Questioning the Paradigm:
Land Policy in Latin America
Review essay by William C. Thiesenhusen

These welcome anthologies fill a void in the literature because they provide a critical review of the neo-liberal land reforms in Latin America. The editors of the first book, Zoomers and van der Haar, conclude that the paradigm that land policy in Latin America has followed for the last several decades has distinct and fairly well-defined flaws. As is well known, the neo-liberal model encompasses developing a free and transparent market for land that would reallocate property into the hands of the most efficient producers. Privatized landholdings belonging to beneficiaries of former agrarian reforms and community property may then be legally bought and sold and used as collateral. Small holders would benefit by gaining access to the credit market using their newly acquired land title. The security that comes with private ownership would stimulate investment. In this vision, government expropriation and redistribution of land is a segment of a past era as is a serious concern with equity. There is a passing nod to both of these, however, in the 'negotiated' or 'market assisted' land reforms in Brazil and Colombia. Ghimire (Land Reform) concludes 'no sweeping land redistributive measures capable of redressing rural inequality are feasible through the market mechanism as currently called for by major bi/multilateral developing agencies' (p.23). Under the neo-liberal agenda the focus has changed from reclaiming land rights to legitimizing them (Current Land Policy, A. Thorpe).

Even on its own terms the privatization model has been nuanced by North, quoted in the chapter by G. Jones in Current Land Policy, ‘...transferring the formal political and economic rules of successful Western market economies to Third World...economies is not a sufficient condition for good economic per-
Privatization is not a panacea for solving poor economic performance (p.221). In her wrap-up chapter to *Current Land Policy*, A. Zoomers adds to this idea: ‘individualization, registration, and titling are not a universal panacea for land problems: they make a positive contribution only in certain instances…. In most cases, promoting and recognizing private property rights has not delivered what was expected of it’.

*Land and Sustainable Livelihood* shows the resiliency of the campesino sector, often in the face of terribly unfavourable circumstances. Despite very little government support, the campesino sector has been able to devise viable and often sustainable, but heterogeneous, livelihood strategies. *Land Reform* combines the themes of the first two books and gives somewhat more historic background to agrarian reforms (Ghimire and Barraclough) and to peasant mobilization and organization (Huizer and Baumeister). Another strength of *Land Reform* is the discussion of the roles that NGOs play in land reforms these days (Barraclough and Baumeister). These anthologies are valuable because they represent a pullback from true faith in the market mechanism for solving land problems in Latin America and are ‘must reads’ for students of rural development.

The authors of the books under present review do not advocate a return to the classical land reform period, heavy as it was with government intervention and paternalism. But they correctly observe that market-led land reforms by themselves have not helped much – and may represent retrogression from – a solution for increased rural poverty incidence. To most observers of the contemporary rural development scene in Latin America this hardly comes as a surprise. But more alarming is the rather generalized observation of many of the authors that privatization and titling have not even led to the generation of much more investment and credit and technical input use in campesino farming which would lead to increased production and better incomes. In short, since the advent of the structural adjustment programs initially inspired by the Mexican meltdown in 1982, and the policy emphasis on free markets that were to ameliorate land policy problems, little progress has been made in rural development in Latin America. The old and now tragic story is still true: despite decades of studies and rhetoric, poverty is the lot of the vast majority in the rural sector and the prospect for meaningful change any time soon seems slight. Meanwhile, there have been marked advances in the commercial farming sectors of some countries.

What the neo-liberal reformers did was to throw the full weight of the World Bank, the IMF, and thence most governments behind economic growth. They believed poverty would be solved as a by-product. While it was very clear that economic growth was an indispensable ingredient in poverty alleviation, experience shows that segmented markets can be quite tone deaf to the issue. Through the last several decades those who insisted upon reminding that rural poverty was an ever-prevailing issue were told that poverty and income distribution issues were now passé and that efficiency, production, and growth would eventually take care of the problem fairly automatically. As the situation stands, campesinos are more capital-constrained than ever and this prevents them from meaningful participation in the market for the most productive land (*Current Land Policy*, N. Forster). The credits governments are able to grant are not generous enough to overcome this problem. There is no evidence that
more time will take care of the problem. Trickle down is a slow process. R. El Ghonemy (Land Reform) notes ‘…in many ways, the implementation of LMR [land market reform] …offers few prospects for disadvantaged rural groups to secure access to land. It curbs public investment in expanding cropland and enhancing human capacities among the rural poor, and reduces the funds needed for government purchase of private land for sale to poor peasants’ (p.131). While placing land reforms in a global context, P. Dorner concludes, ‘…such [neo-liberal] prescriptions work to the disadvantage of the poorest and least powerful sectors’, (Land Reform, p.102). Furthermore, poor farmers are very prone, in the present economic milieu, to lose their land in distress sales (Current Land Policy, Zoomers, Ch. 4).

