

BIBLIOGRAPHIC INPUT SHEET

1. SUBJECT CLASSIFICATION	A. PRIMARY Food production and nutrition		AE30-0000-0000
	B. SECONDARY Development		
2. TITLE AND SUBTITLE Landlessness and near-landlessness in developing countries; analytical survey			
3. AUTHOR(S) (100) Esman, E. J.; (101) Cornell Univ. Ctr. for Int. Studies. Rural Development Committee			
4. DOCUMENT DATE 1978	5. NUMBER OF PAGES 72p.	6. ARC NUMBER ARC 338.1.E76	
7. REFERENCE ORGANIZATION NAME AND ADDRESS Cornell			
8. SUPPLEMENTARY NOTES (<i>Sponsoring Organization, Publishers, Availability</i>) (Main work, 669p.: PN-AAF-416)			
9. ABSTRACT			

10. CONTROL NUMBER PN-AAG-727	11. PRICE OF DOCUMENT
12. DESCRIPTORS Agricultural economics Rural poverty Landlessness Rural areas Socioeconomic status	13. PROJECT NUMBER 931000100
	14. CONTRACT NUMBER AID/ta-C-1360
	15. TYPE OF DOCUMENT

338.1.
E 76

PN-AAAG-727
①4

Landlessness and Near-Landlessness
in Developing Countries

Milton J. Esman, Cornell University

Submitted pursuant to AID/Office of Rural Development Project
#931-17-998-001-73 on behalf of the Rural Development Committee,
Center for International Studies, Cornell University, Ithaca, NY
14853. 25 August, 1978

PREFACE

This project was undertaken, under a grant (Project #931-17-998-001-73) from the Rural Development Office of the U.S. Agency for International Development, DS: RAD, within the framework of the Rural Development Committee of the Cornell University Center for International Studies. The conceptual design and the continuing analysis and critique of data and propositions included in this report reflect the collaborative efforts over many months of a working party composed of the author and Norman Uphoff, Cheryl Lassen, Shubh Kumar, David Rosenberg, and John Roberts.

In addition to this analytical survey, the following monographs, presenting the basic research on which this summary is based will be published by the Rural Development Committee, Center for International Studies, Cornell University: David Rosenberg, Jean Gibson Rosenberg and Shubh Kumar, Landlessness and Near-Landlessness in South and South East Asia (including country profiles on India, Bangladesh, Java (Indonesia), the Philippines and Sri Lanka), and Cheryl Lassen, Landlessness and Near-Landlessness in Latin America (including country profiles on Brazil, Peru, Colombia, Bolivia, Mexico, Costa Rica, El Salvador and Guatemala). A research team headed by Iliya Harik is currently doing a rural socio-economic profile for Egypt and this more detailed analysis will be published early in 1979. Because the data for African countries proved to be so sparse and uncomparable, no regional analysis will be published for Africa. Two related studies which will soon be published by the RDC are by David and Jean Rosenberg on The Impact of the 'Green Revolution' on Landlessness and Near-Landlessness in Indonesia and the Philippines, and by Cheryl Lassen, Reaching the Assetless Poor: An Assessment of Projects and Strategies for Their Self-Reliant Development.

INTRODUCTION

The major thrust of this report is that in the developing countries covered by this survey the majority of rural households consists of landless workers or marginal cultivators whose holdings are too small or too poor in quality to enable them to earn a subsistence livelihood from their land. These families, often including children, must sell their labor at very low rates of return in order to survive. Their lives are characterized by chronic poverty, insecurity, indebtedness and powerlessness and they are frequently compelled to migrate under harsh conditions in search of work. While economic growth has benefitted many people in developing countries and raised them well above the poverty line, especially those in urban areas and in modern sector employment, large numbers, especially in rural areas have been bypassed and the conditions of some have actually deteriorated. Despite large scale migration to cities, the landless and near-landless are increasing in absolute numbers because of rapid population growth and the inability of industry to create sufficient alternative employment.

The poor majority in rural areas cannot be characterized as "small farmers". It includes a heterogeneous group of landless workers, tenants and sharecroppers, marginal cultivators, and poor artisans and laborers. Program aimed at assisting small owner-cultivators will help only some of these families. We propose, however, a series of policy and program measures which, if adopted and implemented by governments and development assistance agencies, should considerably improve the productivity, welfare and opportunities of many landless and near-landless families. The adoption and implementation of these measures will, however, require major shifts in priorities by most of the governments of developing countries. And given the political forces which support the prevailing priorities, these changes will not come about easily.

As this report goes to press, the World Bank has issued its World Development Report, 1978. While our more modest study focuses only on rural poverty, the IBRD report attempts to deal comprehensively with the economic problems of developing countries within a macro-economic framework, including world trade, investments and aid relationships, as well as domestic economic performance and policies, urban and rural. Allowing for margins of error in the often unreliable and non-comparable quantitative data on rural poverty, the Bank's figures on current numbers of the rural poor are generally consistent with ours. While the policies which we discuss tend to be more specific and to include "political" measures such as the organization of the rural poor, land tenure reforms, and reversing the prevailing urban bias in the allocation of resources and public services, we agree with the Bank's general statement about broad measures needed to alleviate and reduce rural poverty, including "sustaining rapid economic growth", "modifying the patterns of economic growth so as to raise the productivity and incomes of the poor", and "improving the access of the poor to essential public services".

The tone of the Bank's report, however, is considerably more optimistic than ours about prospects for reducing the incidence and intensity of rural poverty, especially in the broad group of "middle income countries" with per capita

incomes above \$250 US. This large group includes a mixture of countries as dissimilar as Egypt, Brazil, Israel, Iran, El Salvador, Korea, Bolivia, Ghana, Sudan, the Philippines, and Papua New Guinea and deals with them as a single aggregate according to a common set of macro-economic assumptions and variables. We believe the Bank overestimates the number of industrial jobs likely to be created in many of these countries by the turn of the century and underestimates the deleterious impact of the growing concentration of land ownership and the capital-intensive patterns of land use on landless and near-landless families. While the Bank's "base scenario" for the year 2000 does not differentiate between urban and rural areas or between individual countries in this larger set, it predicts a decline by the year 2000 from 16% to 4% in the proportion of persons in "absolute poverty" despite continuing population growth. Because the Bank report takes only passing note of the social-structural and political realities which are basic to our analysis of rural poverty, we believe it seriously underestimates the structural obstacles to change in public policies which the report considers necessary to reduce and relieve rural poverty.

One of the "middle income" countries included on our survey is the Philippines. At present 68% of households are rural and 76% of the latter are landless or near-landless. From what is known of demographic trends, industrial development policy, rural social structure, and political processes in that country, we cannot realistically visualize the elimination of landlessness and near-landlessness in its rural areas without far reaching policy and institutional changes which do not appear to be on the horizon. Indeed a detailed study by the International Rice Research Institute of a village which has adopted high yielding rice varieties paints a much more sobering and, we believe, realistic picture: ". . . the expansion of irrigation systems and introduction of modern rice technologies have resulted in significant gains in income and production, but the population has expanded rapidly and the proportion of landless laborers is growing . . . if present trends continue, farm size will decline further, and landless laborers will continue to increase in numbers relative to farmers. Real wages will decline and the value of tenancy rights will rise, widening the income gap between farmers and landless workers. With the rising number of landless workers the long time viability of the village is open to question."¹

In its treatment of "low income countries," those with per capita incomes below US \$250, the Bank report does emphasize the large-scale and long-term character of poverty. We see no evidence, however, if present trends continue for their "base scenario" prediction that the proportion of the population in absolute poverty will decrease by half (from 52 to 27 percent) and that the number of persons in absolute poverty will decline by the year 2000 despite rapid population growth. We agree that such developments may be technically possible and may provide a useful target, but we cannot accept them as a prediction, given the forces at play in most of these countries. We note that an earlier estimate by a World Bank source indicated that absolute poverty is likely to increase from 650 million to 1.1 billion by the year 2000.²

¹International Rice Research Institute, Research Highlights for 1977, Los Banos, 1978, p. 85.

²S. J. Burki, et al, Global Estimates for Meeting Basic Needs: Background Paper, IBRD Basic Needs Paper #1, August 10, 1977.

The reader may be rewarded by comparing these two perspectives on rural poverty. They differ more in their fundamental diagnosis of the problem and in their estimates of future trends than in the actual policy measures they recommend for the immediate future.

Table of Contents

<u>Chapter</u>	<u>Page No.</u>
I. Definitions and Dimensions	1 - 12
The Universe of Analysis	1
Social-Structural Analysis	3
The "Small Farmer" Fallacy	4
Incidence of Landlessness and Near-Landlessness	5
Asia and Latin America	5
Tables 1 and 2	6
Table 3	7
Table 4	7a
Africa	8
A Typology	9
Who Are the Poor Majority?	11
Organization of This Report	11
II. Sources and Trends	13 - 20
Population Growth	13
Commercialization of Agriculture	14
Institutional Rigidities and Inequities	17
Macroeconomic and Macrosocial Policies	18
III. Economic, Social and Political Conditions Associated With Landless and Near-Landlessness	21 - 29
A. Impoverishment and Insecurity	21
Undernourishment	21
Declining Real Wages and Incomes	23
Underemployment	24
Indebtedness	25
Insecurity	25
B. Migration	26
C. Powerlessness and Social Demoralization	27
D. Environmental Degradation	29
IV. Government Policy Measures and Impacts	30 - 46
A. Reducing Population Growth	30
B. Increasing Employment Opportunities	31
1. Rural Works Programs	31
2. Intensifying Agriculture	33
3. Settlement Projects	34
4. Industry and Other Forms of Off-Farm Employment	36
C. Reforming Institutions	38
1. Minimum Wages, Tenant Security, Protection of Migrant Labor, and Debt Relief	38
2. Organization	39
3. Land Reform	40
D. Meeting "Basic Needs"	42
E. Orienting Investments and Public Services to Rural Areas	44

<u>Chapter</u>	<u>Page No.</u>
V. Research Priorities	47 - 53
Basic Data	47
Research Priorities on Current Conditions of the Rural Poor	50
Priorities for Policy and Program Related Research	51
<u>In Conclusion</u>	54
<u>Appendix A</u> Classification of the Landless and Near-Landless: the Diversity of Circumstances	56 - 61
<u>Selected Bibliography</u>	62 - 63

Chapter I - Definitions and Dimensions

The past decade has witnessed a growing concern with poverty in the rural areas of developing countries. In most third world countries the benign predictions of growth economics have failed to materialize. Modern, urban-based industry has not grown at a sufficient rate to draw "surplus" labor from the rapidly expanding populations of rural areas to more productive occupations which, in turn, would facilitate the modernization of agriculture. Instead populations and labor force in most rural areas have been increasing in absolute numbers even though cities have been growing at a very rapid rate, fed by rural migrants. For many decades in the future, rural occupations must continue to provide livelihoods for rural populations increasing at the rate of twenty-five percent every decade in many cases on a land base that can no longer be expanded except at very high cost and with diminishing returns.

There is mounting evidence, much of it based on empirical surveys and village studies, that the majority of people in rural areas have not benefited from the impressive macro-economic growth chalked up by many third world countries during the past twenty-five years. Opportunities, real incomes and quality of life for large numbers, including majorities in some countries, have actually declined and deteriorated. The numbers involved are in the hundreds of millions, their deprivation is expressed in absolute and chronic shortages of the most basic needs for security and subsistence, and trends and prospects in many areas continue to be negative. It is increasing recognition of these unfavorable trends and of the magnitude of human suffering involved that have prompted the recent widespread interest in rural poverty.

If this concern is to be translated into action, however, the problems it seeks to address must be diagnosed correctly. Analysis must be sensitive--and this is a theme and a caution we shall continue to emphasize in this report--to the great variety of ecological, social, and institutional conditions among and within rural societies in developing countries. Landlessness and near-landlessness are far less prevalent and conditions and prospects are more favorable in some areas than in others. Globalistic generalizations and sweeping prescriptions simply cannot do justice to this variety and complexity. Prior to any interventions by governments and international agencies, careful diagnoses of concrete situations are essential. This diversity, however, does not mean that every situation is unique. There are types or patterns of rural conditions and trends which can be identified with predictable consequences. Despite local, regional and national differences, general methodologies and concepts are available for analyzing rural poverty and for evaluating and predicting the outcomes of policies intended to redress it.

The Universe of Analysis

We could not limit our analysis to the completely landless, who are usually the poorest of the rural poor, because many tenants and sharecroppers and even marginal farmers are socially, economically and politically not much better

1

The World Bank estimates that approximately half the rural population of developing countries, more than 650 million people, suffer from "absolute" poverty. The number is expected to increase to 1.1 billion by the year 2000. IBRD Basic Needs Paper #1, Global Estimates for Meeting Basic Needs: Background Paper, prepared by Shahid Burki, et al., August 10, 1977.

off than the landless.² Indeed many of the near-landless and their children are likely to sink into the landless category within the next generation. A complete analysis and evaluation of rural poverty in any area would have to take into account, in addition to the productive assets controlled by the family or household, a matrix of factors such as income, security, consumption patterns, and access to public services. For reasons stated below, the focus of this study is on the ownership and control of productive assets; in the rural area of developing countries, this invariably means land. While education, political contacts and family background are of some importance, the most significant asset in rural areas is the ownership and control of land. Land ownership conveys both social status and economic opportunity. It can usually be converted into political power; political power, in turn, is frequently translated into the ownership and control of land.

While it is not the only source of wealth, status and power in rural areas, land ownership is by far the most important. Unlike income and income distribution data, analysis based on the control of productive assets provides an explanation for the hierarchies of power, status and wealth in rural areas and it facilitates the identification of specific groups sharing common occupational and tenure conditions to whom public policy interventions can be addressed. The rough quantitative estimates that we present in this chapter derived from research on specific country data disaggregate the landless and near-landless into five broad categories, as indicated below. In Appendix A, however, we outline a more comprehensive and detailed breakdown of the landless and near-landless by tenure-cum-occupational categories which will be useful for future research and for the design of policy interventions by governments and international assistance agencies. The following are the categories we employ in our subsequent analysis.

Landless Agricultural Workers: Workers in agriculture with little or no ownership rights to land who earn their livelihoods primarily from the proceeds of their labor.

Landless Non-Agricultural Workers: Non-agricultural workers residing in rural areas who earn their livelihoods primarily from the proceeds of their labor. Examples are artisans, petty traders, fishermen, and miners.

Marginal Tenants: Cultivators who farm parcels owned by others and pay rent in cash or kind. Tenant farmers who can be shown to have secure access to adequate size and quality of landholdings are excluded from this category by virtue of not being poor.

Marginal Farmers: Cultivators who have title to or customary tenure of holdings that are of inadequate size or quality to provide a subsistence livelihood. This may be traced to lack of good quality land, of other means of production (water, credit, technology, markets, etc.) or both. Members of

2

A study done recently for the Kenya government under ILO auspices by our colleagues Erik Thorbecke and Eric Crowford found that "poor" small farmers, who constituted nearly 25% of the entire population of the country had per capita incomes lower than the 5% of the population classified as rural landless, 300 shillings compared to 400 shillings, respectively, compared with a national average of 1,200 shillings. "Employment, Income Distribution, Poverty Alleviation and Basic Needs in Kenya," unpublished, Cornell Univ., Dept. of Economics, 1978.

the household must, therefore, supplement their income by labor or other income earning activities.³

Non-Sedentary Rural Households: Pastoralists, nomads, shifting cultivators, scavengers and other rural poor who lack land and a fixed geographic base.

For comprehensive analysis and for policy intervention our approach to rural poverty based on control of productive assets must be modified in several ways: 1) some landless families in rural areas are not poor; in arriving at country estimates we therefore eliminated public officials, merchants, and well paid workers by applying an income test using, where possible, government determined estimates of poverty lines; 2) some very tiny plots are highly productive because of good quality soils, intensive inputs of technology, capital, and labor, ready access to production inputs and public services, and favorable marketing conditions; other holdings that are relatively large in area may not, because of poor quality land, shortage of water, poor public services, and remoteness from markets yield a subsistence family income; we take these factors into account by applying an income test which excludes very small but secure and highly productive holdings but includes larger but low-productivity farms; 3) we cite figures in terms of households, since in most countries the household is the unit for allocating labor and sharing incomes. Many poor rural households draw income from many sources; we classified them by the main source of income reported for the household head.

Social-Structural Analysis

Rural areas are not composed of undifferentiated individuals and households ("small farmers") who happen to earn and spend incomes at differential rates. Rather, rural persons are involved in elaborate networks of occupational differentiation, exchange, solidarity, conflict and power. The statuses and opportunities of individuals and households depend in large measure on their positions in these complex networks and especially on the productive assets or resources they command. While these relationships are not deterministic, the differential ownership and control of scarce productive resources--primarily land but also livestock and capital equipment--predict more about power, status and opportunities that can be achieved in rural areas than any other factor. Most of the life chances of individuals depend on the asset position of the families into which they are born. These can be modified by technological change, educational facilities, migration opportunities, entrepreneurial drive and political contacts, but the critical factor that explains these networks of relationships is access to productive resources, especially to land.⁴

³ Governments often specify levels of landholding below which farmers, under prevailing agricultural conditions, are considered to be cultivating too little land to earn a minimum household income.

⁴ As central governments "penetrate" rural areas and distribute some benefits to rural people, the local political boss who controls and brokers access to these scarce benefits (e.g., jobs on road gangs, subsidized fertilizer, hospital admissions) becomes a local power figure. Often he is a major landowner or soon becomes one; if not he usually establishes compatible working relations with local landed interests. In highly commercialized agriculture, firms which control credit, modern inputs, or processing and marketing facilities may assume a dominant position, in affect controlling land use even in the absence of land ownership.

For analytical purposes, rural societies tend to be characterized by stratification in which income, status and power are determined by ownership and access to productive assets and are manifested in occupational distribution. Within these strata, however, are informal solidarity structures, usually based on kinship or neighborhood relationships, which provide mutual assistance, sharing, and protection and thus help to maintain life at least at the subsistence level. Crosscutting these horizontal class strata are varieties of vertical solidarity networks based on kinship, caste, ethnicity, tribe, and patron-client relationships. These vertical networks are often focused on access to land and employment and embody both economic and social relationships. They incorporate mutual obligations, assurances of protection, services, and assistance which help to insure the minimum basic needs of participants, even though relationships within these structures may be highly unequal. Though such structures continue to function, under pressures of population growth, commercialization of agriculture, and the penetration of urban values into rural areas, they are increasingly less able to perform solidarity functions, particularly to enforce a sharing ethic on behalf of the growing numbers of landless and near-landless families. As established structures no longer provide protection or subsistence to the rural poor, the latter must look for new patrons such as labor contractors or local political bosses. The erosion of traditional vertical solidarity networks exacerbates the poverty of the landless and near-landless, leaving them without effective protective structures unless they are able to forge links with new patrons or to form new organizations based primarily on common economic and class interest.

The "Small Farmer" Fallacy

One of the principal fallacies in discussions of rural poverty in third world countries is to regard the rural poor as an undifferentiated mass of "small farmers." Not only does this imprecise catch-all term conceal the many specific differences which distinguish rural household by asset position, occupation, income, and ethnicity, but it tends to produce an image of the rural poor as Asian, African or Latin American versions of the Jeffersonian yeoman farmer with relatively small but secure holdings which, with the help of improved technologies, cropping practices, inputs, production incentives, and marketing could provide a decent family livelihood. Helping the rural poor is thus conceived as providing better services to this version of the "small farmer."

