

# Infopack

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EDITORIAL

## International Institutions and Land Policies

- Piyush Pant

Universally speaking, 'Land' always has been central to the socio-economic development since it can either serve as a necessary asset for any country to move faster on the road to high economic growth and achieve social equity, or it can be an effective tool in the hands of a few to hijack a country's economic independence and damage its social processes. Thus land and the manipulation of access to land resources can also lead to political conflicts as is happening in South Africa and to a certain extent in India.

It has been estimated that three quarters of the world's poor live in villages. Land remains central to their autonomy and capacity to construct, sustain and defend their livelihoods, social inclusion and political empowerment. So whenever the discourse on rural poverty and its alleviation springs up, the issue of land or agrarian reforms catches up with full steam. But the fact remains that even today the land remains under the monopoly control of the landed classes in many countries, while in others the access to land by poor people is seriously threatened by the neoliberal policies. Take the case of India. Vested interests of the landed elite and their powerful connection with the political- bureaucratic system have blocked meaningful land reforms and their earnest implementation. The oppressed either have been co-opted with some benefits, or further subjugated as the new focus on liberalization, privatization and globalization has altered government priorities and public perceptions. As a result, things have come to such a pass that the land- mostly for the urban, educated elite, who are also the powerful decision makers- has become more a matter of housing, investment and infrastructure building; and land as a basis of livelihood - for subsistence, survival, social justice and human dignity - has largely been lost.

.Of late, the mainstream development policy community has taken a keen interest in land and developing the land policies to guide their intervention in developing countries. While generally well-intentioned, not all of these land policies advance the interests of the rural poor. On the contrary, in different settings, these may harm the interest of the poor. Large-scale privatization of land resources facilitates the monopoly control of landed and corporate interests in such settings.

Nevertheless the ray of hope is visible in the initiatives of the local, national and transnational rural social movements and civil society networks and coalitions which have taken the struggle for land onto global arenas of policy making. Many of these groups, such as Via Campesina, have launched transnational campaigns to expose and oppose neoliberal land policies. At the national level, similar campaigns have been launched by pro-people groups in the developing world.

As far as the International Institutions are concerned, their role has left much to be desired; rather it has worked against the interests of the poor farmers. For example, World Bank's obsession with establishment of land markets and market-assisted land reforms has, more often than not, nullified even the best of its intentions to redistribute land in many developing countries. Market-led policies proscribed by the World Bank and IMF have, in fact, prevented land reforms from taking place in countries like South Africa.

While transnational land campaigns have been launched and sustained for the last many years targeting international development institutions, there remains lack of systematic understanding by activist groups about the actual policy and practice around land issues by these global institutions.

This issue of **Infopack** gives the summary of research documents covering analysis of the land policies of international institutions.

Popular Information Centre

## **From Rural Livelihoods to Agricultural Growth**

(The Land Policies of the UK Department for International Development)

By:

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Amsterdam, February 2009

## **Bird's Eye View**

This 64-page report has been published by Transnational Institute and 11.11.11, a Coalition of the North-South Movements. In order to examine the policies and practices on land of the Department for International Development (DfID) of the United Kingdom.

This report is divided into five chapters namely 1) Historical Overview, 2) Institutional Context of DfID's Land Reform Policy, 3) Presenting Land Policies: Shifting Focus, 4) Land Policies in Practice, 5) Conclusion.

In Historical Overview, the document says that the British Government has been a prominent player on the international land scene for most of the 20th century. Land ownership and land management practices were a key instrument to mediate the relationship between imperial Britain, its colonies and often white settlers. Post independence, land policy has continued to play an important role in British overseas aid programmes, and the UK's policy still carries a lot of weight today through the work of its Department for International Development (DfID).

It also says that having been one of the largest and most powerful colonizers in the world, from the 19th century until as late as the 1980s, one of the key domains in which the legacy of the British Empire in former colonies is most strongly felt is in the area of land policies, land distribution and land governance.

In most of sub-Saharan Africa the land left over after government and white settlers had occupied large tracts, was set aside for the 'natives'. After independence, this land became State Land, and the role of the customary leaders often disappeared as they were subsumed by government structures. Local people often rejected land allocation powers of both government officials and elected councilors, and land administration became highly contested with widely varying realities between the law and actual practice.

The document further points out that in South and South-East Asia, British colonial land policy focused on creating a secure revenue base through taxation of the land. Feudal lords were declared owners of the land on condition of fixed payments to the British Regime, and peasants were therefore transformed into tenant farmers who had to pay rents to the landowners. A second, but no less important aim of British colonial land policy in Asia was to identify and secure lands to be used for state forestry or plantation agriculture, for export production to international markets.

However, between 1945 and the 1980s, colonial rule was brought to an end in many countries, and gradually the new independent states started to build new policies and legal frameworks. However, a considerable part of the new land legislation maintained continuity with the land administration systems and the post-colonial land policy frameworks were also explicitly and directly influenced by the British government. The most prominent case of this meddling with former colonies' land policy has been Zimbabwe. The document says that in 1997, the British Overseas Development Agency, housed until then within the Foreign office, was made independent by the New Labour Government, and re-named the Department for International Development (DfID) in 1997. Now the over-riding aim of UK policy for international development had become the elimination of poverty in poorer countries.

The rights-based work of the Land Policy group and the broader Sustainable Livelihoods Approach that DfID developed since around 1998 resulted in DfID being considered as potentially one of the most progressive thinking

Western donors, by other donors and even many civil society organizations. However, in 2003, DfID's direct engagement with land issues was substantially reduced because of a series of internal and external events. For several years, there was little work undertaken on land policy centrally, unless in the context of the new approach to agriculture, economic growth and good governance.

The document further points out that from around 2003, DfID disengaged from land policies and programmes from some countries, and in others it let the decision to work on land was severely reduced, and between 2003 and 2007, DfID would refer to European Union land policy guidelines for its official policy position, which is effective policy for all member states, including the UK.

However, it would be wrong to conclude that DfID did not feature much after 2003 in the land policy debate, or did not help influence the direction of global debate on land. Land Policy remained on the agenda, but was now dealt with from a different angle and within different contexts. After 2003, access to land resurged not as an issue in itself, but as one of the seven priorities set out under DfID's new agricultural policy. While explaining the reduction in capacity to work on land in DfID, a sense was prevailed in DfID that with regard to land policy, it had accomplished what it set out to achieve. The ex-members of the Land Policy Group certainly consider that they managed to positively influence the land policies of the World Bank.

Furthermore, DfID had been engaged through the EU task force on land in the development of the European guidelines on land policy and reform, and had been one of the more active bilateral donors there. Overall, the feeling was that DfID had played a positive role in the development of both policy frameworks, securing a more important role for issues like customary tenure, common pool rights, redistribution and a more proactive role for the states.

The document also says that while changes in policy have been secured, there are still differences in practice with the World Bank. The main problem is to translate new policies into practice on issues such as participation, decentralization, addressing customary tenure, and supporting state based land reforms. In practice, the Bank still tends to emphasize its old favourites like land titling, supporting land administration institutions, and stimulating land markets. Furthermore, although DfID nominally supports a broader view of land reform programmes, the overall drift of aid policy is in the direction of financial aid/budget support and joined up working with the Bank and other donors - so DfID has less autonomy to do things on its own and take distinctive approaches, and less staff, because of government caps, to address specific issues like land in a meaningful way at country level. DfID's lack of capacity to engage proactively on land policy and implementation therefore meant that it started to rely much heavier on the World Bank's policy lead.

The document further points out that looking at the institutional and external context in which DfID found itself in the early 21st century helps to start understanding the sudden changes in support for central capacity and budgets for land policy work.

It says that in 2003, following the invasion in Iraq, the British government was desperately in need of funds to start financing Iraq's reconstruction. The diversion of fund to Iraq was raised as a great concern by the British NGO community as well as in the House of Lords. This large amount of

money had to be found from somewhere, and apart from a drastic drop in funding to middle income countries, there were also some drastic changes to the allocation to internal technical capacity in DfID in favour of capacity on governance and economics.

This coincided with an internal restructuring of the policy division in DfID in 2003, to strengthen evidence-base for policy making. The restructuring was finalized in 2004, and by then there was no infrastructure department, health, social development, urban department left, and new teams were created which to some extent took on a policy role, but which had no real control over budgets and resources.

Lastly, quite substantial changes have taken place in recent years to aid levels and disbursement methods. DfID's budget has increased with more than 60 per cent in only five years (from 2.9 billion in 2002-03 to 4.7 billion pound in 2006-07) in line with international commitments to reach 0.7 per cent of GNI by 2013. at the same time there is ever increasing pressure to reduce overheads, meaning that the Department increasingly was organized around ensuring large sums of money can be administered and passed on to other organizations, through either multilateral support for development banks, through Programme Partnership Agreements with large NGOs, or through Direct Budget Support with developing country governments. As a result, it has become impossible to get small money from DfID. It was the 'small money' that previously had supported DfID initiatives on land issues, such as research pieces, support for seminars and conferences, and the Land Policy Group.

