the altar of global geopolitics.

The most significant land reforms have not been carried out in a peaceful, democratic atmosphere. Many of the more sweeping programs, such as those in China, Cuba, Mexico, and the Soviet Union, have been implemented by revolutionary movements after civil wars. Other major reforms—in Japan, South Korea, and Taiwan—have been pushed through in the aftermath of wars by essentially conservative governments fearing social unrest—and acting with the strong prodding and support of a foreign power. Many other countries have embarked upon more gradual land reforms under less tumultuous conditions, and in some cases—including India in its early years of independence, Iran, the Philippines, and Venezuela—limited redistributions have occurred. But a gradual approach has severe disadvantages: owners can usually find ways to avoid land ceilings by dividing holdings among family members, and to undercut tenancy reforms by evicting tenants. Reforms legislated in dozens of countries have brought little relief to the landless and have failed to shake the socioeconomic structure.[40]

Speed of implementation, and the willingness and capacity to act forcefully, appear to be important to the success of reform policies. As Wolf Ladejinsky wrote in 1964 of Asia's reform prospects: "If the peasant is to get what is promised, peaceful and democratically managed reforms are not going to fill the bill. Government coercion, whether practiced or clearly threatened, is virtually unavoidable."[41]

The successful alteration of long-standing land rights and rental practices is not something that can be accomplished with the mere passage of a law by some sympathetic politicians. A constellation of political forces—almost always including an alliance between reform-seeking peasants and urban political groups that need their support on other issues—that is able to mobilize the coercive powers of the state must be built. One way that those interested in land reform

through constitutional means can increase its chances of occurring is to encourage the development of rural peasant organizations. Just as trade unions have often proved necessary to enlarge and safeguard the rights of industrial workers, so can peasant organizations of various sorts exert political pressure on behalf of reform, and, even more important, help to enforce it.[42]

Well-intentioned reform laws can easily be circumvented when the potential beneficiaries are unorganized. By contrast, when the peasantry is actively involved in designing and implementing reforms, not only the initial enforcement but also the organization and progress of post-reform agriculture are facilitated. Analysts have identified the institutionalized participation of rural residents in the redistributive process as a key explanation for the rapid and smooth accomplishment of major reforms in Japan and Taiwan, for instance.[43]

The unspoken dilemma facing many Third World governments is that by promoting the emergence of new peasant groups, they could be endangering their traditional sources of political support—and in some cases the economic interests of their own leaders as well. In a perceptive 1970 paper for the Agency for International Development on the politics of land reform, Princeton N. Lyman and Jerome T. French argued that "only in those cases where political leadership or political opposition makes a definite decision to build an articulate peasant political base is there likely to be significant new land redistribution." But given the political and economic foundations on which many developing-country governments rest, they noted, such rural organization often jeopardizes rather than enhances the survival of the governments. "The tragedy of looking to peasant mobilization and organization in most of the LDCs [less developed countries] is that . . . the forces of reaction and suppression are great and often severe. . . . Perhaps in many present LDCs such peasant mobilization is inherently and unavoidably revolutionary."[44]

Most land-reform struggles have been, and will continue to be, accompanied by violence and political instability. Where the political

opposition to reform is strong, the human costs of the reform process are apt to be great. Still, such costs must be weighed against the human toll of maintaining the status quo, which is often characterized by the chronic violent oppression of those on the bottom. In India, for example, the brutal murders of landless "harijans" (untouchables) seeking to improve their positions provide frequent newspaper fare. In Latin America over the last half-century, thousands of small and large peasant movements to gain land have been repressed through arrests and killings. In one uprising in 1932, nearly 20,000 El Salvadoran peasants fought and lost their lives. In the late seventies, conflicts that are largely rooted in the inequality of landownership have cost thousands of lives in El Salvador, Guatemala, and Nicaragua.[45]

Rather than producing stability, grossly unequal land tenure ensures its absence. International statistical comparisons show that levels of violence and political instability tend to be highest in the countries with the most inequitable landownership patterns.[46] Hence, over time, severe inequality can take a direct human toll far greater than the more temporary costs of a successful land-reform effort. If the indirect human costs of a failure to reform, arising from suppressed production, employment, and economic growth, are added in, the case for pursuing reforms despite the potential hazards becomes all the more compelling.

Some kinds of conflict can unleash development potentials, just as other kinds can destroy them. Instability hampers economic development, but so do the rigid socioeconomic and land-tenure structures prevailing in many Third World countries today. If the postwar experience has proved anything, it is that "development" is not a simple, sanitary process of investing capital or introducing new technologies into a country. It is a messy, conflict-ridden business of social change.