In some countries there are many small farm households which more or less fit this image and have a reasonable chance of providing decent family livelihoods under prevailing institutional conditions. They need and could benefit from the help of governments and development agencies. But they are seldom the majority of rural households and they are certainly not the poorest. Below them in status, influence, and material welfare are landless workers, tenants and sharecroppers, and marginal farmers whose holdings are so small, often so fragmented, and of such poor quality that they cannot provide a family livelihood from their holdings and must therefore deploy a large proportion of their family labor supply off the farm. While some marginal farmers could be helped by improved infrastructure, technologies, inputs, and other measures identified with small farmer strategies--and we recommend this as a policy priority in Chapter IV--in many cases the size and quality of their holdings make this unlikely, even when governments are prepared to undertake the greatly increased expenditures that these measures would require.

Conceiving the rural poor casually as "small farmers" contributes to the continued neglect of those in the lower strata who are much poorer and in many

countries far more numerous. Since we believe that any effective strategy of rural development must take explicitly into account the poor majority, we focus on the landless and near-landless--those groups who are below the economic category of the "small farmer."

Incidence of Landlessness and Near-Landlessness

From this exploratory survey of the published literature, detailed data and estimates appear in the various country profiles and regional summaries which will be published separately. In these profiles numbers are directly related to specific historical, economic and institutional contexts. The country profiles identify in every case the published sources of data.

Efforts to aggregate quantitative country data for comparative purposes even within the same region encounter difficulties because of variation in the availability and reliability of information and because of the unstandardized categories by which data are classified and reported. In many cases data to fit our categories had to be extrapolated, imputed or estimated from information that was collected and reported according to categories differently defined. In some countries, for example, women are not included as members of the labor force even though many engage in off-farm labor; in some cases children are not counted even though they begin to work at ages six to eight. It was necessary for us to attempt to account for and to correct such deficiencies in the data. The result inevitably is less precision than would be desirable.

Asia and Latin America

These caveats notwithstanding, we are confident that our comparative country data on Asia and Latin America reflect with reasonable accuracy the phenomena of landlessness and near-landlessness in the rural areas of the countries reported. The main utility of these data, of course, is not in cardinal numbers but in the orders of magnitude that they suggest. What we attempt in these regional tables is to estimate the number of rural households in each of the countries which we examined and then to indicate the numbers and proportions of these households that fall into the categories of landless agricultural workers, landless non-agricultural workers, marginal tenants, marginal farmers, and non-sedentary rural households as previously defined in this chapter. We then summarize these figures as percentages of rural households.

This form of aggregation facilitates rough comparisons, but inevitably simplifies reality by compressing variations into a limited number of standardized categories. Most of the available data, for example, indicate the main occupation or tenure status of the household head, but many household heads must earn income from several sources. For example, a marginal cultivator may have to seek employment off his farm, using his available labor time in order to earn needed income, while his wife and children may also be engaged in several kinds of off-farm employment. Or a household may be female-headed because the man has migrated or deserted, but not be counted separately because households are assumed to be male-headed. While real wages and real incomes of landless households are likely to be low in absolute terms, they are certain to vary according to local real wages rates and the number of days of labor available. For the more concrete meaning of these data, it is thus necessary to refer to the individual country profiles and the regional summaries.

Table 1. Magnitude of Rural Poverty in Selected Asian Countries

Country	Population	Rate of Population Increase	Rural Pop. as % of Total Pop.	Number of Rural Households (000)	LNL As % of Rural Households
Bangladesh (1973)	75	3.5	91	11,349	75
India (1971)	548	2.3	30	86,000	53
Java, Indonesia	86	2.2	92	9,390	35
Philippines (1972)	39	3.0	68	4,434	78
Sri Lanka (1970)	22.5	2.1	34	1,888	77

Table 2. The Structure of Rural Poverty in Selected Asian Countries

Country	% Ag Workers	% Non-Ag Workers	% Marginal Cultivators	% Marginal Tenants	% Other	% LNL of Total Rural Households	Number LNL Households (000)
Bangladesh	5	20	45	5	-	75	8,910
India	27	10	13	3	-	53	45,000
Java, Indonesia	---41---		19	25	-	85	7,950
Philippines	11	17	30	11	9	78	3,430
Sri Lanka	13	40 ^a	24	A	-	77	1,888

a) Figures for non-agricultural workers include tenants.

Table 4. The Magnitude of Rural Poverty in the Latin American Region

Country	Population (000 000) *	Rate of Pop. Increase 1970-1975	Rural Pop. as % of Total Pop.	Number of Rural Households (000)	LNL as % of Rural Households
Bolivia	4.7	2.5	70	609	85
Brazil	116.6	2.8	45	9,719	70
Colombia	26.0	3.2	50	2,407	66
Costa Rica	2.1	2.8	60	229	55
Dominican Republic	6.7	3.3	60	744	68
Ecuador	7.1	3.2	65	855	75
El Salvador	4.8	3.1	60	533	80
Guatemala	6.0	2.9	70	662	85
Mexico	60.5	3.2	40	4,500	60
Peru	16.0	2.9	50	1,481	75

* Population estimates are current for 1978.

Table 3.

The Structure of Rural Poverty in Latin America

Country	%Ag Workers	%Non-Ag Workers	%Marginal Cultivators	%Marginal Tenants	% Other	%LNL of Total Rural Households	Number LNL Households 000
Bolivia	21	9	51	*	4	85	518
Brazil	14	14	10	11	21 ^a	70	6,803
Colombia	17	10	24	11	4	66	1,589
Costa Rica	17	16	11	6	5	55	126
Dominican Republic	12	5	27	24	*	68	505
Ecuador	11	4	52	4	4	75	641
El Salvador	27	9	14	30	*	80	427
Guatemala	17	9	47	8	4	85	662
Mexico	29	9	22	*	*	60	2,705
Peru	14	4	46	7	4	75	1,111

a) This category usually includes nomadic and other non-sedentary households. In the case of Brazil, however, it reflects a stratum of rural people who are unable to find permanent employment in any particular place and so migrate frequently.

These tables indicate that in the countries reported from both continents, rural households below the "small farmer" category represent a majority of the rural labor force. As a percentage of rural households in Asia, landlessness ranges from 25 percent in Bangladesh to 41 percent in Java; marginal cultivators from 13 percent in India to 45 percent in Bangladesh. Combined landlessness and near-landlessness exceeds 75 percent in Java, Bangladesh and the Philippines. In Latin America, with a significantly smaller proportion of the population in rural areas, the structure of rural poverty varies greatly from country to country. The proportions of landlessness and near-landlessness in the rural labor force are similar, however, to Asia, ranging from 85 percent in Bolivia and Guatemala to 55 percent in Costa Rica, the larger countries falling within the 60-70 percent range.

Even in some countries which have experienced buoyant economic growth in recent years, the proportion of landless and near-landless among rural households is very high, 70 percent in Brazil and 47 percent in Malaysia.⁵ In these high growth economies the rural labor force is increasing in absolute numbers and so are the incidence of landlessness and near-landlessness. In Mexico, nearly 30 percent of the rural households are headed by landless agricultural workers; in Brazil nearly half the rural households are effectively landless. Even in countries which have experienced radical and highly publicized land reforms and from which many rural families originally gained substantial benefits, after the lapse of one or two decades, old inequities and insecurities begin to reappear on a very large scale, e.g., Mexico, Bolivia.

While our tables do not present trends, the column indicating the rate of population increase suggests an ominous prospect. At population growth rates of about 3 percent per annum, assuming that 1/3 of the increments to the rural labor force migrate to already crowded urban areas, the rural labor force will grow in absolute terms by 2 percent compounded per year, and thus will increase by more than 50 percent by the end of the century. The IBRD thus estimates that those suffering from absolute poverty in non-communist developing countries will increase from 650 million or about one half the rural total in 1975 to 1.1 billion in the year 2000.⁶ There is no reasonable expectation, under present policy and institutional arrangements in most of the Asian and Latin American countries covered in this survey, that sufficient employment or income will be generated to absorb this rapidly growing labor force. Short of far-reaching policy changes, the future will bring further sharing of poverty, exacerbated by increasing concentration of land ownership and mechanization-- processes which bear especially heavily on the employment opportunities and wage rates of landless workers and marginal cultivators.

Africa

We did not have sufficient resources in this project to attempt a survey of the Middle East countries where data in any case are meager. We did wish to cover much of Africa and we invested substantial research time in exploring data for the forty-five states of Africa. The task of locating, analyzing and

5

While we do not publish a country profile for Malaysia, we estimate that 12 percent of rural households are landless and 35 percent near-landless.

6

See footnote 1 for source.

presenting comparable quantitative data on the landless and near-landless in Africa, given the absence, unreliability, or scattered location of data proved to be beyond the resources available to us (e.g. several countries including Ethiopia have never held a census; many do not report the non-monetized sector in occupational or income surveys). Thus we decided not to publish a regional narrative on landlessness and near-landlessness in Africa. We are, however, preparing and will publish a detailed socio-economic profile on rural Egypt, which will incorporate the most recent data on landlessness and near-landlessness in the country.

While we hesitate to cite even a ball-park estimate for Africa, our survey was sufficient to dispel the popular myth that Africa has no land problem.⁷ In many countries cultivated land area per capita has been declining and less food per capita is grown than a decade ago.⁸ While production seems to be limited in some areas by seasonal labor shortages, there is considerable landlessness in other areas of Africa. The poor quality of much of the land, exacerbated by poor infrastructure such as roads, water supply and public services, very limited access to modern technological inputs, few alternative employment opportunities, and combined with very rapid population increase have already created serious problems of near-landlessness in many areas. These conditions of acute poverty are reflected in very low per capita incomes and in large migratory movements, some seasonal, some semi-permanent, to sources of wage employment. Increasing privatization of communal lands, growing concentration of land ownership, and fragmentation of holdings are further aggravating rural poverty. Most African governments do not yet have the capacity to provide the public services that would facilitate intensification and higher yields.

A Typology

Our research, limited to market economies, has produced four general types of social-structural situations in rural areas, depending on two critical variables, density of population (the man-land ratio) and land tenure arrangements. There is, of course, considerable variation of detail within each of these four general types.

Type A combines heavy population pressure on arable land with privately owned and operated holdings of moderate size, seldom exceeding ten hectares of irrigated and twenty-five of unirrigated land. Average holdings, of course, are much smaller. The majority of households are headed by landless workers, tenants, or marginal cultivators whose small, and often scattered holdings cannot provide subsistence for their families. Above the group of small farmers who are able to provide for their families from their own holdings are a substantial minority of "middle farmers." The middle farmers cultivate their holdings intensively and efficiently, usually with the help of tenants or hired laborers, and produce surpluses for marketing. By investing their surpluses,

⁷Our judgmental estimate allowing for very considerable inter-country variation, is that 8-10 percent of the rural labor force in Africa is now landless, another 30 percent is near-landless, and these numbers and proportions are growing rapidly. Among pastoralists who comprise about 5 percent of the rural labor force a growing proportion appear to be animalless--the pastoral equivalent to landless.

⁸The FAO Production Yearbook, 1976 indicates that per capita food production in 1975 was 5 percent below the 1961-65 average, pp. 61-63, 75.

they gradually expand the scale of their operations, dominate the rural areas economically and, in league with urban elites, politically. Because of scarcity, land values are high; because of heavy population pressure and the absence of alternative employment opportunities, wages are very low and terms of tenancy severe. The majority of the landless are chronically in debt. There is no remaining agricultural frontier. Lack of opportunity in rural areas pushes many of the youth to the cities, yet the rural labor force continues to increase. With increasing commercialization of production, traditional solidarity structures have eroded, stripping the poor of many traditional sources of social support. There are no effective organizations to articulate the interests or to bargain on behalf of the landless. Public services seldom are available to the lower strata of the rural poor. This pattern prevails in most of South and Southeast Asia, and in Egypt.

Type B is characterized by very large holdings on the more fertile lands operated by landlord families or commercial firms which dominate the rural areas economically and politically. These lands, often in livestock or export crops, tend not to be exploited intensively. Outside the large estates, usually on inferior and marginal lands, are the majority of rural families, unable to produce enough for their own subsistence on their tiny and often fragmented holdings. Members of these families must therefore find off-farm employment or accept tenancies on the estates, which, because of extensive cultivation practices and considerable mechanization, demand far less labor than could profitably be absorbed if the lands were to be devoted to more intensive agriculture. Although there is no technical land constraint, the majority of rural families subsist as tenants or marginal cultivators. In some of these countries there is still a land frontier, but it is usually unavailable to the landless because of the high costs of opening the land and the tendency of governments to convey newly opened lands in large blocks to commercial corporations which produce export crops. As in Type A, chronic debt peonage further demoralizes, increases the dependency, and reduces the bargaining power and living standards of the rural poor. Lack of opportunity drives many of the youth to cities and even to foreign countries. Type B prevails in much of Latin America and parts of the Philippines.

In Type C areas there is a gross sufficiency of land to meet present demands, but with very low productivity per acre or per unit of labor because of weak soils, inadequate technologies, poor infrastructure, low rainfall, and insufficient production inputs. Land is often owned communally and allocated to families on a life-time usufruct basis, but privatization is spreading rapidly, often without legal sanction. Poverty is primarily a function of poor land quality and elementary cultivation practices rather than absolute population density or institutional inequities. Labor shortages at peak seasons limit the amount of land that can be cultivated by a family with existing technologies, but there is nevertheless a significant drift of young workers to urban areas, and privatization of land holdings in large units are beginning to reduce the land available to newly formed families, shortening fallow periods, opening marginal lands and impairing the limited fertility of the soils. At current rates of population increase in rural areas, there will be serious land shortages, fragmentation of holdings, and increasing landlessness in many of these countries before the end of the century, unless improved infrastructures, new technologies, and better public services can be introduced that permit more intensive exploitation of the land. Type C prevails in much of tropical Africa.

Type D are pastoral societies usually organized on a tribal or extended lineage or kinship basis. Pastoralists tend to be nomadic, moving in seasonal or multiyear cycles according to the availability of range pasture to feed their cattle and other animals. Between pastoral peoples and most governments, dominated as they are by urban dwellers and settled agriculturalists, there is usually tension as the expanding communities of settled agriculturalists encroach on the reserve pasture lands of the nomads. Governments have difficulty reaching or providing public services to nomadic pastoralists. As their human populations increase faster than they can safely allow their herds to increase on fixed or diminishing rangelands, there are growing pressures on the living standards of the pastoralists. As living standards begin to approach subsistence, the response is usually the migration of youth to urban areas. Pastoral societies appear in significant numbers mostly in savannah areas of Africa, in the mountains of Afghanistan, Iran and Pakistan, and in Mongolia. There is a serious dearth of information in the literature on the coping behavior of nomadic pastoral peoples. Their circumstances, therefore, are not treated in detail in this report.

Who Are The Poor Majority?

Our estimates of the incidence of landlessness and near-landlessness--even allowing for large margins of error in the data--point to an unavoidable conclusion: in many developing countries the landless and near-landless represent a growing majority of the rural labor force. In fact, we believe that our data are fairly conservative because, if present trends persist, many small farmers now above the landless and near-landless groups as we define them are likely to slip into these categories as the result of such factors as rapid population increase and the fragmentation of holdings. Governments and developing assistance agencies concerned with orienting their resources and their programs to assisting the "poor majority" in rural areas must recognize who constitute that majority. The poor majority in many rural areas are not "small farmers" with secure holdings which are sufficient, when cultivated efficiently, to support their families. They are a heterogeneous group of agricultural and non-agricultural laborers, insecure tenants, sharecroppers, squatters, marginal and shifting cultivators with holdings too small under prevailing agronomic and institutional conditions to provide a subsistence livelihood for their families. Adult men and women and often their children must therefore sell their labor when they can find employment under conditions that yield very low returns for arduous effort. While there are considerable differences in their statuses, circumstances, and incomes, in general they are condemned to poverty, insecurity and powerlessness, unable at times to earn basic necessities. As our summary tables on Asia and Latin America indicate, the landless and near-landless are the poor majority.

Organization of This Report

This paper, then, concentrates on the landless and the near-landless as groups which should be reached and benefitted by any development strategies that seriously aim to reduce or alleviate rural poverty in the third world. Economies can grow and so can agricultural production, but without benefitting the landless and near-landless. This survey of the literature encountered all the problems that might have been anticipated in the initial exploration of a neglected subject. These include data shortages; with few exceptions, information has not been collected, analyzed or published according to these categories. One reason for the dearth of data is the political sensitivity of the subject. Only

recently have some international organizations begun to focus on rural poverty in these terms. We emphasize that this is an exploratory review of the literature and by no means a definitive exercise. We expect, however, that it will contribute to more informed analyses of the current situation, stimulate more relevant and comprehensive data gathering and analysis by governments, international agencies, and private scholars, and facilitate initiation of policies and programs designed to bring tangible benefits to the rural poor.

Having presented rough orders of magnitude in this chapter, we shall proceed in Chapter II to summarize the sources and trends, the dynamic factors that account for and contribute to these phenomena. Chapter III will outline the existential reality, the conditions surrounding the lives of the landless and near-landlessness. Chapter IV identifies the various policy and program measures that governments have attempted in order to alleviate the conditions of the rural poor. Under each policy category, action measures are suggested which international development agencies might consider, relating them where possible to specific target groups among the landless and near-landless. In Chapter V we comment on the present state of data and suggest research priorities to which international agencies, governments, and scholars might address their attention. Appendix A is a preliminary effort to disaggregate the landless and near-landless into more precise and discrete categories to facilitate future research and program intervention.

Chapter II - Sources and Trends

In this chapter we shall identify the major factors associated with increasing landlessness and near-landlessness in the rural areas of developing countries. The four main causes that we have identified are rapid population growth, the commercialization of agriculture, institutional rigidities, and macro-economic policies that penalize the rural poor. These factors are present in nearly all the countries examined in this report but they interact to form different combinations depending on historical circumstances, resource endowments, institutional developments and patterns of public policy. By examining these causal factors, it is possible not only to explain the conditions which will be analyzed in the next chapter, but also to venture projections about future trends.

Population Growth

The first factor is rapid population growth, increasing annually in most developing countries at rates of from 2 to as high as 3.5 percent compounded. This results from improved public health practices which reduce mortality and increase life expectancy, unmatched by reduced fertility or by effective birth control practices. While the much awaited demographic transition seems to be underway in a few countries such as Sri Lanka and Costa Rica, in most of the rural areas reported in this study it has not occurred. There are conflicting explanations of this phenomenon. Many continue to argue that the rural poor, by and large, are fatalistic and resistant to change on a matter that is so deeply implicated in religious and cultural norms. Others believe that many peasants would be interested in limiting their family size but are uninformed of safe practices and have not been afforded access to effective and inexpensive birth control methods. An increasing number of observers, however, hold that the rural poor are unmotivated to reduce family size on strictly rational grounds--that more hands are likely to be able to produce more income for the family and greater security in old age. Thus their family interest is better served by large numbers of children, whatever the effect may be on their society as a whole or on future generations. The result is that despite large-scale migration to cities, the rural labor force is increasing in absolute numbers by as much as two percent compounded annually. Birth control and family planning programs have not made much progress in rural areas.

The rural population increase is exacerbated by three factors: (1) Exhaustion of available land resources in many areas of the world, especially in South and Southeast Asia (Type A situation) and the low quality of much of the land that remains to be exploited, particularly in sub-Saharan Africa (Type C situation). These circumstances limit the possibility of spontaneous movement to frontier areas or of settlement schemes to expand the land frontier--many of which would, in any case, require very large capital investments. Much of the growing rural labor force--those who do not migrate to the cities--must therefore be absorbed on existing lands, whose carrying capacity may already have passed the optimum with available resources and technologies, or find employment in non-farming occupations. (2) The failure of industrial growth to proceed at a sufficient pace to produce enough jobs that could draw "surplus" rural labor into manufacturing employment. Relatively low rates of capital formation in industry plus the relative capital intensity of much of the manufacturing in urban areas have produced industrial structures which can accommodate only a small portion of the increments to the labor force. (3) Institutional rigidities, which we shall analyze later in this chapter. In many areas, particularly in Type B

situations in Latin America, many members of the rural labor force are denied access to arable land because of inequitable ownership patterns. Owners of very large estates and commercial firms keep some of their lands idle, holding them in some cases for speculation, or cultivate them extensively often under mechanized, labor-saving and labor-displacing arrangements, to the great detriment of underemployed and impoverished rural people.