The document says that the combined impacts of both institutional and external changes have led many to believe that DfID has compromised its progressive position as a global leader on crucial issue such as livelihoods approaches; rights based development, sustainability and the environment. To what extent these progressive policies were ever translated into practice in the first place is of course subject to debate.

The documents further points towards the Rural Livelihoods Period: 1997-2002 and the Draft Land Policy Paper. It says that much of the period 1997-2002 was characterized by the development of policy and practice around the Sustainable Livelihoods concept, starting with its inclusion in the DfID White Paper, the establishment of various Livelihoods policy groups and for the publication of various papers, a website and organization of conferences, and finally the reorientation of the work of the Natural Resources Policy and Advisory Department away from a focus on 'resources and technologies' to a focus on 'people and sustainable livelihoods'.

It was in this context that the Land Policy Group was set up, and that the subsequent draft paper 'Better Livelihoods for poor people: the role of Land Policy' was developed in 2002. Many key elements in the draft paper reflect elements of the broader Sustainable Livelihoods approach. However, the paper was never adopted as official policy in DfID, even though it is still available online.

The document refers to Draft Land Policy Paper 2002: Why is Land important? It says that the land policy paper centres on the need to focus on land, land rights and land reform because of the centrality of land as a fundamental livelihood activities all depend on it, and therefore it is crucial, even though not sufficient, element in poverty reduction.

The paper treads a careful path between approaching the land question as an essential element in achieving 'economic growth' and in securing

'sustainable livelihoods'. Overall, it did a good job in recognizing the inherently political nature of the land question, and raised some serious questions around the accepted land orthodoxies of the time, epitomized by the promotion of formalized individual land tenure by the World Bank since 1970s. Specific criticism is reserved for technocratic, stand alone approaches, and the paper is clear that 'land policies and reforms need unambiguously to address the inherent tensions and interests. National stakeholders, including a wide range of government, civil society and community stakeholders must be effectively engaged in the development of land policy.

Overall, in line with DfID's country focus, the paper addresses particularly issues with regards to sub-Saharan Africa, and although making reference to situations of highly unequal countries like Brazil, the policy recommendations bear more relevance to the African continent.

The document says from an economic point of view, the paper asserts that equality in land ownerships brings faster and more equitable economic growth.

The paper argues that in favour of land distribution: there is good evidence that equality in land ownership of land and other assets encourages faster, more equitable growth. This underpins the case for land redistribution. However, the paper steers away from endorsing expropriation, and states that there is a range of alternatives for improving land distribution, short of expropriation, and lists these strengthening tenant rights, abolition of intermediary landlords, imposition of land ceilings and introducing a land tax.

The paper also refers to the potential of market-based policy but notes: ' However, it has proved highly controversial amongst civil society organizations that see it as favouring the better off. A final alternative put forward is one involving landless people's organizations directly. However, rather strangely, this includes the idea of NGOs acting on behalf of the poor and leasing land to them, a charitable version of the intermediary landlord which was suggested to be abolished earlier.

The paper asserts that formal rights do not necessarily provide security than informal or customary rights. The document further talks about Indigenous People Territories and Marginalized Groups. It says that there is no extensive discussion of indigenous peoples' territories apart from the assertion that many indigenous groups have now gained legal title, cautioning that some of the communal ownership in these titles can exclude internal vulnerable users. However, there is more attention for women and marginalized group and both formal and informal land tenure systems are criticized for failing to offer secure land rights to women.

While talking about the agricultural growth period from 2003 till date the document refers to New Approach to agriculture. It says that the capacity and funding made available centrally for work on land was drastically reduced shortly after the draft land policy paper came out. The post of Land Policy Advisor did not exist in a similar form anymore after 2003, and the draft land policy paper was never published as DfID land policy. At the same time, in parallel with a broader shift in the official development community after decades of policy and funding neglect of the agricultural sector, DfID started paying more attention again to the agriculture by forming a new Renewable Natural Resources and Agriculture Team which itself forms part of the bigger Growth and Investment Division. The

positioning of agriculture within this overarching economic growth and private sector perspective was for many civil society organizations proof that DfID had lost interest in the sustainable livelihoods approach.

The document further says that to secure access to land is important for two reasons. Highly unequal land distribution is bad as it slows economic growth and closes down opportunities for poor people. Secondly, lack of tenure security to land and property makes people vulnerable to eviction, and discourages them from making productive investments.

The two key priorities for DfID outlined are to ensure poor people can participate in shared economic growth, and to improve governance so poor men and women can gain secure access to land and property.

The document refers to 'Shared Economic Growth- 'Better access to land". It says that DfID has established that economic growth in and of itself does not necessarily lead to poverty reduction, and secure access to land is presented as a key entry point to ensure that growth will be genuinely poverty reducing as well as environmentally sustainable. The document further underlies the section on the economic importance of land reflection of the approach taken in the agricultural policy paper. Agriculture needs to be modernized, and land reform is a key aspect of that. While explicitly rights for poor people, there is hardly any mention of the role of smallholders in this context or, perhaps even more tellingly, of the fact that many smallholders that currently own land are becoming increasingly land insecure because of the forces of the global food production system, including the liberalization of agriculture policies, food dumping and the dismantling of state support for agriculture imposed by Bretton Woods Institutions. The paper does not recognize these as pressures on land ownership at all, but remains solely focused on national level frameworks. In this way, the paper fails to set out a fuller picture of problems with secure land access.

The document further talks about the Good Governance. It says that land issues are also explicitly linked to DfID's good governance agenda. The paper recognizes that land is also a source of identity, status and political power. It acknowledges that poor people are actively prevented from accessing land by powerful elites, landowners and land professionals with vested interests through the obstruction of simple and accessible systems for land transfer. Red tape, the paper seems to say, serves the purpose of political elites to keep the poor away from the land. Ultimately, the paper states that there need to be both broad political consensus and wider reforms - the creation of effective states.

The document also points out that some of the examples given in the paper illustrate the work DfID is doing to strengthen civil society. For example, the work in Indonesia to help strengthen farmers' voices and encouraging local government to respond, mainly with regard to agro-forestry activities, the support to landless peoples' organizations in Bangladesh, and the funding of the Centre on Housing Rights and Evictions in Kenya to tackle forcible evictions.

In chapter IV, under the title 'Land Policies in Practice', the document says that the section aims to examine how DfID has translated its policies into practice, if at all, and aims to analyze policy priorities through the lens of project expenditures and country priorities. Problems with finding the relevant, complete and comparable data make it less easy to make conclusive statements about DfID's translation of policy into practice and, even more so, to make statements about the actual impact DfID's practice

has had in terms of achieving pro-poor, progressive national land reform. This paper has used three sources of information to find out about DfID's current and historic land related projects and programmes across the world. These are:

1. The Aida Development Database
2. Statement of activities on land and property rights, Julian Quan
3. DfID written evidence to IDC inquiry on Private Sector Development.

The document while referring to the expenditure per region and country says that DfID's funding for land related projects, both in country and cross-regionally, amounts to just under 155 million pounds over the period which starts in 1987 and with commitments running up to 2010. It is unlikely that all currently agreed and negotiated commitments up to 2010 are available from the above mentioned three sources, so this is probably an underestimate.

The document further says that Africa is the continent where most land related projects are taken place and which receives most funding. More surprising however is that the second largest groups of recipients are the Central and East European Countries (CEEC) and New Independent States (NIS), which receive more than double the funding for Asia.

The fact that fewer projects take place in this region, but expenditure is very high, reflects the fact that the size of at least some of the projects was/is very large. While referring to critical analysis of Policy and Practice, the document says that it is beyond the scope of this paper to offer a comprehensive analysis of all land related policies and practices of DfID and how these relate in various country contexts as well as what the actual practice has been. The paper aims to highlight a small number of specific issues which hopefully could serve as pointers for future research.

### **Political Understanding of Land Reform: DfID Support for Civil Society**

The document says that both draft Land Policy Paper (DfID 2002) and the 2007 land policy paper explicitly stress the need for DfID to strengthen effective civil society engagement in land policy and land reform as one of four final recommended activities of the policy paper. However, even from the limited information on the overall portfolio of DfID supported projects, it is clear that the large majority of funding, across all periods, goes towards programmes involving surveying, national land administration processes and capacity building of Land Departments. It further says that donor engagement in national land reform processes is potentially messy and difficult, particularly for DfID, as the UK in many donor-recipient relationships an ex-colonial power which used to mediate its colonial relationships through unequal land administration systems. DfID recognized as much in its draft land policy paper.