So the perceived advantages of the neo-liberal model are often overstated. As A. Zoomers remarks in the first book, ‘Many of the [land] buyers are mainly interested in “banking” land for the next generation, rather than using the land as a productive asset…. The advantages of land marketability in terms of improved access to credit markets have been seriously overstated. This applies only to larger landholders and where the banking system and formal credit markets are well developed.’ (p.69). M. Carter (Current Land Policy) concludes that the free play of market forces may well result in a more unequal distribution of land. His view is illustrated again in the Bolivian case prepared by M. Urioste and D. Pacheco (Land and Sustainable Livelihood).

Perhaps the most serious problem with the neo-liberal model is that it attempts to impose an oversimplified formula on a very complex reality. For example, in some parts of Latin America common property regimes are still extremely vital and are likely to remain so. A number of the indigenous parts of the region have mightily resisted pressures to privatize and receive individual titles despite Hernando de Soto’s recent popularity. De Soto believes investment will follow titling but, as several of the authors of the present volumes show, owners of farms on common property regimes are not reluctant to invest when they have the funds to do so. Many seem to feel that group ownership gives them all the security they need. R. El Ghonemy (Land Reform) makes a similar point for several African countries. Schuren (Land and Sustainable Livelihood) observes of Mexico, ‘The majority of ejidatarios do not restrain from investments in their production because they have no title to their ejidal parcel…but because they lack money to maintain their production. When asked about their main problems, the ejidatarios never mentioned land tenure. They referred instead to their lack of capital and the deficient infrastructure’ (p.222).

Beyond Schuren’s case study, there seems to be a general reluctance of Mexican ejidatarios to break up their communities after that legal possibility was opened in 1991. G. van der Haar (Current Land Policy) notes that the ejido has developed into an instrument for safeguarding some autonomy, exercising control over natural resources, and directing, to some extent, the people in the communal domain. ‘It has provided them with a space where their cultural and organizational practices are respected to a considerable extent’ (p.158). Since the recent reforms, indigenous groups with ejidos have become increasingly leery of the privatization efforts of the government (see also R. Cordova’s and G. Jones’ chapters in Current Land Policy). They feared they would lose their land. The case of the communal property in the Guatulame Valley of Chile that
was regularized and little by little sold off to larger-scale table grape growers and exporters is an example (*Land and Sustainable Livelihood*, Bee). Another community in the area that was not privatized carried on with fairly good success in raising tomatoes. But Thorpe (*Current Land Policy*) and Baumeister (*Land and Sustainable Livelihood*) also report land sales by cooperatives following the abolition of selling restrictions in Central America.

Mexican campesinos seem willing to receive ‘certificates’ to the ejidal land in Mexico – which carries restrictions like not subdividing the property among kin (to avoid minifundismo) – but not to privatize all the way to individual title (G. Jones in *Current Land Policy*). Some of this represents slowness of the bureaucracy in the title-granting process. Also as a theoretical base of his discussion, G. Jones also reminds, after North, that institutional change is slow and unpredictable. He quotes North: ‘Although formal rules may change overnight as the result of political or judicial decisions, informal constraints embodied in customs, traditions, and codes of conduct are much more impervious to deliberate policies’. North also points out that institutional change is likely to be incremental and ‘glacial in character’ (p.220).

W. Assies (*Current Land Policy*) writes of the recent return of pride in the Indian culture after years of the dominant cultures’ attempts to put it down. This ‘return’ did not come easily. Late activist pressures by organized parts of the indigenous populations, such as the Shuar in Ecuador insisted on distinguishing their issues from those of mestizo campesinos. Instead of individual properties, the concept of ‘territorial mode’ was touted and linked to environmental protection. Now famous ‘marches’ by indigenous native peoples in Bolivia, Ecuador and Mexico served to fix the attention of the middle and upper classes on the land plight of these neglected peoples and, selfishly, to what inattention to their grievances might bring.