Commercialization of Agriculture

An important and long-term trend is the commercialization of agricultural production. This is not a new phenomenon, but is accelerating in importance as mechanized technologies, urban based communications systems, the market economy, urban values and life styles continue to penetrate rural areas. The emphasis is often on export crops, first fostered by colonial regimes and now encouraged by their successor governments because they produce both tax revenues and urgently needed foreign exchange. Commercialized agriculture stresses profitability of the farm as a business enterprise, rather than employment or even output and tends to use capital intensive methods of production whenever possible. In some cases, more traditional export crops which were relatively labor intensive (e.g., coffee in Brazil, rubber in Malaysia) are being replaced by other export crops (soy beans and oil palm respectively) which are far less labor using per unit of land or value of product. The result is less demand for the services of the increasing numbers of agricultural workers and tenants.

In many parts of Latin America large commercial firms have assumed a dominant position in agricultural production. These agro-business enterprises, some locally owned, some foreign owned and integrated into urban and international networks of finance, processing and marketing operate extensively and with the most modern available technologies. Because of their control of capital, processing and marketing, they are usually able to acquire, either by sale or rental, the lands they require for their operations. Often they rent land from very small holders who are thus reduced to the status of laborers. Because of their integrated procurement and marketing methods, they displace numerous petty suppliers and traders. These modern estates usually benefit from government support in the form of favorable tax arrangements, tariff-free imports of mechanized equipment and credit on concessional terms. Most Latin American countries have received farm mechanization loans from international development agencies, thus promoting the importation and sale of tractors.

While, as in the Ivory Coast, large estates may create jobs when they take over previously unused land--though their mechanized processes require relatively few jobs per unit of land or of capital--frequently they displace local smallholders and laborers in large numbers. One authority estimates that tractors have displaced the equivalent of 2.5 million laborers in Latin America during the past two decades.¹ Depending on the crop, they may require seasonal labor, sometimes in large numbers, often recruited from migrants through exploitative labor contractors.

A number of technical and economic factors have combined to worsen the conditions of the rural poor. Among them are technologies that reduce production costs to the landlord or firm, but have the effect of displacing

¹K. Abercrombie, "Agricultural Mechanization and Employment in Latin America," International Labour Review April 1972, pp. 315-34.

labor.² The profitability of mechanized technologies to the landowner may be considerably enhanced by subsidies to capital that are so widespread in developing countries. The propensity to use mechanical equipment may be exacerbated by well-meaning measures like minimum wages or social security provisions which, if enforced, increase the cost of labor. Substitution of capital equipment for labor occurs not only on large estates and commercial farms, but also on the relatively moderate sized holdings of "middle farmers" in Type A countries of South and Southeast Asia.³ They invest their savings and profits in hand tillers and similar small-scale cultivating, harvesting, and processing equipment which saves them considerable labor cost. They may contract out their plowing to tractor owners. Greater reliance on mechanical equipment may not always be an exercise in pure economic rationality on the part of the landowner. He may prefer to pay some immediate economic price in order to avoid difficult relations in the future with tenants and laborers, including problems of supervision, wage disputes especially during planting and harvesting time, importuning pressures for handouts and favors, the time and strain required to mediate disputes, and the effort involved in evading tenant security and minimum wage laws. By mechanizing both cultivation and processing operations, by adopting more efficient tools and equipment, the number of full-time tenants and workers can be substantially reduced. In some Type A countries, such as Java, where the holdings of many owner-cultivators are small and are likely to be further fragmented by inheritance, small farmers must adopt whatever technical improvements they can in order to reduce their need for hired labor. They may be motivated more by their own survival needs than by avarice. Traditional obligations to clients cannot survive this kind of brutal pressure. What happens to the displaced workers and their families becomes the responsibility of an impersonal and often remote presence called government.

Many landowners in Type A and B countries for generations accepted their responsibility as patrons to take care of client families who were linked to them by real or fictive kinship or other forms of obligation in vertical solidarity networks. Though terms of tenure or labor service were often severe, the landowner-patron did provide for the basic subsistence needs of his clients in good years and bad, exchanging security and protection for deference and service. To fulfill these obligations was more important to the patron than to maximize short-term financial returns on his land or capital. These traditional "feudal" bonds have begun to weaken, however. The number of client families has increased beyond the number of retainers for whose welfare landowners feel they can reasonably accept responsibility. Moreover, urban and material values increase their appetites for cash income. The tendency is to slough off traditional responsibilities in favor of more "rational" uses of resources with the objective of profit maximization. Evidences of this trend crop up in all areas of the world. In some Type C countries in tropical Africa lands traditionally available to all tribal members on a usufruct basis are being appropriated by government officials or foreign firms usually with the acquiescence of chiefs, effectively privatizing and alienating these lands from tribal sub-

² For some producers of export crops it is necessary to mechanize in order to remain internationally competitive.

³ Mechanized equipment may in some cases actually increase labor utilization, as when it makes possible double cropping; more often, however, its effects are labor displacing.

sistence uses.⁴ Land available to support growing populations is therefore declining.

Thus traditional social structures which fostered a sharing ethic in rural areas are beginning to erode and to leave tenants and laborers without effective relationships on which they can depend to meet their basic need for patrons to supplement the support they receive from kinsfolk who may be unable to offer much help. In some areas labor contractors serve this purpose, providing credit and employment, though on harsh terms. The tendency on the part of former patrons and their former clients is to look to governments to meet these responsibilities, but governments usually lack the means and often the interest to provide anything but palliatives, e.g., work relief in times of drought.

The land reforms which have been instituted in many countries have further undermined patron-client relationships. In many Type A countries, the traditional patron has been replaced by "middle farmers," farm operators who constitute the new ruling group in rural areas (Pakistan, Egypt). They share little sense of the traditional responsibility of their former landlords to their clients and are concerned primarily with efficient farming and the maximization of returns on their land and capital. To the extent that they adopt multiple cropping, high yielding varieties, and other measures of intensification in order to increase returns on their land, they may increase their labor requirements and thus provide more employment through direct hire or tenure relationships than did their predecessor landlords. They are inclined, however, to mechanize where possible, to convert earnings from agricultural surpluses and from credit operations to labor-displacing capital equipment, and to acquiring additional land. Whatever they do, however, they tend to deal with tenants and laborers on strictly commercial terms, rather than the feudalistic patron-client basis that previously provided some security for the rural poor. If it serves their purpose to contract out harvesting to commercial firms (e.g., the "tabasan" contracting practice which now prevails on over 60 percent of the agricultural area of Java and has resulted in massive reductions of labor use) rather than to follow the traditional practice of using local family labor, they do not hesitate to do so.

In some Type B countries, including Bolivia and Mexico, the elimination by land reform of traditional latifundia landlords has resulted in the substitution of government as the de facto patron. Government has penetrated rural areas with credit agencies, peasant syndicates and similar organizations which have government-provided benefits to distribute. Criteria for the distribution of benefits may include political loyalty. The gatekeeper to benefits is a local boss (cacique) who represents the national regime in the local area. In the tradition of machine politics, he awards jobs on the roads, seeds-credit-fertilizer, access to clinics and hospitals, and other benefits available from government to those who reciprocate with services and loyalty. He may take a substantial slice of local revenues and require special payment for government services and resources that pass through his hands. He is the new-style patron--the big man who can take care of little people when they are in trouble and need help. His strength comes not from the ownership of land, but from his position in the political system. In some cases he "represents" the peasant organization which may have begun as an instrument of a participative

4

Many cases are cited in the UN Sixth Report on Progress in Land Reform, New York, 1976.

peasantry, but has been effectively co-opted and incorporated into the structures of the regime and now serves primarily as a conduit of government largesse and an instrument of control. The Latin American cacique system and its role as patron and exploiter of the rural poor has functional equivalents in all areas of the world.

At a time when many rural areas are surfeited with under-employed labor that has few alternative employment opportunities, the commercialization of agricultural production, with its emphasis on the profitability of the firm or farm, is likely to result in less net employment and less sharing of employment and output than was the case under more traditional arrangements. The victims, of course, are the landless and tenants who must compete for limited employment opportunities; their intense competition for access to land and employment keeps real wages low even in relatively prosperous rural areas. In this movement from status to contract, which is frequently identified as a "liberating" element in the course of modernization, the rural poor have lost some of the sources of security that were available to previous generations.

Institutional Rigidities and Inequities

Land tenure arrangements are the principal cause of inequities in most rural areas. In many areas of Latin America large tracts of fertile land are owned by absentee landlords and are inefficiently exploited, providing relatively little employment usually under harsh tenancy terms or at very low wages. When converted to modern commercial agriculture, as in northern Mexico and many areas of Brazil, such holdings may be highly mechanized, creating a few good jobs, but displacing large numbers of former tenants and laborers. In this environment access to land is denied to those who need it and might use it efficiently according to the relative factor endowments of the economy; the majority of peasants are confined to small holdings (minifundia), often scattered parcels of marginal land which are insufficient to provide for family subsistence. They are thus available as a dependable source of cheap, often seasonal labor on plantations for operations that cannot be profitably mechanized.

In other areas of the world where land is cultivated intensively (e.g., South Asia, the Nile Valley) and where land-holdings are relatively small, farmers who produce marketable surpluses and require non-family labor provide tenancies and employ laborers on penurious terms, because the acute competition for access to land and employment drives down the price of labor. The poverty of these laborers and tenants is aggravated, in many cases, by indebtedness which makes them almost totally dependent on the landowner-creditor. Ironically, bonded labor and debt peonage, despite the exploitative quality of these relationships, may provide some guarantee of employment and subsistence which would be unavailable to the "free" laborer or tenant.

Oppressive conditions may be reinforced by institutionalized patterns of racial and ethnic discrimination. Land ownership may be denied to pariah groups or they may be inhibited, as in the case of harijans (untouchables) in India, from aspiring to upward mobility and are thus compelled by custom to work at menial occupations for low rates of compensation. Half of the rural landless in India are harijans. Laborers on rubber and tea estates in Sri Lanka, who happen to be members of the Tamil ethnic minority have become the lowest wage group in that country, reversing the usual situation where full-time estate laborers are relatively well off. Though there may be many organizations among the rural poor, they are seldom successfully converted to advocacy or collective bargaining purposes. Because of their weak and

dependent condition and their inexperience with formal organizations, it is hard to form and maintain class-based organization among the rural poor. They tend to rely on kinship, or what remains of traditional vertical networks, or on particularistic arrangements with patrons or local influentials to protect their interests on an individual or family basis. Feelings of class solidarity among them are slow to develop and hard to embody in organizations.

Where such organization appears likely to succeed, they usually evoke hostility among landowners and merchants, fearing increased labor costs and, more seriously, threats to property rights or challenges to their control of rural areas. Efforts to organize the landless and near-landless frequently provoke reprisals by landowners or armed bands financed by them. Their tactics include assassinations, burnings of homes, large-scale evictions and other acts of terror. Because of their political influence, landowners are often able to convince governments and law enforcement agencies that organizations of the landless have a subversive purpose, as evidenced by radical rhetoric, work stoppages or land invasions, and that they must be suppressed. Only when supported by sympathetic governments as in Kerala or by influential bodies such as the Catholic Church in some Latin American countries have local organizations of the landless been able to survive and function for extended periods, to pressure governments for the adoption and enforcement of such measures as tenant security and minimum wage legislation, to engage in forms of collective bargaining with landowners, and otherwise to promote the interests of their members. The absence or weakness of such organizations in rural areas, combined with the erosion of traditional protective social structures, leave the rural poor as individuals and households exposed increasingly to the rigors of a market economy under unfavorable labor surplus conditions.

Macroeconomic and Macrosocial Policies

Recent writers have emphasized the pronounced and consistent urban bias in public investments, incentives for private investment, and government expenditures for public services. Social and physical infrastructure tend to be concentrated in the cities, especially the larger cities, along with factories, military installations, financial institutions, and government offices. These urban structures in the "modern" and organized sector provide steady and reasonably paid employment. Being visible and articulate, those employed in such organizations are able to make effective claims for additional investments and public services. In the interest of survival, governments tend to be sensitive to the demands of these urban constituencies. It is no accident that mean per capita real incomes in urban areas tend to be more than double those in rural areas and that rural areas are starved for public investment and for public services.

Private investment also benefits from the infrastructure of transport, electricity, and similar facilities that are concentrated in urban areas, from concessional interest rates on capital, and preferential access to foreign exchange. Modern enterprises tend to locate in rural areas primarily for investment in foreign exchange earning export crops--plantation enclaves encouraged often by subsidies and the remission of import levies on capital equipment. Even when they are located in rural areas, "modern" agricultural enterprises, often foreign owned, produce goods on the best available land for export and employ relatively little labor in their operations. Little of the foreign exchange they earn is spent on items that reach rural areas or that benefit the

rural poor. Adding insult to injury, government investments in agricultural research and expenditures for agricultural extension tend to be concentrated on export crops rather than on subsistence crops grown by marginal farmers.

It is often argued that the most reliable expressions of government policy are its patterns of public expenditure. Whether measured by doctors and health facilities per capita, all weather roads, potable water supply, or electricity connections, rural areas tend to be underfinanced and underserved. Economic policies which subsidize and otherwise favor private investment in capital-intensive industries tend to reinforce this urban bias. Within rural areas, the weaker strata of society are penalized both by the discriminatory provision of public services like agricultural research and health facilities, and by failure to foster patterns of development which emphasize employment. The mistaken view that small scale agriculture is necessarily inefficient is thought to justify very low levels of public investment and services on behalf of peasant agriculture, thus establishing a self-fulfilling prophecy. Most governments continue to favor urban, industrial investments and to regard urban as modern and rural as backward.

While this may appear to be a cruel observation, the logic (though not necessarily the intention) of the macroeconomic and macrosocial policies of many developing countries surveyed in this project--modified at times by populist rhetoric, by token programs serving the rural poor and by relatively small expenditures for public services in rural areas--is that the rural poor should be allowed to shift for themselves and somehow survive until they can be absorbed sometime in the future into the growing modern sector of the economy. While high rates of expansion in manufacturing industry have produced this favorable development in a few instances (Korea), this pattern seems unlikely to occur in most third world countries.

Another development that has penalized the landless and near-landless is the chronic inflation which has afflicted most developing countries. Under conditions of inflationary expectations, land ownership is a sound and secure investment. This encourages urbanites, including businessmen, military officers and senior civil servants to put their savings in land. Their willingness to buy at high prices encourages local money lenders to foreclose and indebted small holders to sell. The result is greater concentration of land ownership, less efficient use of scarce land resources, and the conversion of small holders to tenancy and landlessness. Unorganized wage laborers, especially in rural areas, are seldom able to adjust wage rates to keep pace with rising prices for the items they purchase, including often the food they help to grow. The effect is the steady erosion of their already low real incomes. To the extent that inflation is a function of international price movements, there is little that governments can do to protect domestic living standards. But to the extent that domestic inflation results from over-committed public budgets for expenditures that benefit primarily urban populations, the price is paid by the poor, especially the unorganized poor most of whom live in rural areas.

In most developing countries, there are political and patronage links between urban political elites who control the institutions of government as the center and the landowners and merchants who dominate rural areas. Where traditional social organizations remain effective, leaders can be expected to promote and protect the interests of constituents as well as their own family interests in dealings with government. Rural elites may bargain for higher prices for their products and lower prices for their inputs; they may work for

public investments--roads, irrigation--that will benefit them. As local influentials, they may also bargain for schools, health centers and similar public goods that will help their communities and their neighbors. They thereby strengthen their influence and respect without impairing their own economic and social interests. As patrons, they may share some of their prosperity with poor relatives or with tenants and laborers. They may be able to do personal favors for their clients by intervening with higher level politicians and civil servants. They may, in exchange, deliver votes and other forms of support to urban elites when this is required.

In return, however, they expect that government will support them promptly and decisively against any local threats to their economic and political position from discontented tenants and landless workers. Usually the dependency of the poor for access to land, employment and credit, their recognition of the high costs of protest, appreciation for occasional acts of charity and assistance from landlords and merchants, plus sentiments of solidarity and social discipline are sufficient to maintain order in the countryside. Where necessary, the police and other law enforcement authorities are available, supplemented if need be, by informal armed bands organized by landowners. In the event of crisis, however, local elites expect that help will be available from government at the center and that expectation is usually fulfilled since the latter fear that disorder in rural areas may spread to the cities.

Reformist governments in the hands of urban intellectuals, technocrats, businessmen and populist politicians may disappoint these expectations and both foster and support demands originating among laborers, tenants, and marginal farmers. However, unless land tenure arrangements are reformed and the rural poor are effectively organized to advocate and bargain for their interests, such reform measures tend to be short-lived because they do not affect the underlying distribution of economic and political power in rural areas.

Chapter III - Economic, Social and Political Conditions Associated With Landlessness and Near-Landlessness

Rural areas in most developing countries must provide livelihoods for a rapidly increasing labor force. Except where population growth rates have sharply declined (e.g., Costa Rica) or industrial growth is creating job opportunities at a rapid rate (e.g., Korea), the rural labor force, even after accounting for permanent migration to cities, will probably increase by 50 percent before the end of the century. In the absence of far-reaching institutional changes, very few landless families can expect access to additional land, either because all available land is now in use (Type A), or because of restrictive land tenure arrangements (Type B); in Type C countries, much of the remaining unused land is of poor quality. Land ownership is becoming increasingly concentrated under the impact of commercialization, agrobusiness enterprises expanding their operations in Type B countries, and "middle farmers" acquiring additional lands in Type A countries. Meanwhile small holders lose their land or suffer the effects of fragmentation of holdings due to inheritance and foreclosure of debt; every year more of them drop into the tenant and landless categories. Earning a livelihood becomes an increasingly arduous enterprise as real wage rates decline because of intense competition for employment and access to land.

Except in a few high growth areas, such as the Indian Punjab, new job opportunities are not being created at a sufficient rate to provide employment for the increasing labor force. Some of this pressure is relieved by permanent migration to cities; migration to other rural areas in search of work becomes a way of life for large numbers of landless and near-landless families. Because of their urgent need for incomes, whole families, including women and children from the age of seven or eight work whenever and wherever casual work can be found, even for the most meager remuneration and often under degrading conditions. Families develop "coping mechanisms," deploying all their available labor power wherever they can pick up work. The consequence of female labor is often the neglect of children; of child labor, inability to attend school, which helps to explain why the total number of illiterates in developing countries continues to increase. Illiteracy, in turn, is one of the factors that accounts for the weakness of self-help and advocacy organization among the rural poor and leaves them vulnerable to exploitation.

This chapter will further detail the syndrome of poverty, insecurity, powerlessness, and social demoralization that governs the lives of the growing numbers of landless and near-landless families. The environmental consequences of this poverty will be discussed in the final section of this chapter.

A. Impoverishment and Insecurity

The condition experienced by the landless and near-landless in developing countries is, with few exceptions, chronic poverty combined with insecurity.

Undernourishment - While data on incomes and real wages are limited and of questionable validity, the overall picture that they yield is of real household incomes barely sufficient for family survival. World Bank estimates state that almost half the people in rural areas experience "absolute" poverty, the main

indicator of which is insufficient diet and that 932 million people suffer from dietary deficits in excess of 250 calories per day.¹ The FAO estimates of persons in developing countries with insufficient protein/energy supply was 434 million as of 1970, three-fourths of them in Asia. This is about half the World Bank figure, indicating how widely these estimates can vary. The few nutritional surveys which discriminate among income groups in rural areas indicate bare caloric sufficiency for those in the lower deciles, combined with protein and vitamin deficiencies even during seasons of abundant crops. In bad crop years and during some seasons of the year there are deficiencies even in caloric intake; yields decline for marginal cultivators and share tenants, jobs are unavailable for the landless, and the price of food escalates because of shortages. Meats and meat products are a rare dietary item, except among pastoral peoples. In some areas of India, as much as 80 percent of incremental rural income is normally spent on food items, including 60 percent on grains.