Land reform is a long term process that requires sustained support. It is an issue of central political importance and considerable sensitivity. Governments need to win support for reform through broad-based consultative processes. For their part, donors should avoid stand alone, technically driven land programmes and work instead with Governments through poverty reduction strategies and coordinated sector-wide approaches.

From the database, it is clear that DfID has engaged in a substantial number of projects which focus on developing land laws as well as on implementing land laws, by putting in place the necessary elements of

surveying, planning and registration.

The document further points out that while not usually discussed in the context of land reform in developing countries, it is important to at least briefly discuss the involvement DfID has had, and still has, with land reform in Central and Eastern European countries and Newly Independent States.

Despite the size of some of these land programmes, there does not seem to have been much coordination with the general policy work DfID under work on land reform, and there seems to have been little over involvement in cross-regional work or lessons learning. There are hardly any references to these very large programmes in any of the policy papers DfID has produced.

In the conclusion the document says that this paper has tracked the record of the UK's Department of International Development and its predecessor on land reform, in terms of policy as well as practice, since the mid 1980s.

While DfID's approach to land reform in the 1980s was very much in line with the dictates of modernization, formal registration and market mechanisms for redistribution, espoused by the international financial institutions during the 1980s and most of the 1990s, there was a brief period from 1997 to 2002 where a wind of change blew through the thinking of land in DfID. When comparing approaches to land developed in the 1997 to 2002 period with the trends in thinking on agriculture and land from 2003 onwards, there are clear differences in overall approach.

The document further points out that the first difference concerns formalized property rights. The Rural Livelihoods approach does not promote either formal or informal property rights, but states very specifically that titling will not resolve difficulties for smallholders, and can even make matters worse.

The second difference is that where the Agricultural Growth approach has a more linear vision of the land reform processes that developing countries need to go through in order to develop, the Rural Livelihoods approach recognizes that one size-fits-all models are not appropriate and that a more contextualized approach will be needed to address the intensely political nature of national and regional land debates.

Thirdly The Rural Livelihoods approach focuses mainly on the roles of government and civil society, explicitly recognizing the importance of the participation of civil society in developing a national project for land reform, and advocates that donors should, when appropriate, provide direct support to civil society so that the voices of the poor are heard. The Agricultural Growth approach, on other hand, puts its emphasis much more on private sector led growth, and thus gives a much bigger role to the private sector. In this context land reform translates more as 'financialising land relations', which is particularly relevant within the new development debates on building better investment climates in developing countries. .

With the abandonment of the Rural Livelihoods approach in most of DfID's agricultural thinking, a loss of central capacity to work on technical and livelihoods related issues, and a move towards focusing on the economic growth potential of agriculture and investment climate in rural areas, DfID seems to have returned to the economic models espoused in earlier decades, although now with a reinvigorated interest in the role of agriculture. On land reform, this seems to have implied a return to some extent of the preference for clear, transparent and formalized land titles.

The document further says that for researchers and activists concerned



with land reform, there are some concrete areas of further work and monitoring that follow from this paper. First, DfID has committed itself to reviewing its progress in 2009, three years after it launched its agricultural strategy paper. In that paper, DfID has recognized the importance of land rights and committed itself to doing programmatic work on this area. Civil society land groups could request to be included in the evaluation in the countries where DfID land related programmes are being rolled out. Also, civil society organizations could carry out their own review of how DfID has performed against its own standards of benefiting the poor.

Finally, as DfID is increasingly interested in working with and through other organizations - with its budget increasing but staff level decreasing, civil society should aim to influence the direction in which this money flow. While DfID has traditionally put a lot of faith in the World Bank and other international financial institutions, there is an increasingly open concern with some of the policies of the Bank, and there have been political calls inside Britain, as in other countries, for the Bank to reform.

## **Territorial Restructuring and the Grounding of Agrarian Reform**

(Indigenous Communities,  
Gold Mining and the World  
Bank)

By:

Eric Holt-Gimenez

Amsterdam, November  
2008

## **Bird's Eyeview**

The 36-page document was published by Transnational Institute 11.11.11 which is the Coalition of the North-South Movements. It contains eleven chapters titled 1) Introduction, 2) Land Reform and Territorial Control, 3) The Structural context and the Role of International Finance Institutions, 4) The Case of Guatemala, 5) Land Reform in the Mine-shed: the people, the Countryside, the projects, 6) From Country Assistance Strategies to Territorial Restructuring, 7) Roads to Gold paved with Good Intentions: The World Bank Highland Suite, 8) Environmental Enclosure, 9) "Drilling Down" for Territorial Restructuring, 10) Gold Strike in the Hyperspace, 11) Conclusion: From Agrarian Reform to Redistributive Territorial Reform.

In the Introduction, the document says that many critiques of the World Bank's "market-assisted" programmes for land reform center on the contradictions between the Bank's neo-liberal agrarian discourse and the poor distributive results of its projects on the ground. Taking the Bank to task for the inconsistency between its mission to alleviate rural poverty and the regressive nature of its land reform programmes is important, not only because it can help amplify the voices of the landless, but because it helps expose the inherent hypocrisies in the Bank's overall non-distributive approach to economic growth and rural development.

The document further points out that in order to construct viable, broad-based resistance strategies that engage the Bank on rural and agrarian issues, one has to understand what the Bank is really doing on the ground, rather than what it appears to be doing. While indigenous and agrarian movements do discursive battle with the World Bank's market-led land reform programme, Bank-driven projects favoring foreign mining interests have unleashed a much more through and socio-environmentally destructive transformation of indigenous lands.

It also says that the Bank's portfolio of development projected in any given country are a reflection of its operations to assist capital in capturing particular markets and rents for privileged firms and political actors at national and sub-national, or territorial scales.

'Territorial restructuring' seeks control over the places and spaces where surplus is produced by shaping and controlling the institutions and social

relations that govern production, extraction and accumulation. In case of the neo-liberal reforms, this control can also be exercised by limiting formal governance in order to allow unfettered access to resources by foreign firms. It is not necessary for the Bank, private firms, or national governments to achieve consensus on process of territorial restructuring. In order to facilitate the business interests of the corporations that support its lending member governments, the Bank must create stable conditions for the production and extraction of wealth from nation-states in the global south where conditions are socially, politically or economically unstable. This task is accomplished by restructuring conditions not only at national, but territorial scale, where foreign investment actually takes place.

The World Bank's lending in Guatemala is an example in which land reform, environmental projects, and infrastructure projects are all part of a bundle of institutional and financial interventions that favour the development of foreign based extracting industries in the country's Western Highlands.

The document says that the World Bank's land reform projects need to be considered as part of a more comprehensive trend towards territorial restructuring.

Engaging with the Bank over its market-assisted land reform programmes - when the thrust of territorial restructuring is the expansion of the mining sector - may not be the most effective way to conserve the environment, protect the interests on indigenous communities, or even to advance redistributive agrarian reform.

The document, under the title "**Land Reform and Territorial Control**", says that to have land and to control the flow and accumulation of surplus is to control territory. Structural conditions determine the forms and influence the types of production, and channel the flow and accumulation of surplus within territories. Regressive policies and projects can bring about structural changes that diminish or transfer territorial control over resources from landed poor and indigenous communities to powerful elites or to foreign interests. Movements for redistributive agrarian reform and sustainable and equitable land use must consider the interplay between official land reform programmes and the array of projects and policies that influence structural conditions and determine control over territory. The World Bank, of course, is the main global institution responsible for setting structural conditions at both national and sub-national scales.

Under the title "**The Structural Context and the role of International Finance Institutions**", the document says that following a twenty year trend of massive capital accumulation, global financial institutions are presently faced with the problem of paying out large amounts of interest on their liquid assets. These institutions must lend extensively to shift the burden of excess liquidity to borrowers. This lending opens up opportunities, particularly in activities with quick, high, but risky returns, such as the extractive industries. The opportunities to invest and extract are both facilitated and limited by current investment environments in the Global South. On the one hand, the gutting of southern states through IMF-World Bank Structural Adjustment Programmes (SAPs) over the last two decades has left governments weak and unable to provide political, social, and financial guarantees to foreign investors. On the other hand, this has also made them dependent on foreign investment for their survival as states, and thus vulnerable to agreements skewed in favour of foreign companies and financial institutions turn to International Finance Institutions (IFIs) like World Bank and the Regional Development Bank e.g. the Inter-American Development Bank (IADB), to provide the essential financial

political, and social guarantees for their investment.