Unwilling to risk the promotion of structural reforms, those responsible for development programs often find their goals unmet—and their well-meaning interventions producing disastrously distorted

consequences. The "community development" movement of the fifties and early sixties, for example, which was promoted by major aid agencies and tried in some 60 countries, was based on the naive assumption of an essential harmony of interest among members of rural communities. The idea was to bring people together and mobilize them to achieve common community goals, thereby promoting both political peace and rapid, shared economic growth. As the failures mounted, interest in community development programs faded away. Lane E. Holdcraft, an American aid official who participated in the rise and fall of community development (CD), explains that it "was ineffective because, in most developing countries, basic conflicts were too deep to be resolved simply by the persuasive efforts of CD workers. Factors such as distribution of landownership, exploitation by elites, or urban domination could neither be ignored nor bypassed. CD's attempt to proceed smoothly without friction towards general consensus was unrealistic."[47]

Without special attention to the powers of the privileged, even direct efforts to aid the poor can backfire. A program to boost crop output in a fertile province of Ethiopia, initiated by the Swedish aid agency in the late sixties, had nightmarish results. Unable to push the government into seriously reforming tenure in the area, where half the population worked under exploitive tenancy conditions, the donors concentrated their aid among tenants and small farmers in hopes of improving their incomes directly. The program quite successfully increased production, but in the end the target groups were hurt rather than helped. Seeing how lucrative modern agriculture could be, landowners evicted thousands of tenants and began purchasing tractors. For the remaining tenants, rents were raised from one-third of their crops to one-half, so that the landlords gained proportionately more from any progress. As land prices doubled, any hope that tenants might be able to purchase the lands they worked disappeared.[48]

Along similar lines, recent efforts by the World Bank to provide tube wells to small-farm cooperatives in Bangladesh have often primarily

"Without special attention to the powers of the privileged, even direct efforts to aid the poor can backfire."

benefited the richer, larger landowners. Through their domination of local political and economic institutions, the large farmers find ways to channel developmental largess onto their own lands.[49] Here, as in the Ethiopian example, foreign aid donors were involved. But the same distorted results can afflict the far more numerous development programs undertaken by Third World governments themselves.

If the political determination and capacity to push through needed reforms do not exist within a country, no outside aid agency can create them. Still, aid agencies, whether bilateral or multilateral, cannot escape concern about the impacts of land tenure, and the presence or absence of land-reform programs, in the countries in which they operate.

Two major aid agencies have recently issued policy statements about land reform that connoisseurs of the clouded prose of such bureaucracies will recognize as unusually forceful and explicit. In its 1975 *Land Reform: Sector Policy Paper*, the World Bank noted the frequent negative effects of skewed landownership and unregulated tenancy on agricultural productivity, employment, and equity. The Bank concluded that "in many situations, the prevailing tenure conditions are the major impediment to development." Consistent with its earlier statements that its main mission is to aid the rural poor, the Bank pledged in this paper to "give priority in agricultural lending to those member countries that pursue broad-based agricultural strategies directed toward the promotion of adequate new employment opportunities, with special attention to the needs of the poorest groups. The Bank will support policies of land reform designed to further these objectives." The authors also stated that "the Bank will not support projects where land rights are such that a major share of the benefits will accrue to high-income groups unless increases in output and improvements in the balance of payments are overriding considerations; in such cases, it will carefully consider whether the fiscal arrangements are appropriate to ensure that a reasonable share of the benefits accrue to the government."[50]

In its June 1978 *Agricultural Development Policy Paper,* the U.S. Agency for International Development observed that "a highly skewed distribution of land among agricultural producers or ineffectively enforced size ceilings or tenancy regulations will adversely affect both improved equity *and* increased production, thereby rendering a broadly participatory agricultural production strategy virtually impossible to implement." In a January 1979 statement of "A.I.D. Policy on Agricultural Asset Distribution: Land Reform," the Agency repeated its belief that unequal landownership was preventing achievement of both economic and social goals, and said it will provide technical and financial assistance in support of reforms in land distribution or tenancy where governments show a real commitment to these ends. Equally important, the Agency stated that "should studies show that particular types of assistance, such as provision of current inputs, are exacerbating the plight of the poor in situations where land tenure practices are inequitable and there is an absence of commitment to reform, then the Agency, on Mission advice, is prepared to consider withholding those types of assistance." Furthermore, in deciding whether to support settlement programs on new lands, the Agency pledged to "ascertain whether the settlement represents real reform or a 'cover-up' for not undertaking reforms."[51]

Whether such statements, easily put to paper in Washington, will ever be put into practice in the field remains to be seen. Certainly AID and other donor agencies have been, and will continue to be, involved in many land-reform programs of varying degrees of thoroughness. In the postwar years in East Asia, the United States, anxious to block the feared spread of Communism, was in fact the backer of far-reaching land reforms. Where it has appeared that land reform might help undercut support for rural insurrections—as in Latin America during the "Alliance for Progress" years of the early sixties, in South Vietnam, and recently in the Philippines—the United States has actively encouraged land-reform programs. But the earlier successes of Japan, South Korea, and Taiwan have not been duplicated. Unlike the case in those countries, elsewhere it has often become apparent that radical reforms would destroy rather than strengthen

"Aid agencies must be as willing to deny aid where it will do harm as to give aid where it will do good."

the government in power. Outside pressures and internal enthusiasm for reforms have waned commensurately. At the same time, the United States has actively worked to crush some political movements that have combined the promotion of land reforms with what were perceived as broader anti-American policies, as the experiences in Guatemala in the early fifties and Chile in the early seventies demonstrate.