Thomas and his associates report that "in Indonesia between 1960-67 average per capita calorie consumption per day dropped from 1946 calories (already 200 below the United Nations minimum) to 1730. Furthermore, while the recommended minimum daily protein intake is 55 grams, in Indonesia the average had fallen from 38.2 to 33.4. A similar situation prevails in Bangladesh where it is estimated that the poorest one-third of the population consumes less than 1600 calories a day."²

According to a recent AID source, in the Philippines "an estimated 500,000 pre-school children and infants are suffering from third degree malnutrition (body weight less than 60% of Filipino standard). An additional 2.3 million children and infants are moderately affected (their weight being 60-75% of standard). Less than a third of the nine million pre-schoolers attain full growth and development . . . Over a third of the nine million elementary school children are malnourished . . . The Philippine government recommends 2000 calories per person per day, but actual consumption averages only 1700."³

The most impoverished households, those in which malnutrition among children is most severe, are headed by women who are simply unable both to care for children and to earn income. Such women are often outcasts in their own communities. Among landless families where women must work, the literature indicates high incidence of infant and child neglect, often leading to mortality or to physical and mental impairment, as infants and children are left in the care of young siblings or the elderly who neither feed nor care for them adequately.

Combined with the scarcity of health services available to the poor in rural areas, the absence of clean potable water supply and of adequate waste disposal facilities and practices, dietary deficiencies contribute to the high rates of child mortality, physical and in some cases mental impairment,

1

Schlomo Reutlinger and Marcelo Selosky, Malnutrition and Poverty, Magnitude and Policy Options, World Bank Staff Occasional Paper #23, Baltimore, Johns Hopkins University Press, 1976, p. 23.

2

John Thomas et al., Employment and Development: A Comparative Analysis of the Role of Public Works Programs, HIID, April 1975, pp. 38-39.

3

AID, War on Hunger, Special Issue on the Philippines, December 1977, pp. 11-12.

relatively low life expectancies and poor health conditions. Housing conditions are uniformly shabby, primitive and unsanitary among the rural poor; families are crowded into small quarters which deny them any privacy and contribute further to ill health.

It is risky to generalize about nutritional deficiencies among the landless and near-landless. Standards for measuring "adequate" diet must vary with occupation, age, and climate, there is no agreement among nutritionists on what constitutes adequate diet, and survey methods are far from reliable. Though the weight of informed judgment among nutritionists and representatives of most international agencies supports the proposition that very large numbers of people in developing countries are insufficiently nourished, this is not a unanimous opinion. Poleman who is an experienced student of food economics is skeptical of these estimates and believes they may be highly exaggerated. He rejects as a myth the view that large numbers of people are threatened with starvation. The existing data base, he believes, is too unreliable to permit generalizations; "The survey data from which inferences about the effects income has on eating habits simply do not exist for most areas."⁴

Declining Real Wages and Incomes - There is wide-spread evidence in Type A and B countries that real wages have been declining in recent years primarily because the supply of labor is growing more rapidly than the demand. An additional factor is price inflation, reducing the real value of nominal wages which tend to increase at a slower rate than prices. In the majority of countries which have not experienced the "green revolution," there has been inexorable downward pressure on real wage rates; whole families are mustered into the labor force and range over wide areas for even temporary employment at very low wages in order to maintain household income at or slightly above subsistence. Even in areas in which high-yielding varieties have been adopted and total employment has increased, real wage rates have risen slowly because the increased demand for labor has attracted large numbers of migrants. Aggregate employment and incomes may increase, even in the face of mechanization, but they must be shared among a larger labor force. Evidence from areas as divergent as Colombia, Mexico, Brazil, Java, Bangladesh, the Philippines, Malaysia and Egypt indicate that real wages and household incomes for large numbers of rural workers during the past fifteen years have fallen, in some cases precipitously, by as much as fifty percent.⁵

⁴ Thomas Poleman, "World Food: Myth and Reality," World Development, 5/5-7, May-June 1977, pp. 383-394.

⁵ For example, A. R. Kahn in "Growth and Inequity in the Rural Philippines," Poverty and the Landlessness in Rural Asia, ILO, 1977 indicates that real wages in Philippines agriculture have decreased 50 percent since 1957. Cynthia Hewitt de Alcantara estimates that real wages for rural workers in Mexico declined by more than 15 percent between 1950-70. Modernizing Mexican Agriculture: Socio-Economic Implications of Technological Change, 1940-1970, Geneva, UNRISD, 1976. E. Lee, "Rural Poverty in West Malaysia, 1957-1970," World Employment Program Working Paper, Geneva, ILO, March 1976 estimates that the real incomes of the lower 40% of rural households in West Malaysia have fallen from 20 to 40%. Radwan estimates that the percentage of poor households in Egypt increased from 26.8 in 1964-65 to 44% a decade later, indicating a decline in real income, Agrarian Reform and Rural Poverty: Egypt 1952-1975, Geneva, ILO, p. 46.

next two decades are grim. Before the end of the century, the rural labor force in these countries will have increased by fifty percent, even assuming that a third of the additional workers migrate to urban areas. There is no evidence that rural employment opportunities in these countries will increase at anything approaching that rate. This signals continuing downward pressures on real wages and family incomes and increasingly severe terms of tenancy and wage employment. The increasing commercialization of social relationships in rural areas will further aggravate these trends, with the erosion of traditional sharing, patronage, and solidarity networks and practices. Unless governments move decisively to reverse these trends, a still larger percentage of the rural poor will be landless and near-landless, living on the margins of absolute poverty.

Underemployment - Except during peak agricultural seasons of planting and harvesting, when labor is in great demand and all family members including children work to earn as much income as possible, the lives of landless workers are beset with periods of underemployment and of work at very low levels of productivity and remuneration. In many labor surplus rural areas (Types A and B), underemployment is estimated at as much as fifty percent of available adult labor time. A recent survey in El Salvador indicates that rural underemployment averages about forty-seven percent of the available labor time of adult males.⁶ Unemployment is especially evident during the agricultural slack seasons or periods of bad weather which make outdoor work difficult. Under these circumstances, many adult males are unable to pick up casual work even if they are willing to migrate.

The fundamental problem is that there are not enough job opportunities to absorb the available labor supply. Under prevailing institutional and technological arrangements, much of the available human labor is redundant during much of the year and this situation is being exacerbated by technical and institutional changes.⁷ Because of desperate need for income, the labor supply is expanded by women (in countries where women are permitted to work outside the family circle), and by children as soon as they are physically able to work. Many small holders--the marginal cultivators in our classification--must also seek wage employment during part of the year and so must the women and children in their households in order to supplement the incomes that can be derived from their mini holdings. Everyone works to maintain the family in such activities as drawing and carrying water, often for very long distances, scavenging for firewood and other sources of fuel and wild food, preparing meals under primitive conditions, caring for children and domestic animals, making and marketing handicrafts, or seeking casual work outside the family at very low wages whenever it is available. Child labor is the norm among landless families since all hands must make some contribution to family subsistence. Some male household heads of marginal farms leave them to the care of women and children while they migrate in search of jobs that yield cash income; in the process the yields on their own

6

AID Mission to El Salvador, Agricultural Sector Assessment, August 1977, p. 13.

7

Jean and David Rosenberg have estimated that recent technological and institutional changes in Javanese rice production have resulted in the displacement of 3.5 million workers during the past decade. Landlessness and Near Landlessness in South and Southeast Asia, Cornell Center for International Studies, forthcoming.

small holdings may suffer, in part because government agencies neglect female-headed households, as research in Kenya has shown.⁸

The circumstances facing young males among landless and near-landless families pose another set of problems. Many have developed expectations through some exposure to education, to the mass media, or to reports of peers who have been to urban areas that far exceed what their immediate situations and rural futures seem to offer. Not only have they difficulty finding any work at all during some periods of the year, but the work they find is often crude and degrading in their own eyes, pays very little, and their earnings usually must be surrendered to their families. They are deprived of the sense of independence that young males so often crave. If a father owns some land, he is not yet prepared, because of continuing family obligations, to turn it over to his young sons. In any case, the family holdings may be barely sufficient for only one offspring. Their immediate and long-term prospects are dismal so long as they remain in the countryside. It is from the ranks of discontented young males that violent protests including land invasions and other forms of civil disobedience often originate. Efforts to organize the rural poor for self help and for protest often begin among better educated but embittered rural youth. The Naxalite movement in India and the outbreaks in Sri Lanka in 1971 seem to have been led by relatively well-educated but frustrated and underemployed young rural males.

Indebtedness - Because of their inability to earn sufficient income to meet consumption needs, plus family emergencies and social obligations which inevitably arise, landless, tenant, and marginal cultivator families invariably come upon periods when they need more cash than they are able to earn or save. Since they have no access to institutional credit, they must turn to local landowners, merchants or labor contractors who provide credit, but at usurious rates of interest. Because their normal earnings seldom yield a surplus, it is virtually impossible for the landless ever to liquidate their debts. Indebtedness further weakens their power to bargain with employers over wage rates or with landowners over conditions of tenancy and often compels them to provide unpaid labor in order to compensate for their inability to service debts and to insure access to additional credit in case of urgent need.

Marginal cultivators become, in effect, sharecroppers on their own land, paying over a substantial part of their produce to service their debt; often this is a prelude to foreclosure and to the final loss of their land. The landless and near-landless frequently become, in effect, serfs or bonded laborers, held on the land by debt and fearful of leaving because this would jeopardize their access to credit. Indebtedness provides a kind of patronage. The creditor, to protect his "investment" must provide some work--though on onerous terms--for his debtor. One factor which accounts for the difficulties often faced in organizing the rural poor is the fear that, in reprisal, landowners and merchants will cut off the sources of credit on which they depend for survival.

Insecurity - The lives of the rural poor are beset with insecurity. Because of intense competition for access to land and to job opportunities, wages are depressed and terms of tenancy are severe. Tenant security laws and laws regulating shares of rental payments are seldom enforced and only with

⁸Kathleen A. Staudt, "Women and Inequities in Agricultural Services," Rural Africana, Winter, 1975, pp. 81-94.

difficulty. When they are likely to be enforced, landowners may evict tenants and convert the status of former tenants to that of laborers; where minimum wages are enforced, wage labor can be converted to casual or seasonal tenancies-at-will. Such measures designed to protect the poor sometimes have the perverse effect of encouraging mechanization. Because their economic bargaining power is so weak and they have little in the way of organizational or political resources, the landless and near-landless literally live from season to season. Illness or disability for any wage-earner in the household can be catastrophic. They are the first victims of droughts or other natural disasters which simultaneously reduce the demand for labor and raise the price of food.

Their security comes from the claims they can make on kinfolk to aid them and share their subsistence in times of trouble. This may be supplemented by what survives of traditional social structures, including patron-client links, relations with creditors, and in some countries, their success in cultivating ties with local political bosses who may have government handouts to dispense. Luck in finding employment in the slack seasons or remittances from family members who have migrated to the cities may also help. Upward mobility is extremely problematic for all but a fortunate or specially enterprising few of the landless and near-landless, because they have little effective access to education and because the price of an acre of land usually exceeds manyfold the annual cash income of a poor rural family.

B. Migration

The past two decades have witnessed unprecedented migration from impoverished rural to growing urban areas. Typical are these data from the Philippines. The poorest three regions of the Philippines (the Visayas, Bicol, and Ilocos) experienced during the decade of 1960-70, a net outmigration of 1.5 million, or 35 percent of the overall population growth. Nevertheless, these areas gained about two and one half million in population during that period due to high birth rates.

Rural settlements are not static communities but groups of households which are geographically and occupationally mobile in response to needs and opportunities. Those who participate in these migrations are not always the poorest. Usually they are young and male. Among them are rural youths who have achieved literacy and some skills but see little prospect for their use in the countryside, are attracted by opportunities in the cities, and are encouraged by their families to seek their fortunes where their skills can be put to better use. This group of rural-urban migrants usually comes from families who are somewhat better off or are specially ambitious for their children. The majority of migrants, however, are "pushed" from rural areas to the cities by poverty and lack of opportunity. If they are relatively successful, they may invite other members of the family, including women, to join them. They may remit some of their earnings to their families which provide the latter with vital supplements to their earned incomes. These remittances become an essential factor in the maintenance and security of rural low-income families. Unsuccessful migrants to the cities usually return to the countryside.

Another pattern of migration is from one rural area to another. In some cases, the pattern is seasonal; migrants, often from distant areas and even from foreign countries, appear when the local labor market demands hands for planting or harvesting. The numbers involved are often very large. In Guatemala, it is estimated that 25 percent of the rural labor force is involved in

annual seasonal migrations. Whole families migrate to participate in the seasonal opportunities for employment. The migrants pick up needed income, landowners are guaranteed a reliable supply of cheap labor, and consumers benefit from relatively inexpensive crops. In many cases these migrations are spontaneous and follow an established annual cycle. In other cases, they are organized by labor contractors with whom the migrants must share their wages. When families migrate, the effects on the health and educational opportunities of children are detrimental and the strain on women is great, for the conditions of housing and amenities in migrant camps are often deplorable. Migrant families hope to save enough from their earnings to meet a portion of their cash requirements for the balance of the year; in some instances, however, they incur unexpected expenditures during the migration period, or they are swindled by unscrupulous employers, merchants, or labor contractors, leaving them with little surplus beyond their subsistence during the migration period. Where men migrate alone, there is less family disruption, unless the migrant male fails to return to his family, but the additional burdens of cultivation and family maintenance are absorbed by children, older persons, and especially the women who remain behind.

Any center of growth, urban or rural, becomes a magnet for the surplus labor of the rural poor--South Africa for the countries of Southern Africa; Singapore for Malaysia; the Indian Punjab for Bihar and Uttar Pradesh; Sao Paulo for Northeast Brazil; Saudi Arabia and Kuwait for Egypt, Jordan, Yemen, and even Pakistan and South India; the Ivory Coast for Upper Volta; Argentina for Bolivia; and the U.S. for Mexico and the Caribbean countries. The five to eight million illegal Mexican workers now in the United States may be averting social catastrophe in many rural areas of Mexico. Any opportunities for remunerative employment are met almost immediately with a response from impoverished rural areas, so efficient are the information flows. Wage rates and living and working conditions may be quite unappealing by urban standards, for the massive influx of migrants tends to keep wages low even during periods of peak demand. Nevertheless, rural poverty is so intense and remunerative employment so limited that seasonal influxes of rural labor even from great distances can be assured, whenever employment opportunities exist. Where HYVs have produced a permanent demand for additional labor, migrants by the thousands come to settle permanently.

C. Powerlessness and Social Demoralization

Because of their poverty and dependency, the landless and near-landless are ill-equipped to make demands in their own interest. There are few formal organizations in rural areas that bring together the landless or tenants to advocate or bargain for economic benefits. Unions and peasant leagues which manage to emerge have a poor record of survival. They are vulnerable to internal factionalism, inexperience in running formal organizations, and the hostility of landlords and merchants on whom the rural poor depend for employment, access to land, and credit. Cooperatives and farmers associations provide useful services to owner-cultivators and can become effective spokesmen on their behalf; with rare exceptions such as the rickshaw cooperative in Comilla, cooperatives have been of little use to landless workers or tenants.⁹ Informal small groups commonly help the rural poor to share out their poverty, but the

⁹

For a recent discussion of the Comilla Experiment and its aftermath, see Wahidul Haque et al., "Toward a Theory of Rural Development," Development Dialogue, 1977: 2, pp. 89-103.

literature is silent on their effectiveness for advocacy or bargaining. Since traditional organizations in rural areas so often are dominated by rural elites, they can seldom be converted into instruments that articulate the economic interests of the landless and near-landless.

In countries that permit the operation of political parties in rural areas and where political candidates must compete for votes, there are some opportunities for the rural poor to exchange their votes for at least the promise of specific benefits. These benefits usually take the form of public goods--health clinics, schools, potable water--and of public works projects which provide employment and supplementary incomes to the landless, especially prior to elections. The panchayat system in India has provided opportunities for some lower caste groups to join electoral coalitions and extract benefits in exchange for votes. These benefits, however, seldom touch such fundamental issues of interest to the landless and near-landless as minimum wages, tenant security, increased employment opportunities and land reform. Where vertical patron-client linkages or similar traditional networks survive, clients often vote as their patrons ask; these votes may be purchased at a low price. Temporary jobs and other forms of patronage financed by government may be distributed by local political bosses or local influentials with good ties to government to "deserving" members of the local poor. The poor usually find it more effective and less risky to rely on individual and kinship links and on wheedling particularistic benefits from higher status people than on the more dangerous efforts at group or class organization. Only when government positively support advocacy organization among the rural poor as the case of Kerala or when influential organizations like the Catholic Church in some Latin American countries sponsor them, are they likely to survive and be effective.¹⁰

Because of their political and economic weakness, the landless tend to be politically invisible, making few claims and enjoying little access to public services. Agricultural public services--extension, institutional credit, electricity, irrigation--are available primarily to farm owners, and usually to the larger owners. Because they are scarce and valuable, they tend to be rationed to those in a stronger position to claim them. Some "progressive" landowners may "retail" services and facilities to their tenants in order to insure higher yields which will mutually benefit both them and the tenants. Access to important non-agricultural services--schools, health clinics, family planning and public potable water supply--may be available to all rural people, but usually after the more powerful and influential have first been accommodated. Frequently, the landless cannot take advantage of schools because they cannot afford fees or proper clothing for their children or because they need the labor of their children of both sexes after the age of eight or ten. If they must migrate, they may not be eligible for school enrollment. Illiteracy, in turn, condemns the next generation of the landless to poverty and powerlessness. While the situation varies greatly from country to country, rural areas are sparsely provided with public services oriented to education, health and welfare. Where caste relationships continue to prevail, large groups of the rural poor may be excluded from public services or granted access to them on discriminatory terms.

¹⁰ On the Kerala case, see K. C. Alexander's paper "Some Aspects of the Emergence of Peasant Organizations in South India," 1978 unpublished. (copy available through Cornell Univ. Center for International Studies.)

In all societies where extreme deprivation and hopelessness are common, there are behavioral evidences of social pathologies. Such conditions create breakdowns of social discipline, reflected in criminality, family abandonment, drunkenness, prostitution, and abuse of women and children by men who are no longer able to fulfill their expected roles as providers for their families. Such frustrations from time to time break forth in acts of random violence, often triggered by callous or abusive behavior by government officials, landowners, or merchants during periods of economic strain in the countryside. Civil disobedience may be expressed in attacks on property, including seizure of food stores or land invasions, or in physical attacks on persons, including assassinations of unpopular local officials or landowners. Attempts at land invasions and land seizure have been reported from nearly all Latin American countries. In Java contract labor teams have been attacked by local laborers whom the former had displaced from their jobs.

Though statistics are seldom available on this subject, such acts of violence are known to occur frequently in rural areas reflecting the strains, frustrations and despair of extreme poverty. Though authorities frequently allege outside subversive influences, most such outbreaks are local and random, show little evidence of prior organization or of links beyond the local community, and are easily dealt with by law enforcement authorities. They are therefore not revolutionary in character. There have been instances, however, including the Naxalite rebellion in India in the early 1970's and the recent violence in El Salvador, which indicate clandestine organization and revolutionary intent. These can be expected to increase as poverty becomes more desperate unless governments are successful in improving the conditions and the prospects of the rural poor.