The document further points out that due to their powerful, multi-lateral nature, the IFIs are able to force weak borrowing governments to modify their investment and regulatory frameworks to favour foreign investors and are also able to directly shape the structural conditions at the national and sub-national level. The main IFIs have two separate lending arms - private and public - in order to accomplish the job. At the World Bank Groups, the International Finance Corporation (IFC) provides loan to the private sector, while the International Bank for Reconstruction and Development (IBRD), and provides loans to governments.

The document here refers to the **Case of Guatemala**. It says that in Guatemala, the development of extractive industries is influenced by a weak post-bellum nation state (tightly controlled by a powerful and victorious elite), and by high prices on the international market.

For decades The Highland was the theater for the most widespread and grisly episodes of government and para-military human rights abuses. After signing of the country's Peace Accords in 1996, the World Bank quickly advised the Arzu government of Guatemala to modernize its mining sector. This led to one of the most draconian mining codes since the Spanish Conquest. Under the new mining law, companies are not only 100 per cent foreign owned, the former six per cent mandatory royalty levels were replaced with a mere one per cent, and the 58 per cent tax on profits was reduced to 31 per cent. In a country where poor consumers pay to \$140 a month for water, the substantial quantities of water need for processing gold ore are free to mining companies.

The document also points out that the Bank and the present Berger government insists that these concessions will attract new investment into a politically risky sector. In this view the benefits of mining will lead to economic and social development sometime in the future. But this argument is based on the assumption that the high price of gold and the country's ore reserves will hold out long enough to actually build up a national industry after the foreign mining companies concessions expire, twenty years from now. Clearly, the World Bank's support for gold mining in Guatemala is a short-term strategy for intensive extraction, one that requires not only direct manipulation of the country's regulatory framework, but extensive control over the territorial structures in the Western Highlands in order to guarantee efficient, surplus extraction.

Under the title of "**From Country Assistance Strategies to Territorial Restructuring**", the document says that while Guatemala has the largest economy in Central America it also has one of the highest degrees of inequality in all of Latin America. Nearly seventy per cent of the Highland's inhabitants are rural, poor or extremely poor. Over half of the population makes a living through subsistence agriculture.

The World Bank's current \$255-million portfolio in Guatemala is disbursed through its public sector "social" investment arm (IBRD) in areas of education, nutrition and maternal/child health; local and rural development; land administration; and public sector management. The private sector arms of the Bank (IFC and MIGA) complement IBRD lending for policy and institutional changes ... through investments and technical assistance in banking/insurance, infrastructure, extractive industries, manufacturing and value-added export sectors. The IFC has 139 million dollar in its portfolio. The World Bank's portfolio intend to open the countryside to the recently approved DR-CAFTA to provide opportunities for accelerating

development and growth in Guatemala, including through attracting new investment to the country. In a candid passage of its Country Assistance Strategy (CAS), the World Bank states that indigenous farmers dependent on "sensitive agricultural commodities" (i.e. those cultivating basic grains for subsistence) will need help in "technological upgrading, crop substitution or assistance in moving out of agriculture, complimented by actions to spur the development of deeper financial markets.

The document further says that the Highlands are targeted because their condition of high poverty rates and high poverty densities offer the best opportunity for positive development impacts. However, the Highlands are territorially strategic in terms of labour markets, agribusiness, environmental services, and minerals. Among other foci, the Bank's strategy specially identifies "decentralized management with a territorial focus".

As a national strategy document, the CAS frames the policy environment in which specific Bank projects will be implemented by setting the terms and general objectives of Bank-financed development. Despite the World Bank's market-led rhetoric, government-sponsored projects financed by the Bank are necessary to advance the interests of private international capital. The potential impacts or consequences of these projects often conflict with influential private and state sector interests in borrowing country governments. The convergence of national policies, Bank project, and regional agreements at a sub-national scale produces a development arena or hyperspace in which powerful capital edges out weaker or unconsolidated capital for access to resources and extraction of wealth.

Under the title of "**Roads to Gold Paved with Good Intentions: The World Bank's Highland Suite**", the document says that in 1997 the Bank introduced a \$13 million project designed to prepare conditions for the privatization of the state-owned telephone company, roads and ports. This was quickly followed by three projects totaling over \$133 million, all in the same year. In all, from 1997-2005, the IBRD introduced four separate projects totaling \$859 million, loaning more to Guatemala.

The document further says that the last decade of World Bank lending in Guatemala has been marked by a renewed emphasis on the private sector and a sustained effort to bring the opportunities of deregulation and privatization to the countryside. Nearly one-third of the Bank's project lending (IBRD and IFC) since the Peace Accords has gone directly or indirectly to the Western Highlands. While the Bank's CAS and Project Appraisal Documents spill copious amount of ink regarding the potential benefits to the poor in this regard, the Bank rarely measures the actual poverty impacts of their projects interventions, and thus avoids having to report on whether or not they have the intended results. Since there is no development 'control plot' in which all variables can be help constant, it is impossible to know if economic improvement (or deterioration) in a given country is due to Bank projects or to extraneous factors, Unless massive public protests or incontrovertible events suggest otherwise, the Bank simply assumes their completed projects to be successful.

In 2003, the World Bank attempted to introduce a mammoth fifty million dollar environmental project in Western Highlands. The 'Western Altiplano Natural Resources Management Project (MIRNA) was a northern environmentalist's dream. According to the Bank, MIRNA would both conserve the environment and combat poverty in the Highlands. The Bank saw this project as a "Mayan peoples development project" designed to ensure sustainable livelihoods and conserve biodiversity. Of course, establishing biodiversity reserves in highly populated or intensively managed

forests necessarily exempted these resources from the livelihood strategies of surrounding indigenous villages.

The document further says that setting aside the political and economic viability of a proposal that did not specifically address the causes of poverty in the Highlands - and pointedly avoided any mention of gold, the region's most marketable natural resources - the project was consistent with Bank's Country Assistance Strategy in assuming that creating markets for conservation was key to sustainable livelihoods in the Western Highlands. This required privatizing environmental services, above-ground resources, and land. In order to create the biodiversity reserves and ensure rents of the Highland's stream of environmental services, property rights had to be secured and land (communal or private) had to be titled, making land regularization a priority. This led to resistance on the part of Guatemala's landed elites. Unsurprisingly, MIRNA was rejected by the Guatemalan Congress in 2004.

The document further points out that undeterred by its inability to obtain agreement from the Guatemala political class on the environmental terms of production and extraction in the Western Highlands, the Bank turned towards international trade, introducing the 100 million dollar 'First Broad-Based Growth Development Policy Loan' in June 2005. The loan focuses on promoting DR-CAFTA oriented trade and investment. To deal with the slower-than hoped for results in economic growth in Guatemala, among other things, the Bank suggested strengthening the climate for domestic and foreign investment, modernizing property rights, and addressing infrastructure bottlenecks to growth.

But secure rights to land are primarily important in areas with potential for private extraction to global and DR-CAFTA markets. As a territorial companion to the nationally-focused loan, in March 2006 the Bank also introduced the Project to Support a Rural Economic Development Programme, shared with the Inter-American Development Bank.

The project focuses on rural infrastructure, broad-band internet capacities, territorial management plans and strategic investments in the Western Highlands. The Bank had no problem getting the GoG's approval for a loan in which market opportunities did not imply redistributions of assets. It is not hard to imagine which sectors within Guatemala society are best positioned to take advantage of the project's plan for the capitalization of the Highlands.

Under the title "Gold Strike in the Hyperspace", the document says that behind the IBRD's (de)regulatory, social, and environmental agendas, hidden from the view of development practitioners and agrarian reform advocates, the one thing that the Bank and the Berger government could agree on whole heartedly was opening the Highlands to mining. It also says by 2005 the GoG gave away over 115 new licenses to foreign mining companies, bringing the total to over 200 potential operations, nine-tenth of which were in the Highland's indigenous territories. In June of 2004, the International Finance Corporation extended a \$45 million non-equity loan to the Canadian-owned Glamis Gold Ltd. to begin operations in the Department of San Marcos on the Marlin mine. The project incurred no debt for the government, and the IFC gave Glamis and the GoG assurances that with the Bank's financing and project advice, Marlin would avoid the social conflict and environmental degradation often associated with mining. The IFC and the Berger family were particularly interested in opening up Guatemala's mining industry to new investment.

But the Bank also recognized that re-activation of mining in the

Westernlands was not a simple matter. It also saw a clear link between agrarian problems and mining development as the mining development has given rise to large demonstrations by indigenous groups and local and foreign NGOs against mining in particular and the government in general. Mining has become a flashpoint for long-held grievances against the state and the private sector with respect to past human rights abuses, discrimination and economic exploitation. This is also apparent in a series of conflicts over land between peasant and land-owner groups, which have, in a few cases, turned violent.