The World Bank, AID, and other agencies are likely to assist land reform programs when it is politically easy to do so. If they are to implement their stated policies, however, they will also have to take the much more difficult step of withholding development assistance where, because of tenure conditions, its social effect is likely to be regressive. The point is not that aid agencies should foment revolution. However, if they really intend to give priority in their lending to the eradication of severe poverty rather than to the simple promotion of economic growth, and if they take seriously the analyses in their own policy statements, they must pay far more careful attention to the land-tenure factor in the future. Much of the aid dispensed at present does not serve the stated goals of donor agencies. In some cases, it may be possible to design projects that enhance the status of the landless despite the persistence of broader structural inequities. But aid agencies must be as willing to deny aid where it will do harm as to give aid where it will do good.

Economic aid programs are, of course, just one means by which foreign powers relate to developing countries. Analysis of the land problem in the Third World raises more fundamental foreign policy considerations for the United States and other superpowers. In many developing countries, it is clear that radical changes in the land-tenure system must come about if socially sustainable development is to occur. The huge and growing numbers of landless people lacking any prospects for a decent life ensure that the issue will become increasingly acute. The achievement of needed reforms will always be an intensely political, conflict-ridden process; it will often follow the mobilization of long-quiescent social groups and the overturning of traditional power structures. Political movements able to carry out

reforms will often pursue other goals as well that are anathema to one or another foreign power.

Given the clear need for structural transformations in the Third World, and the inevitability of associated political conflict, outside powers need to resist the tendency to see each national struggle as a test case in the East-West geopolitical battle. New degrees of maturity and patience among the great powers, reflecting the inevitability of instability and the need for change in the Third World, are called for. Over time, such understanding and restraint will best contribute to the peace and stability that is in the interest of all countries. As World Bank President Robert McNamara puts it, "We cannot build a secure world upon a foundation of human misery."[52]

Conclusion

The demand for land redistribution is not an abstraction conjured up by idealistic intellectuals. Over the coming years, close to one billion people will be clamoring for a better deal in the countryside. Struggling with chronic exploitation, destitution, and insecurity, they rightly see that access to farmland can give them a chance to accumulate assets and create a better life.

Analyses of the world hunger problem consistently identify two imperatives: more food must be produced in developing countries, and it must be more widely distributed. Land reform can often contribute to the achievement of the first goal and can always contribute to the achievement of the second. More food production alone will not eliminate hunger; nor will more charity. Only secure access to decent land or jobs will give the dispossessed a chance to work their way out of extreme poverty and undernutrition. Those serious about eliminating hunger have no choice but to involve themselves in the acrimonious politics of social change.

Considering the ecological limits on the expansion of arable lands, and the steep rises in human numbers that are occurring in most poor countries, land reform is not a one-time cure-all for poverty. But clearly a more equitable distribution of farmland would provide a solid base for a broader development strategy that maximized employment and economic opportunities of all sorts, and that over time allowed for self-sustaining national economic progress. Just as clearly, land reform needs to be accompanied by the encouragement of family planning.

The debate about whether rapid population growth or unequal landownership deserves more blame for increased poverty is often pointless. Undeniably, fast-growing populations are swelling the ranks of the landless and swamping meager social services. Yet at any given time, the redistribution of assets and wealth could eliminate most poverty and hunger in any country. Moreover, unequal economic-growth patterns create the sort of desperate social circumstances that encourage the poor to have large families. Conversely, more equitable development and the widespread dispersal of family planning assistance can reinforce each other positively. Both are essential to the building of a future that is politically, economically, and ecologically sustainable.

The rising tide of landless and near-landless people is sure to generate mounting political pressures for land reform. At the same time, massive unemployment, rising food prices, and increased dependence by more and more countries on imported food will highlight the economic need for land reform. Few countries have much high-quality land left for new settlement, yet the demand for food and fiber grows inexorably. The better farmland will have to produce as much as possible, and do so in a way that provides benefits to the greatest possible number of people. For both political and economic reasons, societies cannot afford to maintain land-tenure systems that are at once inequitable and inefficient.

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