Commonly held property may involve the most fragile and erosive land, deliberately held out of production by organized, grassroots community pressures for conservation ends. In general the neo-liberal model gives short shrift to the needs of the environment. This was also true of the ‘classical’ land reforms (*Land Reform*, Ghimire, Ch. 1). Also holding communities together frequently means that common land be maintained as a background for carrying on culture and family and community solidarity.

C. Deere and M. Leon (*Current Land Policy*) write that countries with the largest indigenous populations are Mexico, Peru, Guatemala, Bolivia and Ecuador in that order and Bolivia, Ecuador, and potentially Guatemala have been most successful with respect to the defence of their collective land rights. H. Van den Hombergh (*Current Land Policy*), by citing a case in the Osa Peninsula of Costa Rica, recounts the clash there was when industry, albeit one with fairly benign environmental implications, confronted nature conservationists and farmers. In this instance, the erupting conflict impeded a sustainable approach to land use and also to lack of attention to proper soil and water conservation in agriculture as well as excessive chemical use and soil compaction due to livestock grazing. Lobbying pressure eventually ameliorated the situation. Baumeister (*Land and Sustainable Livelihood*) warns, ‘the “agrarian question” comprises more than agriculture, and the current development pattern clearly goes beyond what is usually called “the agrarian issue”’. Nowadays, it
encompasses problems related to natural resources, environmental management, and urban development – both at the national and international levels…’ (p.255).

A. Henkemans (Current Land Policy) shows that in forest frontier areas in Bolivia there is often weak legal control of forest resources and ‘capitalist forest exploitation’ that constantly threaten to result in forest degradation. She believes that ‘self-governance of forest resources by a united group of forest dwellers is most promising as a fence against forest degradation’ (p.124). But social fencing does not work with every group. Problems with the commons are not always benign as R. Gerritsen and N. Forster document in Land and Sustainable Livelihood. Henkemans posits that a group can execute social fencing if it has: 1) a strong corporate identity of group members, 2) perceived long term economic benefits from the forest, 3) shared agreement on forest management, 4) a collective decision-making process on land tenure arrangements, and rights and measures to exclude outsiders. Even then a successful organization depends on the outside support of markets and respect from the society at large. And on the Bolivian frontier necessary cohesion is threatened by short-term labourers who seek only a wage, forest industrials who seek only forest product gains, or farmers who only want to clear the land for crops. Another option for protection of natural resources is, of course, the biosphere reserve whose problems are illustrated in the case of the Sierra de Manantlan land and its relation in Mexico to the community of Cuzalapa (Current Land Policy, P. Gerritsen and N. Forster).

Gender roles are also not adequately considered in many contemporary reforms. Deere and Leon (Current Land Policy) believe that a good way to solve many gender-based problems involving land is to have both the husband and wife’s name on the title. Joint titling is common in Colombia and Nicaragua where there was sufficient organized pressure to bring it about. But paradoxically those countries with the highest Indian population show least attention to women’s rights over land at precisely a time when women are investing more time than ever in farm agricultural pursuits. Mexico’s decisions over land privatization are almost solely in the hands of men since they are the usual family delegates to the ejidal assembly which decides on whether privatization will occur (though R. Cordova’s case study presents some contrasting ideas). In Ecuador’s 1994 and Peru’s 1995 land law there is no mention of gender rights at all. Bolivia’s 1996 law contains no specific provisions on the matter.

Another problem with the neo-liberal model is the sheer difficulty of obtaining just reconciliation of any disputes over land to say nothing about the onerous red tape involved in obtaining a non-contested title. E. Roquas (Current Land Policy) explains the lack of faith the Honduran peasant has in the judicial system when it comes to receiving a just settlement. For the rich it is possible to bribe those in control of decisions over land; for the poor, lack of means make that kind of corruption impossible. The peasant in this situation is up against all but impossible odds. When a land conflict case is presented a judge will take no further action toward passing judgement if he is not constantly pushed by a lawyer who must be paid by the petitioning peasant at each step of the way. If the case is not pushed along it simply ends up in the archives without a decision.
Procedures are usually followed, but the judge does not gather independent evidence; class justice tends to prevail, and laws themselves are opaque. In Mexico, P. Gerritsen and N. Forster (\textit{Land and Sustainable Livelihood}) note that the government agency charged with regularizing ejidos is not able to handle property disputes.