D. Environmental Degradation

The struggle for survival among the landless and near-landless has begun to impair the biological and physical environment on which they and their children must depend for their livelihoods. Forests are being rapidly denuded in many countries to provide firewood for fuel at a faster rate than they can be replenished, thus establishing conditions for flooding and soil erosion. The ravishing of forests in Nepal is exacerbating flooding and silting in distant Bangladesh. In many areas of tropical Africa, soils which are basically weak and require long fallow periods are being used more frequently and intensively, depleting their fertility. Lands once used only for grazing and unsuitable for intensive cultivation are being occupied and tilled by settled farmers.

The major cause of these environmental depredations is increasing pressure of populations on the available land base. In the absence of alternative employment opportunities in non-farm occupations or from land tenure arrangements which prevent the efficient exploitation of fertile lands, and because of cultivation, water use, and livestock management practices that degrade land resources, good land is over-utilized, marginal lands are brought under cultivation, and forests are plundered to meet immediate consumption requirements. The consequence is likely to be an inferior resource base in many areas to support a growing rural population. Halting and reversing this destructive trend will require recognition by governments of the importance of this problem, the establishment of counter-measures as a high priority for public policy, major organizational efforts among the rural poor, and large investments over many years which are beyond the present capacities of many governments.

Chapter IV - Government Policy Measures and Impacts

In Chapter III we pointed out some of the methods by which the landless and near-landless have attempted to adapt to, cope with, and defend themselves from deteriorating economic conditions. Rural poverty has become so pervasive in most third world countries that most governments have adopted some policies and programs to alleviate its effects and control its causes. Most of these activities, however, have reflected limited knowledge, capacity, or commitment on the part of governments and international agencies and have not been carefully targeted to specific constituencies among the landless and near-landless. The cumulative results have had only minor impacts on the incidence and intensity of poverty, insecurity, and powerlessness. Governments have generally underinvested in efforts to deal with lower-end rural poverty; they have been especially wary of recognizing and acting on its structural elements since this would inevitably affect power relationships. They have preferred measures that might help the poor, without requiring significant redistribution of incomes, productive assets, or power. To simplify the presentation of this complex subject we shall classify these measures into five categories: (1) reducing population growth, (2) increasing employment opportunities, (3) reforming institutions, (4) meeting basic needs, and (5) orienting investments and public expenditures to rural areas. Under each heading we shall suggest policy and program measures that might be sponsored by international development agencies and the governments of developing countries, relating them when possible to specific constituencies or target groups among the landless and near-landless.

A. Reducing Population Growth

Drastically reducing population growth rates which now range from 2 to 3.5 percent per year is essential to any strategy for improving the conditions of the rural poor and for preventing further deterioration. The real question is how. The data indicate (1) that most governments have not seriously attempted to penetrate rural areas with family planning programs; (2) those that manage to reach rural areas have difficulty involving the lower social and economic strata; and (3) while programs which emphasize maternal and child care may have resulted in healthier babies and marginally reduced infant mortality and morbidity, they have not yet significantly affected fertility rates. The populations of overcrowded Egypt, Bangladesh, Philippines, Java, Mexico, and El Salvador, to mention only a few countries where the number and conditions of the landless are especially severe, are expected to double by the end of this century. Despite internal and international migration, the rural labor force in these countries is likely to continue to grow during this period at an annual average rate of two percent resulting in a total increase of more than 50 percent by the end of the century.

The preference of poor rural couples for large families has not been seriously modified for what many observers consider to be rational calculation from the point of view of the parents, however disastrous this may be for their society and for the very progeny they are producing. There are evidences from such countries as Taiwan, Korea, Sri Lanka, and Costa Rica that the eagerly awaited "demographic transition" occurs when high literacy rates, more equitable distribution of land, and the benefits of basic public services have been achieved in rural areas, combined with economic prospects that assure parents a subsistence livelihood and some security in their old age. Tragically, however, even malnutrition does not seem to affect the fertility of the rural poor.

While knowledge of how to motivate parents among the rural poor to limit the number of their children is uncertain and the ability of many governments to reach rural areas with appropriate services is limited, the problem is complicated by the half-hearted efforts of governments to take this problem seriously. Some governments remain unconcerned and even pro-natalist in their orientation to this subject. They are advised by some local and foreign intellectuals that "development" will take care of this problem, or that birth control is an expression of imperialist-sponsored genocide, or that the rural poor can be accommodated by settling unoccupied lands. Meanwhile, the population explosion continues unabated in most rural areas, exacerbating the pressure of population on scarce land resources and on limited employment opportunities, guaranteeing a grim lot for future generations of the landless.

There are two general approaches to reducing fertility rates: 1) the extension approach, making birth control information, methods, and services broadly available in rural areas. International development agencies, in cooperation with governments and private voluntary agencies have been experimenting with many variants of this approach, on the assumption that there is very considerable latent motivation among rural people of all classes to limit family size and that educational measures can both increase and activate that motivation. Though practical results have been limited and despite setbacks resulting from overzealous administration in northern India, these investments and experiments should be expanded. 2) The development approach, creating social and economic conditions that will prompt rural parents to limit their family size. Increased literacy, more secure and equitable land tenure arrangements, improved economic prospects, and especially a combination of these improved conditions associated with broadly based rural development can reduce the psychic and economic demand for large families. Thus rural development can eventually slow the population expansion.

Action Measures for Governments and Development Agencies - These two approaches are complementary and there is every indication that both should be pursued vigorously as high priority expenditures by international development agencies--even though they involve substantial costs and high levels of uncertainty. To reduce this uncertainty, it is necessary to continue to build a more reliable body of applied knowledge, both culture and class specific, as indicated in our next chapter.

B. Increasing Employment Opportunities

Income earning opportunities for the landless and near-landless depend on access to productive assets--capital, livestock, and usually land--or to jobs. In this section we shall deal with efforts by governments to provide additional employment for the rural poor. Most of the efforts by governments to deal with rural poverty to date are included under this heading.

1. Rural Works Programs - Many governments, often with assistance from international development agencies through food donations, have instituted rural works programs. Though their primary purpose is to provide work relief, through basic capital formation they build and improve the rural infrastructure, creating, repairing, and maintaining facilities that may improve the productivity of agriculture and increase the supply of permanent jobs. Thomas and his associates have identified fourteen countries which have attempted labor-intensive rural works programs in recent years on a substantial scale nationally or in particular

regions.¹ The largest have been in South and Southeast Asia. While rural works programs are often initiated in response to economic crises or natural disasters, once initiated, they tend to become permanent, though at reduced levels of activity. These programs have seldom absorbed more than ten percent of estimated rural unemployment. Even when aided by foreign food shipments, they tend to require substantial budget outlays in the face of competition from groups which may be in a stronger position to claim resources than unemployed laborers in rural areas. Budgetary pressures, combined with fear of inflation if these programs become large, plus strains on administrative resources tend to limit the scale of rural works programs.

If they are to serve their purpose, Thomas and associates estimate that a minimum of 60 percent of expenditures should be used directly for wages. The poor benefit not only by employment and income, but also by permanent jobs that may be created by the construction and repair of physical facilities. Though this factor has often been ignored in the planning of rural works, they estimate that it should be possible to create one man year of permanent employment for each six man years of labor employed on these projects. The longer term beneficiaries, however, tend to be landowners whose properties are made more productive by irrigation and drainage facilities, feeder roads, flood control, and other improvements built under these programs. Governments seldom attempt to recover these unearned benefits from landowners.

A rural works program which is likely to leave new assets behind requires competent management which is a strain on the capacity of many third world countries even when budgetary means are available. Decentralizing decisions to local authorities has been found to be cost-effective where local action capabilities are available or participatory institutions can be fostered. Some governments have attempted to run rural works programs through "voluntary" and uncompensated contributions of labor, the modern version of the traditional corvee. Though such projects are supposed to improve community facilities for the benefit of all and to embody desirable "self-help," they are deeply resented by rural laborers; for example, the African farmer who "planted" trees in a self-help reforestation program upside down. Successful rural works programs must pay laborers some version of the going wage and preferably in cash. Where they have been attempted, labor intensive rural works programs are no "solution" to rural unemployment but they have helped a large number of very poor people. If effectively managed and supplemented by international assistance, they can be useful in alleviating rural poverty, especially in Type A and B situations.

Action Measures for Development Agencies - International agencies should continue to finance, partly through food donations and through voluntary agencies as well as governments, work relief programs in areas of high unemployment and during seasons of slack labor demand. Where possible local communities should participate in the choice of projects. Projects should be preferred which 1) increase the demand for permanent jobs, e.g., irrigation, 2) provide benefits for all classes in the community, e.g., potable water supply, and 3)

1

John Thomas, Shahid Javed Burki, David S. Davies, and Richard M. Hook, Employment and Development: A Comparative Analysis of the Role of Public Works Programs, HIID-IBRD, 1976. Programs examined included Afghanistan, Bangladesh, Brazil-North East, Colombia, Ethiopia, India, Indonesia, Jamaica, Mauritius, Morocco, Pakistan, South Korea, Trinidad-Tobago, and Tunisia.

improve the future ecological foundation for the community, e.g., reforestation.

2. Intensifying Agriculture - Perhaps the most promising and effective measures to increase long-term rural employment opportunities are through intensifying agricultural production. Among agricultural scientists and farm management specialists there is widespread agreement that intensification offers very great opportunities in many areas for increasing the productivity of land, absorbing labor, and increasing incomes. Intensification is especially applicable to small and marginal farms. Increasing the intensity of land use requires improving the farming and farm management skills of small and marginal cultivators and tenants and providing more production inputs. Together they can result in larger outputs per unit of land. While the consequences of intensification are not predictable except by careful analyses of all the factors involved in particular circumstances, experience in Asia indicates that additional labor is required for more intensive cultivation and for processing the additional product. The incremental income in turn can serve as a multiplier, stimulating demand for local services and for products made by local handicrafts and small workshops. By increasing the demand for labor, intensification may induce upward pressure on wage rates, as off-farm labor becomes relatively scarcer, especially at peak seasons. Neutralizing this beneficial trend, however, is the tendency for increasing job opportunities in most rural areas to attract migrant labor very quickly from less prosperous areas, which in turn, depresses wage scales.

Intensification can be prompted by government policy. Improved extension services may contribute to improving farming and farm management skills. The most obvious and effective measure is to finance the construction or rehabilitation of irrigation facilities, particularly small, local projects, thus creating opportunities for multiple or year-round cropping. Irrigation, along with fertilizer applications, pesticides, and more frequent weeding are required for many of the high yielding varieties (HYVs) of the major food crops. Though the subject is still controversial and depends on many location-specific factors, the weight of evidence indicates that HYVs usually require net increases in labor use both on and off the farm.² Interplanting of crops, increased livestock and poultry raising, and on-farm fish production may increase intensity on very small holdings, all of which require some promotion by government through extension information and improved credit availability.

Intensification usually creates additional jobs. If irrigation facilities and HYVs are to provide additional employment over extended periods of time, however, governments must see to it, through tariff, tax, and credit policies that larger farmers cannot gain ready access at concessional prices to labor displacing mechanical equipment. On the other hand, as larger farm operators become more prosperous they rely less on family labor. Children attend school and women avoid more onerous field work; thus more tenants and hired laborers are required. Owners, however, may decide to become more active as cultivators; as a result, some tenants may lose their traditional rights and be reduced to the status of laborers.

Most experience with intensification has occurred in Asia, in Type A countries. In Latin America large land owners and operators are seldom interested in intensification, but find that mechanization plus extensive cultivation,

²This controversy is reviewed by William R. Cline, "Policy Instruments for Rural Income Redistribution" in Charles Frank and Richard Webb (eds.), Income Redistribution and Growth in the Less Developed Countries, Washington, Brookings Institution, 1977.

especially of export crops, is the pattern that maximizes their returns on land and capital. Latin American governments have taken few measures to help small holders or marginal farmers to intensify their operations, thus accelerating the flow of migrants to overcrowded cities.

Action Measures for Governments and Development Agencies - In addition to creating more wage employment on the holdings of middle and small farmers, intensification may make it possible for some marginal farmers to increase and diversify their production sufficiently to absorb most of the family labor supply and to earn family incomes above the subsistence level. This would reduce the supply of labor at the same time that demand is increasing on the holdings of small and medium farms, thus helping the landless. If intensification on the Taiwan pattern is to be pursued as a rural development policy that will reach and benefit large numbers of marginal farmers, the following public policy measures will have to be realized: 1) substantial government expenditures sufficient to insure that infrastructure improvements, inputs and services meet the needs of marginal as well as more substantial farmers; 2) improved public services and delivery systems to provide production inputs on more reasonable terms and to enhance the knowledge and skills of marginal farmers. Special agencies of government will have to be organized to serve marginal farmers because existing agencies are committed to larger and medium scale farmers and are thus unlikely to give priority to the needs of a new and relatively weak clientele group. Among the services that should be oriented to marginal farmers are research addressed to increasing productivity under the conditions faced by such cultivators--who should in turn, be involved in helping to define problems and participate in experiments. Such administrative innovations as paraprofessional extension workers may be needed in order to extend public services effectively to this large constituency; 3) separate organizations for marginal farmers that will enable them to interact with government agencies and to gain access to additional inputs and improved services. This pattern of public policy and services will require, in most countries, both a shift in program priorities and public expenditures from urban to rural areas and measures to insure that the benefits of increased investments and expenditures accrue to marginal farm operators. In addition to financial commitments, a successful policy of intensification is likely to require major institution building efforts.

For governments which are uninterested in structural and institutional reforms, intensification is the most promising route for 1) increasing labor utilization, and thus providing more job opportunities and higher incomes for the landless and for tenants, and 2) enabling marginal cultivators to utilize their household labor on their own small holdings, earn decent incomes, and become less dependent on labor markets.

3. Settlement Projects - The classical method of dealing with over-crowding on the land is to extend the land frontier and bring uncultivated lands into production.³ This process is still occurring in many areas of tropical Africa and is happening spontaneously without promotion or interference by governments. Because of rapid population growth, however, the available land is gradually being exhausted. Lands of low quality are coming under the plow, settled agriculturalists are encroaching on lands which traditionally have been reserve areas for pastoralists (which they use when their regular grazing lands prove insufficient), and low-quality lands are being permitted to lie fallow for shorter periods than in the past.

3

See Agricultural Land Settlement, A World Bank Issues Paper, Jan. 1978.

In other countries where most of the good quality land has been taken over for agriculture, some lands still remain to be converted to cultivation. Filling up empty spaces with settlers and providing opportunities for the rural poor to open up frontier lands is regarded by most Latin American governments as an alternative or substitute for land reform. Such expensive prerequisites as the construction of access roads, clearing the land of timber and heavy jungle growth, providing water supply, eliminating such diseases as malaria and tsetse fly require substantial investments by governments before settlers can move in. When landless families occupy these lands they have no assurance of eventually receiving titles; their insecurity often contributes to land use practices that plunder the soils and degrade the environment. Frequently these newly opened lands encroach on the rights of existing occupants or end up in the hands of large corporations so that the rural poor who happen to migrate to those areas find employment as laborers, rather than settlers. Because of the high costs of these projects and their need for foreign exchange, governments often encourage the production of export crops in order to help recover their investments. Little of the benefit thus accrues to the rural poor.

In some cases, such as Indonesia, governments must arrange for and finance the transportation of settlers and their families over long distances, especially from Java to the "outer islands" of Sumatra and Sulawesi. The "transmigration" programs in Indonesia during the past 30 years have had a negligible effect on rural poverty in Java. Land settlement projects which require governments to open up areas remote from existing population centers, construct infrastructure and finance the movement and installation of settlers may cost more in funds per job created than would investments in manufacturing. Under these conditions, spontaneous settlement is not likely; it is too arduous, risky and costly for poor families, specially if they must move great distances. Organized projects like the Federal Land Development schemes in Malaysia have relocated relatively small numbers of landless families at very high unit costs. Thus, while they do create additional employment, land development schemes seldom provide sufficient livelihoods to make an important or long-term dent in rural underemployment. They seldom benefit more than a tiny proportion of the annual increment to the rural labor force. One conspicuous exception seems to be the Sri Lanka programs where nearly 500,000 rural families were resettled in recent years on land rehabilitation schemes at relatively short distances from their original residences. Though unit costs have been high, a significant proportion of the rural poor have benefited.

In many areas where density is very high, as in most of South Asia, Java, and Egypt, the arable land frontier has been used up. Expansion of the land base would require very heavy investments, e.g., irrigating desert areas in Egypt, or moving to lands which are now incapable of supporting agriculture or even pasturage under known technologies. Indeed, much marginal land which has recently been brought under cultivation would be abandoned if employment alternatives were available in industry, or if, as in much of Latin America, the fertile lands now devoted to extensive cultivation under present land tenure arrangements were to be distributed more equitably to marginal cultivators, tenants, and the landless.

Action Measures for Governments and Development Agencies - While carefully planned settlement projects open unused land, increase agricultural production, and provide additional employment (usually at high unit cost), they seldom benefit large numbers of the landless and near-landless. Such projects may be undertaken for many desirable purposes, but if the relief of landlessness and

near-landlessness is a major objective, there should be a thorough appraisal by development agencies of 1) the number likely to benefit, 2) the likely unit costs, and 3) alternative uses of resources on behalf of the landless and near-landless.

4. Industry and Other Forms of Off-Farm Employment - Our data indicate that in most countries, 20-50 percent of the time of the rural labor force is spent in off-farm employment.⁴ (One careful estimate for the Philippines places the figure at 45 percent.) For the rural poor this includes full-time and part-time work in traditional crafts--blacksmiths, carpenters, tailors, barbers, mat weavers, furniture makers; in transportation, buying and selling, and similar service occupations; in processing crops and livestock commodities for marketing and in servicing farm equipment; and in public works--irrigation and road construction and maintenance. (This excludes government officials, teachers, merchants and moneylenders whose income levels and status place them outside the category of the rural poor.) Where additional employment opportunities on the land seem constrained, non-farm employment especially in processing agricultural commodities, in crafts and in small labor-intensive industries and workshops appears to offer opportunities for economic expansion and for initiatives by government to stimulate and support rural manufacturing enterprises. Our survey of the literature reveals that while some small manufacturing and handicrafts exist in the rural areas of most developing countries, they owe little to the initiative or support of governments. Governments tend to refer frequently to the advantages of expanding rural industry, but in very general terms. With few exceptions, they have done little to implement this policy, in part because they are not certain how to proceed and are skeptical of the prospects of success.

Hogg's data from India and Liedholm and Chuta's work in Sierra Leone indicate that just as agricultural labor is underemployed, there is very considerable over-capacity among local craftsmen, a situation that probably prevails generally in the third world.⁵ Rural incomes are too limited to absorb the output of village craftsmen and relatively cheap products of urban industry increasingly find their way into village markets. Given the ability of urban industry to penetrate rural markets and the distribution of income in rural areas, much of which would be spent on higher quality urban produced goods, it is uncertain to what degree expanded agricultural production would result in increased manufacturing and handicrafts employment in rural areas.

Industrial entrepreneurs find it more convenient to locate in urban areas where electricity, transport, and a full-time labor force are available. Indeed, the larger the city, the more attractive it appears to be for manufacturing operations. Governments have given rhetorical support to the notion of fostering small-scale manufacturing in rural areas, but have provided few positive incentives sufficient to create a significant or dynamic rural manufacturing base. On the other hand, there has been little experience with efforts to provide landless workers with the ability to finance, acquire, and

⁴For a review of this subject see Rural Enterprise and Non-Farm Employment, World Bank, Jan. 1978.

⁵Information from Martin Hogg's as yet unpublished ODI study was obtained by interview. See also Carl Liedholm and Envinna Chuta, The Economics of Rural and Urban Small Scale Industries in Sierra Leone, African Rural Economy Paper No. 14, Michigan State University, Department of Agricultural Economics, 1976.

operate small capital goods--trucks, processing, well drilling, and maintenance equipment--and thus enable them to supplement their labor power on an individual or group basis and to become service entrepreneurs. Government-assisted rural handicrafts usually operate on a small scale and cater frequently to tourists and overseas luxury markets. Their employment and income effects are usually small, though they do help particular local areas.