The document points out that a mighty flagship for the mining sector in Guatemala; the Marlin mine quickly became Glamis most lucrative operation. The mine is expected to produce 2.1-2.5 million ounces of gold and 29.2 million ounces of silver over and 11 year period. In response to international controversy regarding the mine, the IFC insists that this project can be operated in a responsible way to help reduce poverty in the region and improve peoples' lives.

The document further cites the controversial approach of the IFC which is revealed in the question put forward by the IFC official to the representatives of the villagers opposing the re-activation. He asked them "Do you want to remain poor for the rest of your life?"

The document says that this question not only revealed the very limited way the IFC envisages its development mission, it also inadvertently unveiled the convenient territorial fiction used by the World Bank when it invokes local development to justify the massive extraction of wealth from poor countries. Calculating from the company's own projections, Glamis Gold will walk away with over one billion US dollar in net profits from just one mine over the next 11 years. The Guatemala Government is allowed to keep 273 million dollar, of which 6.6 million dollar will be invested in the nearby communities at the mine's site. The World Bank thus far invested some 228.2 million dollar in public funds for the territorial restructuring of the Western Highlands. If just half the profits from the Marlin Mine were applied to development programmes over that same geographic area, it would still amount to over twice as much as the World Bank's public investment. When one considers that the World Bank's investments are actually market-rate loans to the GoG, the ugly irony of the Bank's development calculus is that the citizens of Guatemala are paying the World Bank for the privilege of making foreign companies like Glamis Gold very rich.

The document says that to illustrate the difference in distribution of benefits from World Bank lending it is revealing that Glamis' top five CEOs stand to make over 19 million dollar just in salaries during this period, which is three times the amount the local communities will make from the Marlin Mine during that same time period. This bold levels of wealth extraction are impossible without complicit national elites and the structurally enabling conditions provided by the World Bank.

In the conclusion titled From Agrarian Reform to Redistributive Territorial Reform, the document says that the future of the indigenous peoples and the peasantry of Guatemala, is inextricably tied to Western Highlands. The titling of land and the development of land markets is but one part of a suite of projects advanced by the World Bank for regressive territorial restructuring that favours foreign investment and extractive industries over indigenous rural livelihoods.

Therefore, the debate regarding the importance of the re-distribution of

land as a production factor cannot ignore the threats facing the condition of land as the basis for social and cultural reproduction. Lack of sufficient farm land is indeed a serious problem for landless indigenous peasants. But the colonization of existing indigenous land by extractive industries threatens the livelihoods of both landed and landless peasants alike. In this sense, in Guatemala, mining must be viewed as broad-based agrarian threat, not only to peasant livelihoods, but to indigenous existence in the Highlands. This threat arises not simply from the mine-shed but is inherent in the political and economic transformation of rural territory associated with the restructured development hyperspace created by the World Bank. The document further says that despite its humanistic discourse, the World Bank treats the relation between land and resources not from the point of view of indigenous livelihoods, but from the logic of capital and the logic of territory. By denouncing the Bank's market-based land reform, peasant movements correctly recognize the logic of capital embedded in the Bank's projects.

Livelihood struggles that implement peasant-led sustainable agriculture strategies will be little use if land, water, and farmers are lost to mining interests. Agrarian reform struggles may succeed in rallying landless peasants against market-led and reform, but without the participation of smallholders and indigenous communities. Grounding agrarian reform within the framework of redistributive territorial reform allows both landless and landed peasants to converge on common platforms for livelihoods and survival.

Over the next decade, agrarian struggles for land in Guatemala's Western Highlands may well be eclipsed by indigenous movements against mineral extraction. Both are essentially struggles for livelihoods and cultural survival in the face of capital expansion. Redistributive territorial restructuring could be a tool for forging territorial sovereignty - the ultimate basis for indigenous survival.

## **EU Land Policy and the Right to Food**

By

Pascal Bergeret

Amsterdam, December  
2008

## **Bird's Eyeview**

Published jointly by Transnational Institute and Coalition of the North-South Movement, this 28-page document was drafted by a task force comprising representatives of some EU member states and independent experts, and was endorsed by the European Council and Parliament. The document contains clear recommendations to governments and donors engaged in land policy, which are geared towards the defence and strengthening of small-scale family agriculture. It proposes that steps be taken to allow the legal recognition of customary rights and to strengthen the institutional capacities of customary structures that enforce them.

The document says that the EU as a family of countries, is jointly governed by its member states through the Council of Ministers, while it also has its own specific institutions to whom the member states delegated a part of their sovereignty and who act on their behalf: the Commission as EU's executive, the European Parliament as its legislature, and the Court of Justice as its judiciary.

The document further says that the Commission's land policy, which has been endorsed by the member states, interacts with each member state's policy in a complex and intricate way. On the one hand, member states have endorsed the land policy on the Commission but on the other hand, an objective of the Commission is to provide guidelines to member states for their own policies on land issues and to contribute to their coherence.

An additional difficulty stems from the fact that EU land policy, be it at individual member state level or at Commission level, is aimed at influencing the local policy of partner states in which EU countries and the Commission have developed cooperation programmes. The EU land policy has to be appraised, as far as human rights are concerned, through the positive or negative effects that it has on the national governments who receive EU aid and advice fulfill their own obligation.

Furthermore, one has to consider that access to land and the fulfillment of the right to food, although closely linked, are not equivalent. In many cases securing access to land for poor citizens, mostly in rural areas, is the best and often the only way to fulfill their right to food. However, the right to land in the world of human rights does not exist. Denying someone from access to land is not exactly equivalent to denying their right to food. As a result, in discussing the impact of land policies on the right to food, each concrete situation must be carefully assessed including alternative means of fulfilling this right to food. The paper here talks about the involvement of the European Commission in land issues and what led to the elaboration of the land policy guidelines.

Then the document analyses the content of the EU guidelines in connection with the right to food and finally considers how the EU is putting the guidelines to use and what the implications are for advocacy. The document here points out the origin and elaboration of the EU Land Policy Guidelines. It says that after the first wave of land reforms conducted in many countries in the South at the time of decolonization and/or political revolutions, as a means to prevent social unrest in the mid-twentieth century, land issues have been considered as thorny by most donors, including European ones, despite recognition of the crucial role that the distribution of land plays on development process.

Although the World Bank, as a major player with land issues amongst the donor community, has never renounced its credo of using formal land property rights as a means of solving the land question, many other opinions



have been voiced since the 1980s.

Among major donors, the EU and the European Commission have been surprisingly silent in the debate around land issues, leaving the floor to individual member states. Rural development programmes funded by the European Commission and member states do not take land issues into account, sometimes leading to land conflicts in the field.

The document further says that in 2002, when World Bank embarked on the preparation of its major report Land Policies for Growth and Poverty Reduction, France, the UK and Germany agreed to support the process and try to influence it through funding a participatory process with regional meetings, combined with the participation of national and international experts.

Owing to the intervention by French and British Cooperation Heads for Rural Development, the European Commission Directorate General for Development (DG DEV) realized it was time for the EU as a major donor to define its own principles concerning land issues and to initiate dialogue with other important donors and other stakeholders involved in development and launched a task force aimed at designing a set of guidelines to be used by the European Commission and the member states when supporting land reform in developing countries. The guidelines aimed to be applicable worldwide and in both rural and urban settings.

Under the title of the Content of the Guidelines the document states that on the particular topic of land reform, an EU 'issue paper' had been published by the Commission in 2002.

The issue paper of the Commission clearly rejects the Property Rights Theory which claims that traditional land relations are static and hinder development as they do not allow the optional distribution of land to the most efficient farmers through a land sale market based on the trade of land titles.

According to the theory, land reform should thus consist of a drastic reform of tenure with extensive titling and a registration programme. The Commission recognizes that such an approach presents serious flaws because it seeks to impose a one size fits all solution without taking account of concrete local situations. The paper says that experience has shown that:

- ◆ Privatization and land titling have often been manipulated by the elites to their own benefits,
- ◆ Privatization has often resulted in the poorest being excluded from a number of secondary rights (access to forest products, water, off-season grazing),
- ◆ Land registration and titling are closely endeavors, especially when considering the cost of disputes,
- ◆ Market failure for inputs and labour can offset potential advantages of land titling,
- ◆ Land titling, especially in rural areas, does not necessarily increase the availability of agricultural credit from the formal banking system.

In the issue paper, rather than the Property Rights Theory, the European Commission expresses its preference for an Evolutionary Theory of Land Rights. This vision states that with time, land becomes more and more scarce and, as a result, traditional land tenure systems tend to modernize and evolve into the private property of land.

This conception of land issues implies that the dynamics of land tenure

are governed by their end or a purpose to evolve towards a regime of private property.