Another difficulty with the neo-liberal land policy model and its ability to productively address problems of rural development is the declining percentage of land-generated income in the total family incomes of poor farmers in Latin America. The history of the past several decades, with few exceptions, is one of declining prices for agricultural output and increasing prices for land saving and labour saving inputs – and, often, for land itself. While livestock products have proven somewhat more profitable than crops, a fairly large grazing area is necessary for an efficient operation, not available to most campesinos. This has meant an increasing reliance on the informal sector in cities, towns or rural areas by poorer farm families. It has meant more wage labour coming from campesino families with an inadequate land base.

It has also meant more migration to cities and to countries where the labour market is tighter so that rural ‘least poor’ Bolivians have (until recently) moved to Argentina and lately to the distant United States, often temporarily (book, G. Cortes). Migration to the midwest of the United States by herdsmen, according to P. de Vries and J. Gilvonio (\textit{Land and Sustainable Livelihood}) has also resulted in repatriations to Usimbana, Peru. But some of these are paid to the \textit{comunidad} in compensation for their absence from duties the group assigns to each member. Mexican migration from rural areas to cities and temporarily or permanently to the United States, sending repatriations back home, make up an important part of the incomes of some ejidatarios. In-country migration has also had a salutary effect on communities. (\textit{Land and Sustainable Livelihood}, K. Appendini, et al.).

Between 1994 and 1997 the percentage of rural household income in Mexico derived from non-agricultural, non-livestock sources rose from 46 per cent to 55 per cent. (\textit{Current Land Policy}, G. Jones quoting B. Davis, et al.). In Central America the situation is similar. Baumeister (\textit{Land and Sustainable Livelihood}) claims: ‘…land policy cannot stand by itself, and that efforts should be made to develop a more integral vision of rural development. The rural population of Central America is increasingly dependent on diverse sources of income and engaged in multiple occupations’ (p.255).

The importance of land to family and community solidarity (or its lack thereof) is also a matter omitted from the neo-liberal land policy. As such, migration in parts of Latin America may be only temporary; workers return home when finances and timing allow. In some cases land is a matter that allows rifts in family structure to develop and thrive. In the ejidal structure, only one child may inherit the land. This may be the younger son who has remained at home to care for his parents in their old age. But in some cases, if this son is irresponsible or inept, another is named the inheritor. It is not unusual for ejidatarios to change heirs from time to time as their personal fortunes or preferences wax and wane. In such a situation conflicts may develop between siblings, between the children and their parents and between sons, the usual inheritors, and
daughters. It also may spur effective work habits on the part of those who wish to inherit the land. In the villages important status relations develop between ejidatarios and the landless (Land and Sustainable Livelihood, M. Nuijten). Also on the community level, P. de Vries and J. Gilvonio (Land and Sustainable Livelihood) comment, that comuneros in Peru are divided as the agrarian reform communities are privatized and individualized as to whether all villagers, including the non-comuneros, benefit. Furthermore, younger comuneros have been able to assume positions of some power due to their fight against the Sendero Luminoso and the army, and this has pitted them against older comuneros who resent their ascendancy without having participated in activities and committees of the community which has been the traditional manner of receiving high office in the group.

Ghimire (Land Reform, Ch. 1) and other authors in these volumes remind us that treating land as a simple commodity or factor of production represents a basic misunderstanding. They believe it should be treated as a social institution. ‘For the majority of the rural poor, land is not only the main source of survival, but also a way of living and maintaining dignity’ (p.24).

As one can see from reading these valuable and perceptive volumes, the rural development policy that has been followed in Latin America in the past several decades has been a boon to the rich and a disaster for the rural poor. On the other hand, there is no doubt that as economies grow, there is some benefit for the poor. Often, as shown in these cases, more employment as wage work has been provided. Nothing beats vigorous economic growth as an income generator. But trickle down has been unsatisfactorily slow. Direct help for the poor has been paltry. This neglect, after so many decades of study and rhetoric, should rank as a major disappointment to the development community.

Thorpe’s assessment, using Honduran data, is especially biting and critical of the neo-liberal model. He suggests that the model has not delivered in terms of liquidity in the private land market, total farm production, greater allocative efficiency or poverty reduction. He suggests ‘an urgent need for tenure policy to be reassessed’ (Current Land Policy, p.244). Perhaps we should say the same for the totality of rural development policy.

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