The most successful effort to industrialize rural areas has been in the Peoples Republic of China.⁶ In mainland China it is reported that more than fifty percent of cement, fifty percent of nitrogenous fertilizers and a large proportion of consumer goods are manufactured in plants operated by rural communes and local government units. Communes--like Israeli's kibbutzim which also have moved into industry--are sufficient in scale to mobilize capital, labor, and management skills, and to assume the risks of substantial industrial investments which can be located to meet the employment needs of their members. They also depend on government measures which have provided electricity and improved transportation and communications in rural areas and linked them effectively to urban centers. Even in China, however, it does not appear that rural industry has succeeded in absorbing more than ten to fifteen percent of the available time of the rural labor force. Where entrepreneurial decisions determine the location of manufacturing plants, any significant location in rural areas would require a combination of electricity, good roads, and probably tax concessions to induce owners to locate in rural areas where they could take advantage of the lower wage and perhaps more docile labor than would be available in cities.

As a method of large scale employment creation, governments have made little effort to foster and support the expansion of handicrafts or the establishment of manufacturing in rural areas.

Action Measures for Governments and Development Agencies - Yet the expansion of industry and of handicrafts could provide an important source of additional employment and income not only for non-agricultural laborers, but for members of all categories of landless and near-landless households. It could also help to stem the flow of rural-urban migration. Incentives and administrative measures that would encourage rural based processing, manufacturing and handicrafts activities should therefore be a high priority for development agencies. Though this is an area of high uncertainty, experiments in rural-based, labor-intensive industry could contribute to the development of knowledge on this subject, and will be recommended as a research priority in the next chapter.

It may also be possible to develop opportunities for agricultural and especially for non-agricultural workers to acquire and operate, through some forms of share holding or cooperative enterprises, small service oriented or

⁶Jon Sigurdson, "Rural Industry and the Internal Transfer of Technology," Stuart Schram, Editor, Authority, Participation and Cultural Change in China, Cambridge University Press, 1973.

Jon Sigurdson, "Rural Industry - A Traveler's View," China Quarterly No. 50, (April-June 1972), pp. 315-337.

Jon Sigurdson, "Rural Industrialization in China: Approaches and Results," World Development, Vol. III, 1975, pp. 527-538.

Jon Sigurdson. "Rural Industrialization in China - A Reassessment of the Economy," Washington, D.C., for the Congressional Joint Economic Committee, 1975.

processing equipment needed in modernizing rural economies. This too will require institutional experimentation, but if successful could provide landless workers both with capital and employment opportunities.

C. Reforming Institutions

Some measures which would improve conditions of the landless and near-landless involve institutional reforms, many of which would alter power relationships in rural areas. They are considered deeply threatening, thus are likely to be resisted by rural landowners and merchants as well as by their urban allies. On the other hand, many observers of rural poverty believe that institutional reforms are essential and even prerequisite to the alleviation of rural poverty. Some measures are far more radical than others in their effects on property rights and on relative power in rural areas. In this section we shall begin with those which are relatively moderate and go on to those that are more far-reaching in their implications.

1. Minimum Wages, Tenant Security, Protection of Migrant Labor, and Debt Relief -
These are companion measures which attempt to place a floor under wages that can be paid to rural workers, to regulate usury among moneylenders, to humanize living and working conditions for migrant workers and their families, and to regulate conditions of tenancy by limiting the right of owners to evict tenants--thus providing greater security--and by specifying maximum cash rentals or shares of output that owners can demand of tenants. Many countries, despite the opposition of landowners and moneylenders have enacted laws of this sort, but few governments have demonstrated the will or the capacity to enforce them, except sporadically. Where they would improve returns to workers and tenants beyond the prevailing market situation, landlords seek and often find ways to evade them. Workers are so dependent for jobs and for access to land and credit that they are often compelled to accept terms which violate the law. Where some enforcement can be expected, landowners may convert tenancies to wage employment or wage employment to tenancies-at-will, limited only by their need for reliable and experienced tenants and workers. Under patron-client relationships, often reinforced by indebtedness, workers and tenants may value so much the security of an established relationship which guarantees subsistence that they will not risk asserting legal claims.

Except in the relatively few reported cases where workers or tenants are organized into unions or associations which can press their claims collectively or when they enjoy the active support of government, (e.g., Kerala), minimum wage and tenant protection laws tend to be of limited effectiveness. By raising labor costs they may even have the perverse effect of encouraging labor displacing mechanical equipment. While they may be enforced for brief periods, changes in government or the weakening of organizations provide opportunities for landowners, given their dominant economic and political position in rural areas, to evade and disregard the laws and to regulate terms of employment, tenancy, and indebtedness according to market conditions.

While rural workers are usually exempted from labor codes, some Latin American governments have attempted to extend the protection of those portions of the codes that regulate the behavior of labor contractors, pursuant to ILO sponsored labor conventions. The purpose of such legislation is to protect rural workers from the exactions of contractors and to make the latter responsible for seeing that workers whom they recruit benefit from minimum working and housing standards. Frequently the contractor is also the patron and the creditor.

Thus their dependency on the contractor limits the ability of workers to protect their interests, regardless of the law. We found no literature describing or analyzing the enforcement by governments of labor codes designed to protect rural workers.

Action Measures for Governments and Development Agencies - International development agencies should encourage governments to enact and to enforce measures which 1) increase the security and limit the rentals and other obligations of tenants, 2) provide minimum wages and more decent treatment of agricultural laborers, while avoiding premature labor displacing mechanization, 3) regulate the conditions of migrant agricultural labor, and 4) limit the exactions of moneylenders, perhaps by expanding facilities and improving access to institutional credit. These reforms can mitigate some of the worst abuses of labor and tenancy relations without impairing property rights. They require both the active support of governments and the organization of workers and tenants.

2. Organization - A more radical measure, one that few governments have been willing to support, is the organization of the landless for advocacy, self-help and collective bargaining purposes. While the organization of owner-cultivators into cooperatives, farmers associations and similar bodies is quite common and helps to enhance their capacity to interact with the administrative and service providing agencies of the state and to influence public policy on their behalf, this is seldom the case with the landless. Some very small farmers and tenants have benefited from cooperatives, usually government supported, which provide them with production inputs and processing and marketing assistance on favorable terms. Informal kinship or neighborhood groups based on mutual trust, which facilitate sharing and self-help, may, however, be an underutilized resource for helping larger numbers of the landless, tenants, and marginal farmers.

As we have previously indicated, efforts to organize the landless and tenants for bargaining and advocacy purposes usually founder due to inexperience with formal organizations, lack of trust and solidarity among the rural poor, and intransigent, often violent opposition of landlords. Governments hesitate to sponsor or even to tolerate mass organizations among the landless because of the influence of rural elites or their fear that such organization will either make unacceptable demands and fall under the influence of opposition or subversive political forces. Organizations of the rural poor which show some promise of success, especially if they are militant in their style or in the substance of their demands, e.g., the Federation of Free Farmers in the Philippines and the Peasant Leagues in Northeast Brazil, tend to run afoul of governments. Under one pretext or another, they are disbanded and proscribed. Others, like those in Mexico, are incorporated into the government apparatus and cease to be effective advocates of their members' interests. One exception is found among plantation workers whose unions have managed to survive in a few areas including Malaysia and the Caribbean Islands formerly under British control. Only a tiny proportion of the landless and near-landless have unions or similar organizations to advocate and protect their interests. Effective organization for advocacy and collective bargaining purposes requires separate organization for each interest group. Efforts to include tenants and marginal farmers, not to mention landless workers, in organizations dominated by landed interests and even by small farmers have uniformly failed.

In the absence of the countervailing power of organization among the rural poor, minimum wage and tenant security laws can seldom be enforced and the landless have no collective means of protecting themselves under labor surplus

conditions from the inexorable operation of supply and demand. Laborers and tenants continue to rely on traditional social structures or patron-client links for particularistic protection and benefits. Only reformist governments which are prepared to risk the hostility of landowners and merchants seem willing actively to foster and support organization which can increase the bargaining power and the political influence of the landless. Rural elites understandably look upon the organization of labor as the first step toward what they most fear, land reform.

Action Measures for Governments and Development Agencies - International development agencies should encourage governments to foster and support, or at least to tolerate organizations of rural laborers, tenants, and marginal farmers. While such organizations may increase overt conflict in rural areas, they are essential to providing countervailing power for disadvantaged groups, for collective bargaining, for advocacy, and for relating more effectively with the service-providing agencies of government.

3. Land Reform - Land reform is the most radical of institutional reforms because it redistributes the main asset, land, on which power, status, and income depend in rural areas. There are two main types of land reform:

(a) The parcelization of land, including sometimes the consolidation of holdings, into properties which are then owned and managed by individual households (or in some cases managed as cooperative enterprises). Individual land ownership is what most peasants seem to prefer, because of the status, security, and sense of independence that land ownership confers in most societies.

(b) The alternative pattern is collectivization through state farms or communes, the pattern preferred by most Marxist regimes and by technocrats who believe, mistakenly, that small scale agriculture cannot be efficient. (Actually, under similar agronomic conditions small holdings, even very small holdings, tend to be more productive per unit of land, the scarce factor, and to absorb more labor than larger holdings.)

Any pattern of land reform is likely to be deeply threatening to landowners and their allies. Thus they are likely to use their considerable influence to prevent its enactment or to sabotage its enforcement politically, judicially and through organized violence. There has been very considerable experience with land reform on all continents since World War II and a large literature exists on the subject, too extensive and complex to be reviewed in this paper.⁷ Many "land or agrarian reform" laws are mainly cosmetic; no one expects that they will make much difference. Often large modern commercial holdings are specifically excluded, as in the recent Philippine legislation; or the amount of land subject to distribution may be miniscule in relation to the need, as in Colombia, where only public lands have been made available; or financial appropriations for land reform purposes may be trivial, as in El Salvador.

Moreover, even when it is enacted and implemented, land reform does not necessarily improve the lot of the landless, unless this is one of its explicit purposes. The initial targets of most land reform programs are the very large

7

For a recent review, see Progress in Land Reform, Sixth Report, prepared jointly by the UN, FAO and ILO, New York, United Nations, 1976; also comparative analysis of eight country cases by Hung-Chao Tai, Land Reform and Politics, a Comparative Analysis, Berkeley, Univ. of California Press, 1974.

holdings. When such lands are expropriated, often with some compensation to landowners, they are left, with generous ceilings, usually with the most fertile lands, which they can continue to own and cultivate. In some cases, several family members are permitted to retain substantial holdings. The remaining land is distributed usually to former tenants in units that permit the production of surpluses. Often there is not enough land left for the landless or even for all the tenants working the lands included in the original holdings. Outsiders can almost never be accommodated, however small their holdings or great their need. The result may be the creation, or the reinforcement of a class of yeoman owner-cultivators, the so-called "middle farmers," who engage tenants and hire laborers and soon become the new elite in rural areas. This has been the experience in many land reform countries, including Pakistan, Egypt, Sri Lanka, India and Mexico. Though they are not large landowners in an absolute sense, the middle farmers are able to produce surpluses, the proceeds of which they use to acquire land from marginal producers, to mechanize their operations and to profit through money lending or commercial activities. Since they are relatively numerous, in contrast to the former very large landowners, they are not a vulnerable political target. They are a formidable political force, quite competent at resisting demands by tenants and laborers. They tend to recognize few of the traditional obligations of patrons to clients. In country after country efforts to achieve second stage land reform, that is, to break up the holdings of the middle farmers for distribution in family size parcels to tenants and landless workers becomes an extraordinarily difficult political challenge. Land to the tillers, except as a slogan, has been successful usually as the result of revolution (Bolivia), or of military defeat (Taiwan, Korea). Where governments do not permit the great majority of rural families to become owner-operators and allow substantial differences in land ownership to persist, there soon emerges a class of middle farmers who gain ascendancy in rural areas and recreate the former inequitable and exploitative relationships.

The reorganization of agriculture into collectives does not necessarily eliminate landlessness either, unless the government requires that all rural families be included in the collective organizations with the right to employment and to participate in the distribution of the output. In mainland China, this practice has been enforced. In Peru, however, the expropriation and conversion of the coastal haciendas into collectives included as beneficiaries and participants only former tenants and laborers on these extensively cultivated plantations. Others have been excluded regardless of their need, even though substantial areas of these former haciendas remain uncultivated. It is estimated that the land reforms in Peru during the past decade have benefited one-third of the rural poor, most of whom were originally relatively better off; the other two-thirds have been excluded. Collectivization which does not make room for all rural laborers and tenants creates, in effect, a labor aristocracy, while the majority remain impoverished and insecure marginal farmers, tenants, or landless laborers.

Though quality of land, availability of water and modern inputs, and the employment of efficient technologies are important variables, there is increasing evidence that very small holdings, intensively cultivated, supported by effective and reliable public services and farmer organizations, can yield family incomes well above subsistence (e.g., Taiwan, where average holdings are about one acre, Korea in a much colder climate where the average is one hectare. In Korea per capita farm income now equals per capita income in urban areas, in contrast to most developing countries where they are usually less than half the urban mean). Unless land reform redistributes land in family units sufficient

to accommodate the great majority of tillers, there will remain a substantial group of landless laborers. As their numbers increase with population and labor force growth and unless many of them can be absorbed into an expanding industrial structure, exploitative practices will persist.

Where land reform cannot provide minimal family size holdings for the great majority of the rural labor force, the advantages of collectivization become apparent. Even though production incentives to the household may be less than under family farming, collectives can guarantee employment and some degree of security to all and the right to share in the collective product. Since collectives may be more effective in promoting rural industrial enterprises, they may be useful in expanding rural employment opportunities. In overcrowded rural areas such as Java, Bangladesh, and Egypt, where the rural labor force is likely to double by the turn of the century, collective patterns of agricultural production may emerge as a serious option.

Action Measures for Governments and Development Agencies - In many situations where land reform is politically possible, it can do more to relieve rural poverty, promote security, and empower large numbers of the landless and near-landless than any other measure. There are risks, however, that the benefits may be limited to relatively few households, mostly former tenants, that land ceilings will be too high, and that subsequent conditions will permit the re-consolidation of holdings and the reinstatement of exploitative practices. International assistance agencies can use their influence to see that 1) as large a number as possible of landless workers and tenants participate in the benefits of land distribution or collectivization, and 2) governments provide the networks of local organization and public services needed to protect the reforms and to insure their productive and social success. Depending on specific circumstances and on political feasibility, there are numerous areas of technical and financial assistance by which development agencies can contribute to the successful outcomes of land reform programs.

D. Meeting "Basic Needs"

During the past few years, the concept of "basic human needs" has begun to replace macroeconomic growth as the key target of development policy. This concept is being promoted by many of the international development assistance agencies, including the International Labour Organization, the World Bank and the OECD.³ Though agreed criteria and indicators have not yet evolved, it is clear that "basic needs" is a version of the welfare state that would provide a floor under the living standards of all. Thus progress toward development would be evaluated less by overall rates of growth than by the distribution of benefits, specifically the satisfaction of certain essential human needs. Except for socialist countries, no governments of developing countries have yet committed themselves to basic needs goals and few would be able to move toward them without foreign assistance, combined with far-reaching changes in priorities and perhaps in institutions.

Most basic needs proponents lean toward the redistribution of income and consumption, hoping to avoid the deep conflicts that inevitably accompany efforts to redistribute land or other assets. This places heavy stress on the redistributive role of government, primarily through taxation and public expenditures. Some basic needs are amenable to satisfaction through public

3

e.g., ILO, Technology, Employment and Basic Needs, Geneva, ILO, 1977.

services. These include formal education at all levels, health care, family planning services, the provision of sanitary potable water, and basic food rations, especially cereals sufficient to provide minimum caloric requirements. Some governments have moved significantly toward the provision of some of these basic needs through public administration, for example, the rice ration in Sri Lanka, health services in Costa Rica, and education in Malaysia. Though these services are a major charge on public budgets and are not specifically targeted to the landless and near-landless nor exclusively to rural areas, their impact greatly improves the welfare and the opportunities of the rural poor, including the poorest among them.

There is considerable dispute however, about the long-term effects of relatively costly public expenditures oriented to meeting basic needs. Could the expenditures required to raise current consumption above the subsistence level be better spent on investments that would have a long-term beneficial effect on employment or incomes? Do welfare state expenditures satisfy current needs at the expense of the future? Has Sri Lanka for example, with its rice ration which has clearly raised standards of health and well-being and perhaps contributed to a falling birthrate, deprived the country of some of the resources required for job-creating investments? At what point should expenditures for current basic needs yield to expenditures for future growth, for jobs for the next generation of an increasing landless population?

Many developing countries, especially the poorest among them, lack the means and often the administrative capacity to finance and deliver these services on a universal scale especially in remote rural areas. Preliminary estimates by the World Bank indicate that very large capital expenditures will be required by any serious global campaign to provide such basic needs as education, health services, sanitary water supply and shelter. These costs exceed the capacities of most developing countries and would therefore require substantial increases in foreign assistance. The annual operating costs of maintaining the public services which deliver basic needs would be even larger.⁹ As a practical matter, therefore, governments, supplemented by foreign assistance, would have to move incrementally toward the provision of these non-marketed services. A few governments have begun to explore ways to reduce the costs and increase the coverage of these services through improved technologies like radio and television or through paraprofessional staffs combined with self-help measures which, in turn, would require effective local organizations.

While the satisfaction of basic needs by improved and expanded public services would not directly threaten the prevailing distribution of assets or power, neither statesmen nor analysts can afford to overlook the political implications. If taken seriously, a basic needs strategy would involve at a minimum the redistribution of a very large proportion of incremental public revenues.

9

Burki and his associates estimate that the investment costs for a basic needs program in food, water and sewage, housing, health, and education for all LDCs between 1980 and 2000 at 1975 prices, would total about \$380 billion or \$19 billion a year. Recurrent annual costs would range between \$565 billion and \$789 billion, or a yearly average of from \$28 to \$40 billion. Combined annual investment and recurrent costs would average from \$47 to \$58 billion. S. J. Burki, et al., Global Estimates for Meeting Basic Needs: Background Paper, IBRD: Basic Needs Paper #1, August 10, 1977.

Urban groups which have only recently been incorporated into the "modern" sector with high expectations include civil servants, military personnel, and the white collar and blue collar employees of commercial, financial and industrial organizations. They are unlikely to countenance the large-scale redistribution of public expenditures to rural areas at their apparent expense, without vigorous representations. The prospect of a freeze in their wages or in the scope of public services or social security measures from which they and their families benefit would be distasteful to such urban groups who are both visible and articulate and on whom governments depend for support. Thus the politics of redistribution on behalf of a basic needs strategy would have to take account of the relative power of the urban middle and working classes and of the rural poor in the inevitable struggle over shares of scarce fiscal resources available for welfare and human services. Most governments have not demonstrated that their priorities reside among the rural poor.

Given the prevailing distribution of power in rural areas and the differential access to services which this implies, the first beneficiaries of additional public services will probably be landowners, local officials, and others who command influence. Local bosses will distribute additional services to pay political debts or to create obligations. The last to enjoy these services will probably be ordinary landless and near-landless families. Unless services are available in sufficient quantity to cover all those eligible or unless countervailing power, like effective local organization, is created by the intervention of governments as in Sri Lanka, Kerala, and Korea, new services which reach rural areas will go initially to the more influential. Thus basic needs-oriented public services will improve the welfare and opportunities of the rural poor only (1) if they are available in sufficient quantity; (2) if administrative delivery systems can be modified and made more effective in reaching the rural poor at lower costs; and (3) if political obstacles to the large-scale redistribution of fiscal resources from urban to rural claimants can be overcome. On an optimistic note: because of strong international pressures, more governments can be expected to experiment with basic needs approaches over the next several years.