The rationale of any land policy should thus be to accompany a country on its path to modernity, that is, to facilitate the rapid transition from a traditional land tenure regime to a modern one of private land rights. Such a vision is still predominant in the community of donors but the EU guidelines fundamentally differ from it.

The document further says that one of the guideline's central arguments is that land rights are not limited to private ownership but can be achieved through a diverse balance between individual rights and duties and collective regulation at different levels (family, organization, communities, local governments and states). The guidelines clearly put the emphasis on the advantages of customary rights. The paper states that emphasis on customary rights goes hand in hand with the defence and promotion of family agriculture and the small farm sector as a major objective of land reform. Policies in favour of small family farms are economically justified by the more effective use of labour and lower costs in small and medium sized farms. It also says that if no action is made in favour of small farms, then the universal trend towards liberalization of imports and the dominance of export-oriented agriculture often results in land re-concentration and in exclusion and/or deprivation of vulnerable groups.

The document further states that access to land not only fulfills economic purposes at individual and country levels but also contributes to the fulfillment of social development. Land is recognized not only as an economic asset but as a source of identity, empowerment and dignity for the population in general and for vulnerable, marginalized groups in particular. The EU land guidelines explicitly link the aspect of empowerment to the legal recognition of customary rights, in particular the common property of resources which are of particular importance to the income of poorer groups. Where such rights are clearly recognized and enforced, this control over local resources and their associated economic opportunities contribute for further sustainable management and improved rural livelihood.

According to the guidelines, the prime objective of government should essentially be geared towards correcting social and economic forces that are detrimental to the access to land of poor and vulnerable groups, as well as providing a framework for transparent land management and governance. That is the reason why the guidelines insist on land policy reform which, in the context of guidelines, can be understood as land tenure reform, stems from various possible causes:

- i) a desire to correct historical inequities or inefficiencies, and to bridge legality and legitimacy, by recognizing legitimate informal or customary rights,
- ii) the withdrawal of tight state control over land and establishment of individual or family property rights and associated legal and administrative systems to recognize and manage them;
- iii) an increasing level of cash-based land transactions with greater attention paid to ways of encouraging tenancy and other forms of enabling access to land;
- iv) recognition of the need to provide more secure rights for women and other vulnerable groups using an approach based on pragmatism rather than ideology, and
- v) recognition and/or restitution of native titles.

The document also points out that the guidelines recognize that the reform aims at counterbalancing trends that are detrimental to poverty reduction, and thus resisted by interest groups who perceive a loss from it. The participatory approach advocated by the guidelines is geared towards building enough political and social momentum in favour of reform so that any group willing to oppose it would be overwhelmed by a majority of society. Small farmers organizations have an important role to play during the whole reform process. Organizations and movements of poor landless and land insecure people should be considered as primary stakeholders in policy development and implementation. The EU guidelines develop such a political approach to land policy reform because, as opposed to soft consensus approach, it is the only one that has a chance of solving land conflicts in a way that preserves the livelihood of the most vulnerable.

From the various observations made above, it appears that the EC is not an advocate of a pure pro-market approach to land reform, as the guidelines clearly stipulate that markets are not the only means to achieve social ends. Market forces can be detrimental to the objective of poverty reduction and favour land concentration or re-concentration in the hands of the elite. On the state intervention, the guidelines clearly favour strong policy action taken by governments within a participatory framework.

Another important aspect of the guidelines can be found in the second part, "Operational Guidelines to Assess National Policies and Design an EU Response Strategy". The operational guidelines have been written for donors - first of all EU member states- in order to give them tools to design their strategy in support of land policy reform.

The document further refers to the EU Land Policy Guidelines and Human Rights Concerns. It says that it has already been mentioned that the EC and the member states were not in favour of adopting a human rights approach for the land policy guidelines and that only after strong intervention from civil society the e-consultation phase was a human rights dimension introduced in the guidelines, despite its being kept to a minimum.

In the second part of guidelines, aimed at providing operational tools to donors and government women's right to hold property rights protected by the states should not result in the exclusion of people from access to basic needs and rights.

Concerning gender, the guidelines stipulated that the main legal requirements are to establish women's right to hold property and recognition of the principle of spousal co-ownership. In that matter the guidelines also put the emphasis on the need to reform inheritance laws because inheritance practices often determine, the reality of women's actual entitlement to land.

The document further says that however, there is a specific aspect of the right to food that is only partly covered by the EU guidelines: international obligations of donors, and particularly EU member states at whom the guidelines are specifically aimed. By restricting donor's involvement in land affairs to supporting sound land policy reform, the guidelines bypass another dimension of their international obligation that is the necessity of intervention when the right to food for people, irrespective of their nationality, is threatened. Such intervention could take the shape of sanctions inflicted by governments who do not adequately fulfill their obligation as regards the right to food for their people. In that respect, the EU could play a major role as a powerful grouping of countries. By falling short of covering that aspect, the EU guidelines do not fully recognize the collective responsibility of EU member states on the world scene.

## **The FAO and its Work on Land Policy and Agrarian Reform**

By:

Sofia Monsalve Suarez

Amsterdam, September 2008

### **Bird's Eyeview**

This 54-page document has been published by Transnational Institute and Coalition of the North-South Movements. It is divided into five chapters which are titled 1) Historical Introduction, 2) The Current Work of the FAO, 3) The FAO's Current Land and Agrarian Reform Policies, 4) Critical Reflections on the Implementation of the FAO's Land Policies and its overall Performance in this Field, 5) Conclusions.

The United Nations Food and Agricultural Organization (FAO) was founded in 1945, based on the agreement initially established by the governments of 44 countries. The central objective of the founding governments was to eradicate hunger, which is still the aim of the 190 countries currently make up the organization.

The document says that in order to meet the goal of eradicating poverty, the FAO offers services to developed and developing countries. For the year 2006 and 2007, the members of the FAO assigned 767.5 million dollar to cover the organizations costs at a global level.

It also says that the FAO's activities around land policy and agrarian reform can be divided into the following periods: the post war period until the end of the 1970s; the transition period of the 1980s; and the period beginning in the 1990s and continuing to the present day.

The document further points out that the FAO-conference in 1945 highlighted the need for agrarian reform as a mean to economic and social progress, and bringing an end to land tenancy systems characterized by inadequate distribution of land, large terrains being put to little agricultural use, exploitation of labourers and extensive rural poverty. Issues such as the study of land tenancy systems, development and conservation of soil fertility, and statistic about land tenancy were identified as relevant to the work of the FAO. In 1947, there was established a branch within the Agriculture Division dedicated to land use. This branch later became the Water and Land Development Division of the Agriculture Department. One of the principal objectives of this division has been the inclusion of more marginalized rural groups in development, training them to participate in the processes and decisions that affect them.

The document also points out that in terms of the policy approach promoted by the FAO in land policy and agrarian reform throughout 1945 to the end of 1970, probably the most characteristic document is the UN/FAO study, produced at the request of the UN General Assembly and published in 1951. The principal aim of the study was to identify the defects in agrarian structures that were obstructing economic development in food production. The defect identified included the economic development in food production. The defect identified included the economic inappropriate size of estates in many parts of the world; the concentration of land ownership in vast estates which did not allow the occupants or agricultural labourers to make a living from their work; the insecurity of land tenure, including the land tenure of tenants, because of the lack of appropriate provisions about titling; inadequate provision of agricultural credit and exorbitantly high interest rates; and inadequate fiscal systems.

The document also says that among the measures recommended to overcome these obstacles, the report highlights the context in which reforms may be introduced without having to affect the Socio-economic structures of the society. These might include the consolidation of very fragmented forms of land tenancy, the registration of land and water rights, the provision of long term credit at reasonable rates of interest, the reinforcing of rural education and advisory systems. In general, this meant the redistribution of land from landowners to farmers. The hope was expressed that agrarian reforms that alter income distribution and increase agricultural production would permit industrial expansion by generating consumer capacity and creating their own market. In this sense, the reforms of defective agricultural structure become key to economic and social progress.

In this period, the culmination of all the FAO's initiatives and efforts in the 1960s and 1970s was the World Conference on Agrarian Reforms and Rural Development (WCARRD) held in Rome 1979, where declaration of principles and the WCARRD's programme for action known as Peasant Charter was adopted in order to re-orient and reorganize the FAO's policies. Finally the Peasant Charter was adopted by the UN General Assembly in 1979.

The document now talks about The Transition Period of the 1980s. It says that the 1980s began for the FAO with the impetus of wanting to implement the Peasant Charter. The paradox of the 1980s for the FAO is that the Peasant Charter arrived just when international condition had begun to change in ways that sidelined the issue of agrarian reform. Among these conditions were the external debt crisis that began in 1982 and brought with it the politics of Structural Adjustment, imposing massive limits on public spending on many developing countries; the general crisis in agriculture and the politics of agrarian reform in particular in the sense that they were not giving the expected results, in either capitalist or socialist contexts.