Action Measures for Governments and Development Agencies - Practical government measures to deal with basic needs without redistributing assets will rely in considerable measure on expanding and improving public services and making them more relevant in cost-effective ways to the needs of the landless and near-landless. International development agencies can help governments to expand public services, especially in health, family planning, and education by such methods as nonformal education, increased use of paraprofessionals, and the organization of rural constituencies for self help and for more effective interaction with administrative delivery systems. In the area of nutrition, food subsidies might be introduced, confined at first to specially vulnerable groups among the rural poor.

E. Orienting Investments and Public Services to Rural Areas

There is increasing evidence as we have previously indicated, that public and private investments and public expenditures are strongly biased to urban areas, thus contributing to the large disparities in mean per capita income between residents of cities and the countryside.¹⁰ Examples are the notorious

¹⁰ For a detailed exposition of this theme, see Michael Lipton, Why Poor People Stay Poor: Urban Bias in World Development, Harvard University Press, 1977.

maldistribution of doctors, schools, and health facilities. Much of this bias is the result of government policy and can be altered by public decisions. Investment in rural areas from all sources seldom reaches twenty percent of total investment. This is only a fraction of the proportion of persons who work in rural areas or of the national product originating there. There are those who argue that despite the political risks, public expenditures and incentives for private investment can and should be shifted toward rural areas. Some governments, including Sri Lanka, Tanzania and Malawi have been orienting substantial shares of investments and expenditures to rural purposes and others are spending more than in the past for agriculture and rural services, but they remain a minority. Rural areas are systematically discriminated against. Many governments still prefer cheap food for the cities to incentive prices for farmers and the redistribution this would represent in favor of rural constituents. It will take dramatic changes in public policy to shift this distribution of resources. Though political leaders are increasingly asserting rural development priorities, there is little evidence to date that major shifts are in progress.

But even if this shift in expenditures, investments and incentives were to materialize, the critical question would remain: who in rural areas would benefit from this reversal in priorities? As some believe that rural areas are made up of homogeneous populations of owner-cultivators, so they believe that any additional expenditures in rural areas will necessarily spread benefits broadly and equitably, or that some of the benefits will at least trickle down to the landless. This question requires much more precise and sophisticated analysis of the differential access to and distribution of benefits of additional public services among various rural constituencies, specifically among landless and near-landless groups.

Improved agricultural research, irrigation facilities, credit, HYVs and price supports may permit the intensification of agriculture and thus increase the demand for labor, but this would not be the only consequence. While some additional income would accrue to tenants, laborers, and marginal farmers, and there would be a secondary demand for local services and products, most of the benefits would probably flow to medium and larger landowners. They might use their increased earnings to buy up the lands of marginal cultivators or to mechanize their production, thereby eventually reducing the demand for labor and inflicting even greater hardship on tenants and landless laborers. For those who are assessing the impacts of public policies on the rural poor, it is not sufficient to look at the aggregate allocation of public expenditures or price policies in relation to urban and rural populations.

Each program must be evaluated in terms of its differential impacts on specific constituencies among the landless and near-landless. Health clinics, for example, may be entirely beneficial as would incentives for labor intensive industrial development in rural areas. On the other hand, expenditures and policies which stimulate agricultural production but do not inhibit mechanization may be positively detrimental. More research and extension for export crops grown by large commercial estates could hurt agricultural laborers and provide no benefits for marginal cultivators. If price supports raise the cost of subsistence foodstuffs, without providing equivalent increases in rural wages or employment opportunities or subsidized rations, the real incomes of landless agricultural workers and their access to the food they help to grow would be adversely affected. On the other hand, the demand for the labor and services of non-agricultural workers might increase.

The skewing of investments and expenditures toward urban areas is an expression of the relative distribution of power and influence in most developing countries and of ideologies which regard urban as "modern" and rural as "backward." Countries that have successfully reduced rural poverty have invested heavily in the agricultural sector; thus a shift in sector priorities seems to be a necessary, but not sufficient condition for alleviating rural poverty. Public policies which lead to more investment and expenditures in rural areas do not, ipso facto, benefit the rural poor. All depends on the impacts, both immediate and long-term, of specific programs and policies. There is little evidence in the literature of such evaluations either prior to or after the initiation of such programs.

Action Measures for Governments and Development Agencies - Development agencies can encourage governments both to shift their investment and expenditure priorities to rural areas, and to support activities with these additional expenditures which provide substantial benefits to the rural poor. This would include such previously mentioned measures as (1) increasing employment and income earning opportunities for agricultural laborers, (2) orienting agricultural services to facilitate intensification by marginal farmers, (3) fostering manufacturing and other labor-intensive non-farm employment in rural areas, (4) improving the access of rural poor to public services which raise their skill levels and improve the quality of their lives, and (5) building institutions which orient public services to landless and near-landless constituencies and foster autonomous organizations among them.

Chapter V - Research Priorities

This report is a survey and critique of available published information on the landless and near-landless. The current information base is limited in coverage, uneven in quality, and quite variable from country to country and subject to subject. The fundamental problems are that (1) governments and international agencies have underinvested in the collection, analysis and publication of information related to the rural poor; and (2) conditions of rural poverty are seldom conceived in the social structural terms needed to permit careful identification, enumeration, and analysis of data by socio-economic and occupational groups.

Basic Data

Even studies which achieve some differentiation tend to overlook the landless and the marginal cultivators and treat them as an invisible or residual category. This is true of some large scale surveys which attempt to break down the rural universe by land tenure status. Holdings below a certain minimum (e.g., .1 hectare in Java) are not even defined as farms, thus omitting a large number of intensively cultivated mini-holdings. In some rural employment surveys, no distinctions are made between different classes of tenants, or between tenants and agricultural workers, or between the latter and those employed outside agriculture. Income and income distribution surveys often fail to include income earned by family members except for the head of the household and these suffer from the difficulty of correctly identifying, imputing, and evaluating income in kind and income from non-conventional sources, including remittances from family members in urban areas. Household income and consumption among the rural poor are often underestimated; were this not the case many more of them would actually be destitute and starving. Large scale surveys often reflect only the season of the year in which they are taken, which may give a false impression of year-round conditions of employment, income and consumption. Studies of health, nutrition, and housing seldom discriminate directly among occupational or socio-economic groups and often do not differentiate among ecological or economic regions. This is largely a matter of underinvestment in information about the rural poor.

In some countries the number, frequency and accuracy of agricultural and agro-economic censuses and household expenditure surveys have begun to improve. They contain useful quantitative data which, with the help of interpolation and inference, provide information by income, size of holding, or occupation that give some idea of the dimensions and composition of rural poverty. There is a growing body of quantitative information resulting from detailed studies of villages or other poverty groups (e.g., Gillian Hart's as yet unpublished study of household labor allocation in a Javanese village and Lester Schmid's analysis of the conditions of a set of migrant labor households in Guatemala). These provide carefully collected and evaluated quantitative information on socio-economic structures and behavior among the poor in specific rural areas and, through extrapolation, permit better informed estimates of social and economic conditions over wider areas. Excellent data-based country studies have begun to appear including Radwan's ILO monograph on rural Egypt,¹ and the

1.

Samir Radwan, Agrarian Reform and Rural Poverty, Egypt, 1952-1975, ILO, 1977.

Bangladesh studies recently prepared by Januzzi and Peach.²

Based on information emerging from such diverse sources, we are witnessing the emergence of comparative studies which rely on quantitative data. It was from combinations of scattered statistical evidence that Barraclough and his associates at the CIDA in Mexico City were able to construct detailed tables which stratified the rural populations in most Latin American countries by land tenure categories.³ Included in this category are the volume on Hired Labor in Rural Asia edited by S. Hirashima,⁴ the study by John Thomas and his associates on rural works projects,⁵ Michael Lipton's book on urban bias,⁶ the recent studies published by the Institute for Development Studies at Sussex on the utilization of rural labor,⁷ the ILO-sponsored, five-country study by Van Ginneken,⁸ and the work by Eicher and his associates on rural employment and labor markets in Africa.⁹ Because of the growing interest in rural poverty and social-structural analysis of poverty, and despite the sluggishness and the hesitation of many governments in orienting their census taking and data collection and analysis to these categories, it is reasonable to expect a gradual increase in reliable quantitative information on the social-structural and occupational dimensions of rural poverty, combined with better estimates of real income and employment according to these categories.

The more qualitative and descriptive literature at present leaves much to be desired. Little has been published about the operation of local labor markets, the role of women in poor rural households, the many varieties and conditions of tenancy arrangements, and the impacts of population change, the commercialization of agriculture, and indebtedness on the security and income earning opportunities of the rural poor.

2

F. T. Januzzi and J. T. Peach, "Report on the Hierarchy of Interests in Land in Bangladesh," USAID, Washington, 1977.

³ Solon Barraclough, Agrarian Structures in Latin America, Lexington, Mass., D.C. Heath, 1974. The data in this volume are from the early 1960s because of the scarcity of reliable and current data and the effort involved in achieving minimal comparability.

⁴ S. Hirashima (ed.) Hired Labor in Rural Asia, Tokyo, Institute for Developing Economies, 1977.

⁵ John Thomas et al., op. cit.

⁶ Michael Lipton, op. cit.

⁷ John Connell and Michael Lipton, Assessing Village Labor Situations in Developing Countries, New Delhi, Oxford Univ. Press, 1977.

⁸ Wouter Van Ginneken, Rural and Urban Income Inequalities in India, Mexico, Pakistan, Tanzania, and Tunisia, Geneva, ILO, 1977.

⁹ Derek Bayerlee, Carl Eicher, Carl Liedholm and Dunstan Spencer, Rural Employment in Tropical Africa, Michigan State Univ., Dept. of Agricultural Economics, Feb. 1977.

There is little definite information about the survival or coping strategies of the landless, their sources of income, allocation of family labor, processes of sharing among kinfolk, conditions and consequences of migration, and the operation of patron-client networks under changing conditions. Much of what is published on these subjects originates in the judgments of observers,¹⁰ plus a few good case studies from which patterns of behavior in similar situations can be inferred. Such inferences from which so much of our knowledge of the dynamics of rural poverty now depend are much in need of confirmation or modification from concrete, data-based research and analysis. This situation is gradually improving, however, with the appearance of more field studies focused on the rural poor by private scholars, many of them anthropologists. Moreover, several of the international organizations have begun to sponsor and in some cases to produce single country and comparative studies bearing on the conditions of the landless. One example is the ILO-financed village studies series produced by scholars associated with the Institute of Development Studies at Sussex.¹¹ Another is the OECD Development Center's as yet uncompleted analysis of Minimum Needs in Different Environmental Frameworks.

There is a dearth of information on local organization, formal and especially informal, among the rural poor. This includes horizontal kinship networks and class-based organizations for mutual assistance and group struggle as well as vertical patron-client links, all of which provide support and assistance to the poor in their daily struggle for survival and in times of trouble. Organization is a dynamic factor in rural areas; as some structures decline in utility, others are likely to emerge so that individuals and families will not be totally exposed and atomized in dealing with a harsh environment. It is generally suspected that landless and near-landless groups in virtually every country enjoy very limited and even discriminatory access to public services, but except in the health field this subject has not been systematically or rigorously investigated. With increasing interest in "basic needs," however, it is likely that more research will be devoted to administrative delivery systems and their impacts on the rural poor.

There is a very limited literature on non-farm employment in rural areas, including handicrafts and small manufacturing, as well as the rural equivalent of the "informal sector" which we suspect may be even a larger user of labor time and producer of income than our present limited information would suggest.¹² And despite speculation and some data-based estimates of the net employment and income effects of the high yielding varieties and some recent analyses of rural works programs, there is very limited literature on the employment and income effects and the relative cost effectiveness of measures undertaken by governments to increase rural employment and otherwise to help the rural poor.

10

James C. Scott, The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia, New Haven, Yale Univ. Press, 1976.

11

Biplab Dasgupta et al., Village Society and Labour Use, New Delhi, Oxford Univ. Press, 1977.

12

World Bank, Rural Enterprise and Non Farm Employment, Jan. 1978.

To summarize briefly: (1) the quantity, accuracy and relevance of data vary greatly from country to country; (2) there is considerable demographic, income, land tenure, and nutritional census and survey data, but it is of variable accuracy, tends to neglect the landless and near-landless by failing to report data according to categories that might be useful for program development or policy analysis, and overlooks such factors as local organization, access to public services, and the economic role of women; (3) village studies with good quantitative and qualitative data are being produced in many areas of the world but their representative quality is necessarily limited; (4) there is a continuing need to improve the coverage and the accuracy of occupational, income, and land tenure information by socio-economic categories similar to those indicated in Appendix A and to broaden the coverage of level of living factors--health, nutrition, housing as well as institutional data; (5) evaluative research on the impacts of policies and programs designed to help the rural poor are still in very short supply and efforts are underway by international agencies to help governments to improve their survey capabilities and the relevance and accuracy of the data they report and to standardize categories in order to facilitate comparative analysis.

Research Priorities on Current Conditions of the Rural Poor

In this section we shall suggest research priorities for improving the data base on conditions among the rural poor. This class of data can, in turn, serve as necessary background for the more focused policy and program research priorities that will be treated in the next section. To be useful this background information (1) will have to be country and area specific, (2) should be developed in close collaboration with local analysts who know local conditions and can maintain such data after initial surveys have been completed, (3) must often supplement existing data with additional original research. While the number of topics on which improved basic data might be useful is infinite, the following topics call for priority attention:

1. More accurate, area-specific information on the incidence and dimensions of rural poverty. What is needed are location-specific household profiles which identify types and intensity of rural poverty, combining (a) asset position, (b) income and sources of income, (c) occupation, (d) security of income and employment, (e) consumption patterns, and (f) access to public services. Asset position and income are the most critical variables and should command the initial analytical effort, but more complete profile information would be useful in establishing target groups for better focused and better informed public policy and program intervention. Where time series are possible, they help to identify trends that can better inform public policy.

2. Area-specific data by major categories of the landless and near-landless--similar to those outlined in Appendix A--on nutritional status, health conditions, housing, fertility, migration patterns, indebtedness, and similar basic needs and quality of life factors.

3. Coping Behavior, the process by which landless and near-landless rural households implement family survival strategies--including the allocation of family labor, diversification of income sources, and sources of social and financial support and protection (kinspeople, patrons, political bosses, labor contractors) in times of trouble.

4. The structure and operation of area labor markets--the macro perspective complementing the micro perspective of household labor allocation strategies, including the social and economic roles of labor contractors.

5. The economic and social roles of women in landless and near-landless rural households. This would include the allocation of their time, their influence on household decision-making and the special vulnerabilities and coping mechanisms of female-headed households. Data on this subject would suggest means by which public policy might focus more effectively on the problems encountered by rural women and better utilization of their energies and skills.

Priorities for Policy and Program Related Research

Included in this section are recommended areas for research which, the reader will note, are closely convergent with the policy priorities discussed in Chapter IV. These are not specific research topics or projects, but problem areas where research might yield substantial payoffs. Specific research undertakings can be sponsored and assisted by international development assistance agencies and can involve the participation of scholars and analysts from industrialized countries, but the bulk of the research should be designed and carried out by local scholars familiar with local conditions. The research should be area specific but designed, where possible, to facilitate comparative analysis. It should cover evaluation of past experiences as well as impacts of on-going projects and should generate hypotheses for designing new policies, programs and action-research projects.

In all such policy and program related research it is important not to lose sight of the political economy of rural areas, the distribution of power and influence mentioned in our first chapter and reiterated throughout the report. Any analyses and prescriptions which do not take full account of the social-structural context of specific rural areas and of national and regional political forces will prove to be both naive and irrelevant.

1. Intensification of land use. Agricultural research should concentrate far more than in the past on cropping and land use systems for very small holdings and in specific micro environments. There are numerous opportunities - as suggested in Chapter IV - for increasing productivity and labor absorption on very small holdings, but they have not been investigated in detail or sponsored by governments. Such research must join agronomic and livestock with economic factors in order to determine both technical and economic feasibility. An important dimension of such research must be the means of providing necessary information, credit, production inputs, marketing and other services required to implement improved cropping systems for marginal cultivators both through governmental and market channels. The organization of marginal cultivators to benefit from these services, to provide mutual assistance, and to articulate their needs to government must also be a component of this interdisciplinary research on intensification which we consider the top priority for helping marginal farmers.

2. Labor-intensive manufacturing and processing activities in rural areas. Because of its potential for increasing employment opportunities for the landless, we assign high priority to this neglected area of research. It should focus both on (a) products and processes of production suitable to locally available natural resources, labor supply (including specific skills), energy sources, and marketing opportunities in particular areas, and (b) questions of sources of investment and working capital, entrepreneurship, enterprise organization, and technical and managerial assistance for small scale firms engaged in labor intensive operations. Included under this topic should be structures and processes through which local craftsmen and other landless workers can

respond to some of the emergent needs of expanding agricultural economies by acquiring and operating capital equipment individually or cooperatively.

3. Local organization among the landless and near-landless. This priority is based on the premises that (a) the rural poor can make claims on government and can engage in collective bargaining with landowners on wages and tenure conditions only when they are organized and (b) that each socio-economic group must have its own organization to promote its distinctive interests. Building, where possible, on existing associational groups and converting them to new and more complex functions, how can particular constituencies among the rural poor be organized--perhaps with assistance from governments and international agencies--and how can these organizations be helped to survive and better to serve their members.

4. Reducing fertility among the landless and near-landless. So critical is this objective in the struggle against rural poverty that it must continue to command priority in the allocation of research resources. Research should not be biased, as in the past, to reproductive biology or even to improved contraception methods, but to (a) conditions that motivate rural couples to desire fewer offspring--which may then suggest alternative strategies and priorities for rural development, and (b) delivery systems which capitalize more efficiently on actual and latent motivations to reduce fertility.

5. Improving access to public services. Real incomes of the rural poor, as well as their mobility opportunities and bargaining power, can be increased considerably by improved and more relevant public investments and public services. Through more effective extension, formal and non-formal education, and manpower training programs the knowledge and skills of the landless and of marginal farmers can be upgraded. How can public services to the rural poor be improved by such measures as (a) better definition of needs among specific constituencies, (b) improved methods, e.g., paraprofessionals, for reaching the rural poor, (c) better targeting to specific constituencies, (d) preventing the preemption of resources and services by elites and leakages to corrupt or incompetent officials, (e) better linkages to organized constituencies, thus enhancing the participatory dimension of rural development, and (f) devolution of authority to democratically accountable local authorities. Since improved public services are likely to require substantially increased capital and recurrent budget commitments for governments whose priorities have seldom resided among the rural poor, cost and cost-effectiveness as well as political feasibility criteria should be incorporated into this research.

6. Land reform. While there is a vast literature on land reform, many questions remain. Assuming sufficient political support to initiate land reform, prevent widespread evasion, and even avoid violence, (a) what measures must be taken in the design and implementation of programs to insure full coverage, so that substantial numbers of the landless and near-landless are not excluded; (b) what patterns of social and production organization and (c) what investments in public services are needed to protect the new structures and provide reasonable prospects that they will be economically successful.

7. Reversing the Urban Bias. Providing additional resources and improved public services for agricultural intensification and for basic needs, supporting organization among the landless, facilitating industrial investment in rural areas, eliminating subsidies for labor-displacing equipment, enforcing higher wages and better working conditions, not to mention sponsoring land reform--all

require initiatives and support by governments which amount to shifting priorities and, in effect, correcting the "urban bias." This has both political and economic dimensions. Under what conditions is it likely that significant elements among urban governing elites may determine that their coalition partners in rural areas need not be merchants and landed interests, but the more numerous landless, tenants and marginal cultivators? What measures would be required to implement this political strategy? What combinations of economic policy measures, investments and improved public services and in what sequence would facilitate the shift toward a rural bias, at least financial and political cost to governments?