The document further points out that from the 1990s to the present day, the reorientation of the FAO's policies can be traced to the World Food Summits (WFS), held in Rome in 1996. Although agrarian reform is mentioned in its action plan as one of the principal policies for combating poverty and food insecurity, the document shows evidence of and acceptance of the neoliberal critique of state-led agrarian reform, by emphasizing legal reforms to the judicial framework for reinforcing property rights as a way of stimulating investment. The Action Plan also confirmed the agenda of liberalizing agricultural trade within the framework of the World Trade Organization (WTO) and a food security strategy based on trade.

The document also says that faced with failure of the statist approaches, the FAO sees many of its member countries in the process of redefining the role of the state in the new political and economic condition created by Structural Adjustment Reforms. The member states sought the support of the FAO in the application of market-based land policies, for example, reinforcing land markets and redistributing lands via the market.

Faced with these profound changes, the FAO visualized its roles in land politics and agrarian reform as contributing to the reform for public

institutions and the creations of private institutions, with a view of promoting competition and removing the obstacles to investment in land; improving land valuation and taxation systems, reforming and modernizing cadastral and registration systems; modernizing improving systems of collecting and processing geo-spatial information; guaranteeing the necessary legislation for these policies; analyzing in depth the function of the land rent market.

In **Chapter II**, the document talks about the **current work of the FAO**. It says that based on international commitments created through the WFS and Environment Summit in Rio, in 1999, the FAO adopted a strategic framework to guide its action for the period of 2000-2015. This document identifies three principal and interrelated goals: contribute to the reduction of hunger; attaining sustainable agriculture and rural development; and the conservation, improvement and sustainable use of natural resources in order to guarantee food and agriculture. As well as outlining the principal goals, the strategic framework analyses the current context in which the FAO must act.

The document further says that it is important to examine both the contextual analysis and the strategic framework because they more clearly reveal the FAO's current motivations when dealing with the issue of land.

Firstly, attention was drawn to the emphasis on the regulatory function of the state, and the resulting emphasis on the regulatory function of the state is part of the redefinition of the role of the state- a result of neoclassic economic theories, which later came to be known as neo-liberalism. Other state functions, such as the redistribution of resources or the direct provision of public services, recognized by other theoretical frameworks, have been set aside. Although the FAO is working on the issue of land redistribution giving guidance about policies and instruments for this purpose, whereas they have published a number of policy documents on issues related to land administration. As mentioned above, the FAO's character from its origin has been of mere international coordination among independent national states with quasi-normative competence. This means that the organization does not have any binding powers on its own to claim compliance with certain standards from Member States. Unlike other multilateral organizations the FAO neither has mechanisms of conditionality, which make it possible to impose policies on member countries. It could therefore be said that the FAO has always accompanied the dominant trend in land policy among its Member States, and that it acts more in a reactive way, rather defining the agenda.

On the role of the FAO in agrarian reform, the document asserts that the persistence of rural poverty and landless communities in the majority of developing countries, as well as growing social unrest in rural areas means that the FAO continues to receive a large number of requests from member states seeking consultancy and assistance on the issue. Owing to its longstanding experience in this field, the FAO considers itself well equipped to offer assistance in situations of potential conflict, and it has the comparative advantage of being perceived as an 'honest broker' by governments, civil society organizations and decentralized institutions. Talking about the Institutional Framework, the document says that a

number of FAO bodies work on activities related to land policy and agrarian reform. As part of the current process of reforming the FAO, the Land and Water Division was moved from the Agriculture Department to the recently created Natural Resources Management and Environment Department, successor to the Sustainable Development Department. This division will be divided into the water Development and Management Unit, will make up the Land Tenure and Management Unit. The old Rural Development Division, particularly the rural Institutions and Participation Service, has disappeared. As a result of civil society criticism of the disappearance of the Rural Development Division, the FAO council decided recently to appoint the Gender, Equality and Rural Employment Division in the Economic and Social Development Department as a focal point for rural development.

In **Chapter III**, the document talks about the **FAO's current land and agrarian reform policies**. It says that both in land policy and in general, the FAO articulates its tasks along three main lines: normative work, operational work, and the promotion of exchange and mutual understanding between governments on relevant themes. The normative work includes the collection, analysis and dissemination of information related to land. Operational work consists of the technical assistance that the FAO offers its members through projects that specifically apply the expertise developed and accumulated in the normative work.

Within the normative programme on land policies, the work of the Land Management Unit (formally the Land and Water Division) is particularly significant. This unit has databases which are the most important information system for statistics about the use, potential and limitations of land for agriculture. It also produces many publications and training materials.

The document says that the other part of normative work was developed by the Land Tenure Management Unit which has produced an extensive number of publications offering practical guides in different areas such as agrarian reform and land tenure, land and agricultural reconstruction information systems, land administration, rural taxation, cadastre, registration, regularization of land, land rights, land markets, gender and land, common ownership, individual property, the alternative management of land tenure conflicts, land availability and others.

Mentioned below are some of these studies:

**Cadastral Surveys and Records of Rights in Land (FAO, 1996):**

The study is a revision of an FAO study dated 1953. It is interesting to observe that this study specially stresses the importance of cadastral surveys and land registries for the purposes of agrarian reform, while current literature on this theme focuses on the advantages of the same to protect property rights, encourage investment and improve taxation, without mentioning the need to have precise land data in order to redistribute it in an accurate and secure way.

**Good Practice Guidelines for Agricultural Leasing Arrangements:**

This study explains how leasing has become a key issue for the FAO because of its importance in agriculture, and its potential to give access to land to those who do not own it.

The reason given by the FAO for dealing with the issue of agricultural leases are the same as those given by the World Bank in its report on land policy but its handling of the issue differs from that of the World Bank. The FAO guidelines give greater attention to an analysis of unequal power relations between the landowner and the lessee. Nevertheless, this does not lead to recommendations for the regulations that would be necessary in order to protect the weaker party in the contract; in fact, they recommend not scaring the land owner with redistribution of power that is too great, or with responsibilities that are too onerous, and finding a balance between the needs and desires of the land owner and the lessee in order to favour the long term cause of private sector leasing.

**Land Tenure and Rural Development:** This guide contains a guide as to why land tenure is important for rural development programme. The reasons given emphasize the eradication of hunger and guaranteeing food security for vulnerable groups, particularly women, minorities and indigenous communities; providing the rural population with assets so that they have more sustainable means of making a living; stimulating economic growth and avoiding social instability and conflict.

Quoting the United Nations Commission on the Status of Women, it says that discrimination against women in rights to land is violation of human rights. With the exception of discrimination on grounds of gender, other human rights concepts and tools, such as right to food and the right to adequate housing, international human rights provisions against forced eviction and arbitrary displacements, or indigenous rights to land and territory were not taken into account.

**Gender and Access to Land:** This study highlights among others the reasons why it is important to deal with issues of gender in land policy, the fact that equal access to land is a question of human rights, and discrimination in land rights on gender grounds constitutes violation of human rights. Although there is no systematic or explicit treatment of the issue from a human rights point of view.

Nevertheless, there is a noticeable absence of information when it comes to landless women and how to increase women's access to land in terms of redistribution policies.

**Access to Rural Land and Land Administration after Violent Conflicts:** This study is a practical guide to help countries reconstruct their land administration systems following conflicts. This FAO study stands out because it consistently prioritizes the question of access to land for most vulnerable groups affected by the armed conflict, highlighting it in each of the different post conflict phases, as a crucial issue for ensuring lasting peace. The FAO presents rights to land and housing as human rights, recognized in international law.

In terms of access to land for indigenous peoples and pastoral nomads, the FAO has commissioned experts studies and external consultants on these issues but it has not dedicated a particular study to the topic, nor has it produced any specific guidelines.

The document says that particularly noteworthy here is the **Participatory and Negotiated Territorial Development (PNTD)** approach developed by both the Land Tenure Service and the Rural Institutions



and Participatory Service. The main purpose of PNTD approach is to reach socially legitimized agreements by involving all actors and leading to their commitment and ownership over the development process whereby power asymmetries that are determined by unequal access to and control over resources and information, and unequal capacities should be reduced in order to attain policies which are ecologically sound, economically viable, socially just, and culturally appropriate.

The document further points out that the FAO's **Technical Assistance Programme**, also known as the field programme, offers technical assistance to governments, donors and organizations, based on the knowledge held by staff and consultants at the FAO. The FAO's Technical Assistance Programme is present at a global level and in various fields related to land policy. Principal fields include land tenure reform, land regularization, cadastre and land registries, rural taxation, land markets, access to land, agrarian reform, and rights to land for pastoralist communities.

The document also says that the extent of FAO technical assistance activity since 2000 is between 1500 and 2000 active field projects per year, with an overall annual delivery of \$350 to \$400 million per year. The finance for field programme comes in part from the FAO central budget or Regular Programme (contributions from the member countries), which finances approximately 6 per cent of the activities, through projects from the Technical Cooperation Programme (TCP) and the Special Programme for Food Security (SPFS). The remaining finance comes from extra-budget resource received from donors such as the developed and developing countries, UN agencies, funding bodies, the private sector, local authorities and voluntary donations from the general public. The FAO/Government Cooperation Programme (GCP), Unilateral Trust Fund and Trust Funds for emergency assistance also play an important role in the funding. The budget for the FAO Regular Programme for technical work decreased by 15 per cent between 1994-95 and 2004-05. Combined with a decrease of 22 per cent in extra-budget resources in the same period, this meant total resources fell by 19 per cent. The budget reduction of the regular programme meant a cut in resources for technical work around land by 26.8 per cent.

The document further points out that a complete list of current FAO projects can be found in the creation of the FAO Investment Centre with a view to better coordinate the use of the FAO's technical and economic knowledge with the financial resources of the IBRD/World Bank for agricultural development. The World Bank contributed an average of 45 per cent of the total resources of the Investment Centre in the Period 2000-06. In the 2006 World Bank document Renewed Strategy for Rural Development, the FAO and IFAD, are named as the key UN agencies with which the World Bank collaborates in order to deepen its knowledge and experience of rural development in general, and more specially, to deal with the issue of rural poverty beyond agriculture, including land tenure reform and nutrition.

The preliminary report of the FAO's Independent External Evaluation published in June 2007 suggests that institutional collaboration between the FAO and the World Bank through the Investment Centre may have

made it possible for the FAO's expertise to influence the World Bank's rural development strategy, and in that way considerably widen the scope of its influence.

The document then talks about the **Multilateral Exchange Programme**. It says that in the past decade, the FAO has organized many seminars, conferences and meetings to debate a wide range of issue, including land privatization in countries on the way to becoming market economies, land markets, public and private sector participation in land tenure reform, analysis of agrarian systems, land tenure databases, land conflicts, methodology for territorial planning, traditional land tenure systems, communal/collective property resources, popular participation, gender and others.

The document further says that almost thirty years after calling the World Conference on Agrarian Reform and Rural Development in 1979, the most prominent event was the International Conference on Agrarian Reform and Rural Development (ICARRD) organized by FAO in close collaboration with the Brazilian Government in 2006. with this conference, the FAO sought to promote and assume a renewed commitment to agrarian reform and rural development in order to meet the Millennium Development Goals set by the international community, to halve the number of hungry people in the world by 2015.

The final declaration of ICARRD emphasized the outstanding role agrarian reforms have to play in fighting hunger, the need for a sustainable development model and respect for human rights. The document further points out that though the ICARRD declaration did not deal with the structural causes that how days strip rural communities of their lands and of their control over agricultural resources, food systems and markets. The ICARRD was a unique experience enabling rural social movements and other civil society organizations to participate in the process of preparing and holding the conference on an equal footing with governments, and in a way that respected their autonomy. Social movements and other organizations highlight the fact that the ICARRD final declaration contains a series of relevant guidelines that allow for a critical revision of land policies and agrarian reform taking place within the framework of structural adjustment policies in the past decade.

The implementation of the ICARRD final declaration has unleashed an intense polemic at the heart of the FAO. Owing to strong opposition from the European Union, the USA, Canada, Australia and Japan, in November 2006, it was not possible to reach any agreement during the session of the FAO Committee on World Food Security about how it should be implemented. The issue was therefore remitted to the Committee on Agriculture (COAG), which met in April 2007. Pressure from civil society, together with the strong commitment of countries such as Brazil to follow up the ICARRD at an international level, made it possible to unblock the process. In its final report, the COAG highlights the importance of agrarian reform and rural development and particular significance and role of the FAO in this field.

In **Chapter IV**, the document mentions about the Critical Reflections on the Implementation of the FAO's Land Policies and its Overall Performance in this field. It says that evaluating the effectiveness or

efficiency of the FAO in the field of land policy and agrarian reform has been very difficult, because of the almost total absence of monitoring mechanisms and progress indicators that would allow a systematic evaluation of the organization's work. It also says that there is a considerable lack, both within the FAO and at a national level, of information relating to socio-economic conditions and land tenure that would allow to better identify marginalized groups and the problems they face. The reference is to global statistics disaggregated by gender about the number of landless people or people with insufficient land, the degree of concentration of land and other resources, about loss of access to land for different rural groups, the reasons for that loss, public land use, and other issue. Identifying these groups properly is one of the primary measures that states should adopt in order to meet their human rights obligations.

The document further points out that as it has been mentioned above, the emphasis in the FAO's normative work in recent years has been on land administration policies, methodologies for resolving land conflicts, decentralization processes and participatory and negotiated territorial development. On the other hand, the question of land redistribution in contexts where land ownership is highly concentrated has been almost completely neglected at a normative level in recent year. The omission is significant because the problem of high concentration of land and the lack of land for large sectors of rural populations is still an issue of concern in a number of regions around the world.

It has also been seen in section on Technical Assistance projects, the FAO is de facto applying market-based land distribution policies with a number of projects running in cooperation with World Bank. The technical assistance programme has not delivered the expected results in the countries where it has been applied, as it was unable to effectively overcome the inequalities in access and control of land for wide sectors of the population.

The document here presents brief critical reflections based on the evidence from some countries. As it has been said before that the majority of FAO field projects are related to the regulatory framework for land tenure, including registration, registry offices, titles, demarcation, legal frameworks, fiscal systems, and others. To what extent have these projects benefited the poorer sectors of society? In case of land deeds in Thailand, the evidence seems negative. In provinces such as Lamphun, it is documented that during 1990-93, the period of intense economic growth, the process of land-titling led to corruption among those issuing the title, with fraud being committed over extensive areas of land in favour of foreign beneficiaries. Meanwhile, the communities occupying these lands never even knew deeds were being issued, and were expelled from their lands. It seems, therefore, that the titles did not increase security of land tenure for the most marginalized groups. Forest communities, for example, whose tenancy status is very precarious, were excluded from the programme, which applied only to non-forestland. Furthermore, communal/collective rights to resources were not recognized and it was only possible to register land as an individual. Issuing of land titles in Thailand had led to concentration of lands, meant that purchasing land

became an attractive investment for economically and politically powerful sectors, and it played a key role in the property speculation experienced in Thailand in the 1990s.

Here the document provides another example of Guatemala. It says as for access to land projects, the FAO, in corporation with the World Bank, participated in a project to support the Guatemalan government in the implementation of the Peace Accords and the Land Fund Law with a view to facilitating access to land for rural poor. The Guatemala Land Fund operates with a model of voluntary buying and selling of land in which landless groups receive loans to buy land at market prices. According to evaluatory studies, between 1998 and August 2006 the Land Fund only distributed 87,215 hectares of land, a mere 2.3 per cent of productive land in Guatemala, giving it to around 18,000 families. The land distributed were of poor quality, with bad access routes and scarce water and forestry resources. In fact, nine out of ten of the properties were abandoned or mortgaged before the purchase took place. The poor quality of the land, the lack of support for beneficiaries and problems in the selection of beneficiaries has led to a 30 per cent desertion rate among the owners of the newly bought land, while the rate of defaulting on the loans reached 80 per cent of the 214 loans issued.

This reflection clearly highlights the fact that FAO is not a homogeneous monolithic actor but rather a battle ground where conflicting perceptions, values and interests of different social actors face each other.

In the conclusion, the document points out that the FAO's intense period of activity was from its founding up until the 1970s. In the following period, due to the creation of other agencies such as the UNDP and IFAD and the assumption by the World Bank of a role as a development agency from 1980s onwards, the FAO lost its initiative in this field. From the 1990s on, the initiative in the design and development of land policies and agrarian reform has been taken up by the World Bank, and in general terms the FAO has followed the policies set by the World Bank.

Towards the end, the document says that faced with an increase in conflict over land around the world, created to a large extent by the application of Structural Adjustment Programmes, modernization and economic transformation in the past decades; faced with the historical debt for the plundering of lands committed against indigenous and other peoples as result of racial discrimination; faced with the persistence of gender inequality, hunger and rural poverty; and faced with environmental deterioration and climate change, broad sectors of civil society see the need to generate profoundly transformatory policies that respond to these problems. With this in mind, they are supporting a revival of the FAO's work in this important field.

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