8. Labor and tenancy reform measures. The effects of such measures as (a) minimum wages, (b) tenant security and rent ceilings, (c) improved working conditions, especially for migrant labor, and (d) various forms of debt relief should be examined. Governments, often with international support, are inclined to enact but less often to enforce such measures. Under what conditions are they most likely to be enforced? When enforced, what are their probable effects on employment, on access to land among specific landless and near-landless groups, and on international price competitiveness of export crops? What complementary policies are likely to contribute to their success?

9. Four more specific issues should probably be investigated. (a) It has been argued by Mellor and others that employment-oriented growth strategies can be achieved by the introduction of high-yielding varieties, plus favorable price incentives for production, plus import and credit policies that prevent premature mechanization. These measures would substantially expand the demand for labor and increase rural incomes which, in turn, would be spent primarily on manufactured goods, handicrafts, and services produced by relatively labor intensive methods in rural areas, while avoiding the need for destabilizing institutional reforms. Research to test this hypothesis empirically would be useful. (b) International agrobusiness firms are often credited with spreading advanced management, production and marketing technologies to the rural areas of developing countries and with contributing to tax revenues and export earnings. What has been their impact on employment, real wages, land tenure, and working conditions for landless workers and marginal farmers? (c) What have been the effects of mechanization on the landless and near-landless under various labor market and agronomic conditions? What are the conditions and timing for the introduction of mechanical equipment in planting, cultivating, harvesting and processing of various crops in ways that impose minimum harm on landless workers? (d) The roles of labor contractors and of local political bosses as new style patrons to the landless and near-landless.

IN CONCLUSION

This first effort at the systematic exploration of "landless and near-landlessness" in the rural areas of developing countries has disclosed great diversity between and within countries. For purposes of analysis we have attempted to disaggregate these descriptive terms into categories based on occupation, access to productive resources, and security of income earning opportunities. We have also classified countries and their rural areas into major types according to population density and land tenure relationships. These classifications have helped to order this large and heterogeneous universe into analytical categories which will be useful for future data gathering, research, and the design and evaluation of public policies and programs. We have tried to avoid either underestimating the dimensions and consequences of rural poverty or, what was perhaps more difficult, exaggerating its incidence and social costs. The overall picture that emerges for most of the countries we surveyed provides little ground for optimism.

The numbers of the landless and near-landless are very great. In most of the countries for which we compiled profiles they comprise a majority of rural households and their ranks may swell by as much as fifty percent before the end of the century. Though concrete conditions differ within this large and heterogeneous group, and some are clearly better off than others, poverty is their common condition and it is serious by every reasonable criterion of access to or enjoyment of adequate nutrition, health, housing, employment or security. Their insecurity, indebtedness and powerlessness seem to be worsening in all but a few countries. The world is faced with the grim reality of millions of households with only their labor to sell, but whose labor and earning power are unneeded during long periods of the year. Husbands, wives and children expend extraordinary efforts to earn incomes, but their remuneration from work when they find it is barely adequate to provide subsistence and leaves them frequently without enough to eat. Many of the solidarity structures which previously provided them with protection and subsistence have eroded. In large measure they are the invisible and inaudible victims of official neglect. Many public policy measures that affect rural areas have been detrimental to the landless and near-landless; even those specifically designed to alleviate their poverty have often proved to be of only marginal help.

It was not the purpose of this initial exploration of the literature to prescribe for the problems of the landless. And clearly no simple or short-term formulas or "solutions" are available. Some observers and scholars predict further immiseration of the rural poor leading to Malthusian disasters in some areas of the world. Others foresee and advocate revolutionary transformations which will radically redistribute economic assets and political power, but they differ on appropriate or effective means to achieve this transformation. Others believe that varieties of incremental measures similar to those described in Chapter IV can, if greater investments of resources and political will can be generated, begin to reverse recent trends, gradually alleviate present conditions, and improve the future prospects of the landless and near-landless. Any such strategies must, of course, take into account the structures of social and economic power that now govern the distribution of assets, income, job opportunities, and public services.

One purpose of this research enterprise was to increase consciousness of the growing problems for this sector of humanity, in the hope that the assembling, ordering, and presentation of existing data might call attention to the large and growing numbers of the landless and near-landless whose poverty and insecurity are deepening. We hoped that this report might contribute to some reorientation in priorities among scholars, government officials, and foreign assistance agencies. In most countries the conditions and prospects of the landless and near-landless can be improved by combinations of such policy measures as we have indicated, but it cannot be done by quick fixes or on the cheap. While there are encouraging signs, including the Congressional Mandate in the U.S. and the increasing focus on "basic needs" in many international organizations, there are unfortunately few signs that many governments of developing countries intend to reallocate their priorities, energies, and resources on the scale required to deal effectively with this problem. Meanwhile, the invisible of the Third World are becoming more visible even in the United States as they illegally breach our borders by the hundreds of thousands in search of work. If their numbers continue to increase and their conditions to deteriorate, how long can it be before larger numbers of them pass over the thresholds that separate acquiescence from protest and protest from social revolution?

APPENDIX A

Classification of the Landless and Near-Landless: the Diversity of Circumstances

"Landless and near-landless" is a broad, inclusive term for the rural poor, for those who must sell their labor on onerous terms and live near or below the margin of absolute poverty. It is a descriptive rather than an analytical category, thus necessarily imprecise. For more discerning analysis we have broken down the concept into a number of discrete categories. Before presenting and elaborating on this analytical classification, a few comments are in order.

While these classes are analytically distinct, they cannot be fully descriptive of concrete situations which offer more shadings and greater variety than can be incorporated into any analytical scheme. There is a great empirical diversity in landholding patterns, occupational distributions, and social statuses in the rural areas of developing countries. These are the outcomes of distinctive historical experiences, variations in ecological conditions, and different institutional structures. Combinations of specific historical, ecological and institutional factors result in concrete differences in social relations and occupational structures. Moreover, these conditions are not static; they are continuously changing under the impact of technological innovations, demographic changes and the commercialization of rural life. For these reasons, not all the concrete manifestations of landlessness and near-landlessness in any particular area may fit exactly into these general categories. We are confident, however, that they are useful as categorical guides to the identification and analysis of the roles, relationships and statuses of the rural poor and to intertemporal and interregional comparisons.

Individuals in rural areas may not belong exclusively to a single occupational category, but may divide their economic efforts among more than one. This applies with certainty to households which are the main sharing and support units in rural areas. The rural poor evolve complex survival strategies. Contrary to the vulgar stereotype which defines them as passive, indolent, and fatalistic, their decisions and behavior tend by necessity to be resourceful. They cannot rely on social security from governments or handouts from patrons; for the most part they must assure their survival by their own enterprise and effort.

This classification scheme combines three factors--occupation of the household head, access to productive resources, and security of income earning opportunities. It does not attempt to distinguish all the overlapping of categories and all the complexity of household survival strategies. It is necessarily static, reflecting distributions at some point in time. Nevertheless, it does provide a rather detailed and, we believe, a reasonably comprehensive set of categories by which members of the rural poor can be classified according to the main occupation of the household head. It provides a basis for developing analytical profiles of the rural poor in any area, for following trends over periods of time, for cross-national comparative analysis, and for designing and monitoring program measures. Households in any of these

classes which for any reason--e.g., very high productivity of land, remittances from family members, secure and favorable conditions of tenancy--regularly receive incomes above government determined poverty thresholds, are excluded for income reasons from the category of rural poor which is the focus of this study.

The Classification Scheme

We first present our set of categories so that the reader may have a view of the total scheme.*

- I. LABORERS AND WORKERS
 - A. Agricultural Workers
 1. Permanent agricultural laborers
 - a. Employed (or attached) laborers
 - b. Indebted (or bonded) laborers
 2. Casual agricultural laborers
 - a. Local laborers
 - b. Migrant laborers
 - i. Seasonal migrant laborers
 - ii. Permanent migrant laborers
 - iii. Intermittent migrant laborers
 - B. Non-agricultural Workers
 1. Laborers
 - a. Permanent laborers
 - b. Casual laborers
 2. Self-employed workers
 - a. Workers with labor only
 - b. Workers with some capital
- II. CULTIVATORS
 - A. Tenants and Sharecroppers
 1. Secure tenants/sharecroppers
 2. Insecure tenants/sharecroppers
 - B. Constrained Farmers
 1. Marginal cultivators
 2. Vulnerable small farmers
 3. Squatters
 - C. Shifting Cultivators
 1. Slash-and-burn cultivators
 2. Long-fallow cultivators
 - D. Tenant-Farmers
- III. A. Pastoralists and Nomads
 1. Settled pastoralists
 2. Transhumant pastoralists
 3. Nomadic pastoralists
- B. Hunters and Gatherers
- C. Scavengers

We then elaborate each of the categories with a brief description in outline form.

*The first draft of this analytical scheme was prepared by Norman Uphoff.

I. LABORERS AND WORKERS: Persons who are without land and who have few other assets. They make their living almost entirely from proceeds of their own labor.

A. Agricultural Workers

1. Permanent Agricultural Laborers: Persons who have steady year-round employment working in agriculture for a single employer who owns land, capital, livestock or other assets. They may be provided with a small garden plot. This is often a large category and can be subdivided in terms of:

a. Employed or attached laborers: "Free" laborers, able to accept or reject terms of employment, though they may be very much in need of work.

b. Indebted or bonded laborers: "Debt peons," unable to choose terms of employment, but have stable access to land and livelihood, however meager.

2. Casual Agricultural Laborers: Persons who have no stable employment.

a. Local Laborers: Persons seeking odd-jobs, unable to count on year-round, income-earning opportunities.

b. Migrant laborers: Persons who because of insufficient local opportunities are forced to seek work outside their "home" community for all or much of the year. May be further subdivided into:

i. Seasonal migrant laborers are away for some part of the year, but follow a predictable cyclical pattern of movements between their home area and sources of seasonal employment year after year.

ii. Permanent migrant laborers have no permanent residence or place of employment and are continually moving in search of employment.

iii. Intermittent migrant laborers under some circumstances migrate within the rural sector or to urban areas for employment when income from work on their own land or others' land is insufficient to support them and their families.

B. Non-agricultural Workers: Rural residents who make their living from work in non-agricultural activities, e.g., crafts, services, manufacturing, or public works. Such persons may even own a little land, but it is not a significant source of income and is insufficient to keep them from working primarily in non-agricultural activities.

1. Laborers: Persons in private or government employment who make a living from their physical labor.

a. Permanent laborers: Persons with reasonably stable employment.

b. Casual laborers: Persons with relative'y unstable, intermittent work opportunities.

2. Self-employed Workers: Persons in the private sector who make a living by their own entrepreneurial initiative rather than by working for someone else. These members of the rural poor can be subdivided into:
 - a. Workers with labor only, whose enterprise is based only on their own effort, such as charcoal makers, wood gatherers, etc.
 - b. Workers with some capital or skills, whose enterprise is augmented by some equipment or facilities, such as rickshaw pullers, tailors, etc., who are nevertheless very poor.
 - c. Rural urban workers, who have left the rural sector to find employment in urban areas but who maintain their familial and community ties to the rural sector. In the event they are unable to find work, they return; if successful, they remit income to the rural sector.
- II. CULTIVATORS: Persons who own or have access to land but whose income from land is so little or so insecure that they must be included among the rural poor. They should not be regarded as "small farmers," because their holdings are insufficient under prevailing institutional arrangements to provide a subsistence family income. Policies and institutions designed for small farmers will usually be inadequate or inappropriate to the needs of this poorer group.
- A. Tenants and Sharecroppers: Persons not owning land (or owning only a tiny amount, perhaps a house or small garden) who must therefore give up a substantial part of their produce to the persons owning the land they cultivate. No rigorous distinction need be made between the numerous concrete forms of tenancy and sharecropping because their situations are quite similar. Generally speaking, tenants pay some fixed sum (in labor, cash or in kind) for the use of land, while sharecroppers pay landowners a proportion of their produce.
 1. Secure tenants/sharecroppers: Some tenants/sharecroppers have enough security of access to land that they can maintain use of it with some degree of confidence even though a considerable share of their output must be paid as rent. Tenants in this category usually have some responsibility for farm management decisions. Security can come from legal guarantee, as promised in tenancy reform legislation or from precedents or understandings with landowners that are informally enforceable.
 2. Insecure tenants/sharecroppers: Many tenants/sharecroppers are in such a tenuous situation that they cannot be sure of maintaining their access to land. They are tenants-at-will because there are no legal protections, because population pressure on the land is such that tenants have no bargaining power, or because inadequately enforced tenancy reform legislation designed to give security encourages landowners to evict tenants periodically so that they cannot establish claims to secure tenancy.

- B. Constrained Farmers: Within this category are persons who own some land, but it is not large enough or secure enough or of sufficient quality to assure a subsistence income for their families. They therefore usually have to devote some portion of their labor and the labor of family members to work on others' holdings or in non-farming occupations. Even if income is at present marginally adequate, they cannot for various reasons, assure the maintenance of this income in the future.
1. Marginal Cultivators: Owner cultivators who cannot earn sufficient income from their holdings to provide a subsistence livelihood for their families. A substantial share of household labor must therefore be allocated to agricultural or other forms of off-farm labor.
 2. Vulnerable Small Farmers: Persons with access to land a bit above those in the previous category but whose holdings are insecure for such reasons as population growth and indebtedness. For the present they may not need special attention apart from measures to assist them as "small farmers." As their numbers grow however, they and their children may be reduced to the status of marginal cultivators, tenants or laborers.
 3. Squatters: Persons occupying and cultivating land to which they do not have legally recognized titles and are thus vulnerable to eviction without warning.
- C. Shifting Cultivators: Persons whose pattern of agriculture is not settled or who are dependent on large holdings and long fallow periods to maintain a subsistence income.
1. Slash-and-burn Cultivators: Persons who have some undefined access to land based usually on a communal pattern of landownership and who move their homes and operations as the fertility of given cultivated areas is exhausted, allowing them to lie fallow for some period of time.
 2. Long-fallow Cultivators: Persons who have a more stable pattern of agriculture depending on access to very large amounts of land. Long fallow periods are necessary to revive fertility that is quickly exhausted. Access to land is usually based on a communal tenure system.
- D. Tenant-Farmers: Persons who have very small holdings and rent in some land on a tenancy or sharecropping basis. In some situations they may not be distinguishable from Tenants and Sharecroppers (II-A) and Constrained Farmers (II-B), but they could be an important hybrid category in some circumstances.
- III. PASTORALISTS AND NOMADS: Pastoralists and nomads are a difficult category to deal with analytically, in part because so little is known about them, their access to land, their incomes, their levels of living, their social structures. Access to land is important for their livelihood, though they need not own it so long as they can use it for grazing.
- A. Pastoralists: Persons who earn a living by raising animals, selling them or products such as milk and wool. They generally need access to large areas of land, which may nominally be communally owned, to provide

forage throughout the various seasons. They also need access to water. The main assets are their livestock. There can be the equivalent of sharecropping, when the livestock owner lets them out to a pastoralist to tend, giving him a share of the produce (such as milk or some of the offspring) or of the value of the livestock when sold. There may be supplementary income from the processing of animal products such as rugs or hides. Three general categories can be identified:

1. Settled Pastoralists live and raise livestock within a relatively fixed area, usually of large size. There will be some movement of livestock within the area, but they have a sedentary base of residence and sometimes grow supplementary crops.
 2. Transhumant Pastoralists move their livestock between grazing and base areas on a regular seasonal basis. These groups are likely to be hard to reach with government programs and services intended to assist the rural poor.
 3. Nomadic Pastoralists move with their livestock over a shifting range, though movement may indeed be within vaguely defined territorial boundaries. This group is particularly hard to reach with government programs and services intended to assist the rural poor.
- B. Hunters and Gatherers: Persons who depend for their livelihood on game and various edible things (berries, nuts, herbs, etc.). They usually have some base of residence but may be quite mobile in the pursuit of food. They are among the most "marginal" of the rural poor, but as long as their environment is not depleted they can maintain a stable way of life.
- C. Scavengers: Persons have been forced, out of desperation, to give up a stable existence, however poor, and roam about, grabbing things to support themselves, often resorting to theft. They may engage in "Casual Labor" (1-A-2-b) but are even more on the fringes of society.

SELECTED BIBLIOGRAPHY*
General and Comparative

- Hollis, Chenery et al., Redistribution with Growth, Oxford Univ. Press, 1974
- John Connell and Michael Lipton, Assessing Village Labor Structures in Developing Countries, New Delhi, Oxford Univ. Press, 1977
- Biplab Dasgupta, et al., Village Society and Labor Use, New Delhi, Oxford Univ. Press, 1977
- Charles Elliot, Patterns of Poverty in the Third World, New York, Praeger, 1975
- Charles R. Frank, Jr. and Richard C. Webb, Income Distribution and Growth in the Less Developed Countries, Washington D.C., The Brookings Institution, 1977
- Keith Griffin, Land Concentration and Rural Poverty, New York, Holmes and Meier, 1976
- International Labour Organization, Technology, Employment and Basic Needs, Geneva, I.L.O., 1977
- Clare Lambert, (ed), Village Studies, Sussex, Institute of Development Studies, 1976
- Michael Lipton, Why the Poor Stay Poor: Urban Bias in World Development, Cambridge, Harvard Univ. Press, 1977
- Paul Streeten, ed., "Poverty and Inequality: Special Issue," World Development 6/3, March 1978
- John Thomas, et al., Employment and Development, A Comparative Analysis of the Role of Public Works Programs, Cambridge, Mass. HIID, 1975
- United Nations, Progress in Land Reform, Sixth Report, New York, 1976
- Wouter Van Ginneken, Rural and Urban Income Inequalities in Indonesia, Mexico, Pakistan, Tanzania and Tunisia, Geneva, I.L.O., 1977

Latin America

- K. C. Abercrombie, "Agricultural Mechanization and Employment in Latin America," International Labor Review, Vol. 105-106 (1972), pp. 11-45
- Solon Barraclough, Agrarian Structure in Latin America, Lexington, Mass.: Lexington Books, 1974

*Sources from individual countries can be found in the country profiles which will be issued in separate regional summaries in this series.

Ernest Feder, "La nueva penetracion en la agricola de paises subdesarrollados por los paises industriales y sus empresas multinacionales," El Trimestre Economico Vol. 169 (Jan., 1976), pp. 57-87

Andrew Pearse, The Socio Economic Implications of Large Scale Introduction of New Varieties of Foodgrains, Geneva, UNRISD 1977

Andrew Pearse, The Latin American Peasant, London: Cass, 1974

U.N. Economic Commission for Latin America, "Situation and Evolution of Food Supplies in Latin America," ECLA Bulletin Vol. 19, Nos. 1 and 2 (1974)

U.N. International Labor Organization, Improvement in the Conditions of Life and Work of Peasants, Agricultural Workers and Other Comparable Groups Report II, Tenth Conference of American States Members of the ILO, Mexico City: Nov.-Dec., 1974

South and Southeast Asia

Asian Agricultural Survey 1976: Rural Asia, Challenge and Opportunity, Manila Asian Development Bank, 1977

Asian Survey on Agrarian Reform and Rural Development, Bangkok: Food and Agricultural Organization of the United Nations, 1976 (mimeograph)

William H. Bartsch, Employment and Technology Choice in Asian Agriculture, New York: Praeger, 1977

Changes in Rice Farming in Selected Areas of Asia, Los Banos, Philippines: International Rice Research Institute, 1975

S. Hirashima, Hired Labor in Rural Asia, Tokyo: Institute of Developing Economies, 1977

Poverty and Landlessness in Rural Asia, Geneva: International Labour Office, 1977

George Rosen, Peasant Society in a Changing Economy, Urbana, Illinois: University of Illinois Press, 1975

R. T. Shand, ed., Agricultural Development in Asia, Berkeley: University of California Press, 1969