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TENURE
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**Further Information Needs Concerning
Tenure and Divestiture**

A Report to USAID/Mozambique

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The scope of work for this consultancy calls for an appraisal of gaps in knowledge and possibilities for dealing with them. The gaps are extensive. Focusing down on the information needed to think constructively about the reform of land policy, most of the needs can be clustered under five headings. The first is critically important to tenure policy and national unity in Mozambique, but is not related to divestiture; the others are directly related to divestiture. A sixth point deals with geographic focus.

1. More information is needed on customary land tenure systems, related authority structures, and the interface between these and the national system of land administration.

The government's communal villages program was its major policy initiative in the customary tenure areas. It failed, and is now believed to have contributed significantly in some provinces to disaffection with government. Similarly, the extension of the areas of state farms deprived local people of land and created resentment. This has of course now been stopped. But the current practice, whereby government carves land for lease to private farmers (often outsiders) out of "unused" land in the customary tenure sector, legally state land, seems likely to increase disaffection. Structural reform and programs which subsidize mechanized cultivation will tend to accelerate this process by increasing demand for land.

The security situation likely precludes any effective research on this issue. Many of the areas involved are relatively insecure and the issue of interest is thought to be directly related to the insecurity. The only alternative which occurs to me is stimulation of and support for a process of dialogue between officials and influential figures in rural society. It might be possible to do a policy workshop in Maputo to review the experience of other African countries, leading to a series of more strictly Mozambican workshops at provincial and local levels, with feedback into a follow-up workshop at national level.

It is difficult to know how government might respond to this idea. They remain leary of traditional authorities in the rural areas, who would need to be involved in the dialogue for it to be useful. A possible place to float the idea initially would be with Mr. Sousa Cruz, Minister of State for Administration. The Ministry of Agriculture would of course need to be involved. LTC would be willing to help a local institution (the Center for African Studies at the University?) put together an initial seminar and

participate in the final seminar, if government were receptive to the idea. Participation by a few knowledgeable people from African countries with happier experiences in this area would be essential. LTC has recent experience with similar seminars in Lesotho and Swaziland.

2. More information is needed on the actual terms on which land is received in divestiture to private and family farmers, and the impact of those terms on production.

Divestiture is proceeding largely outside the legal processes for creating land rights. One of the results is that the many decisions made at provincial or lower levels leave no central records from which this information can be compiled. Policy dialogue with government on tenure policy needs to be better informed on what is actually happening and about its economic and other impacts.

Gathering information on actual terms could probably be done in a three to four week exercise involving reconnaissance trips to several areas. Local consultants could be used. Such an exercise would need to be carried out in collaboration with the Ministry of Agriculture. If desired, LTC could help the Ministry develop a framework for this exercise and possibly participate in some field visits.

Research on the socio-economic impact of these arrangements can however only credibly be done as long-term, in depth research involving multi-stage sample surveys. And it could only be decided if this is worth doing after a reconnaissance.

It would also be possible within this same general focus to (1) bring experience elsewhere to bear on the question of revenue from divestiture to smallholders, and how this affects the priority smallholders receive as beneficiaries of divestiture; and (2) examine institutional options for support of smallholder agriculture such as contract farming, service cooperatives, etc.

3. More information is needed on the economics of new private and family farms, and in particular the impact of size of holding on the production and viability of the new units.

Appropriate scale will differ for irrigated and rainfed agriculture, by crop, and in relation to other factors such as agricultural prices. Different scales would obviously be appropriate in, for instance, the irrigated areas in Chokwe, cotton holdings in Nampula, and the Green Zones near Maputo. The scale issues are critical because of the artificial (but perhaps medium to long-term) land shortage created by the security situation.

This issue very directly affects the Ministry of Agriculture's divestiture planning and the productivity consequences of divestiture. To date decisions on scale have not been based on empirical evidence or even on well-informed economic projections. There have in our discussions been important differences among knowledgeable people as to the adequacy of, for example, the quarter to half-hectare irrigated plots provided in the Chokwe divestiture.

Studies on scale issues would need to involve sample surveys and be carried out in a variety of areas, such as an irrigated area, a rainfed area and a green zone. These scale issues and the above item on economic impacts of tenure terms in divestiture might be investigated in an integrated study, because they would need to cover the same diversity of areas.

4. Information is needed on the land tax and its economic impacts, current and potential.

Mozambique is one of only four countries in sub-Saharan Africa to have a land tax. Most economists feel that land taxes can play a more useful role than development conditions in discouraging underutilization of holdings. How well they do this depends upon their level and other factors. Because there is no normal market in land here, the issue might not be whether such a tax pushes unused land onto the market, but whether it discourages application for too-large areas or results in their being put into production or returned to the state.

5. A better understanding is needed of the requirements and potential of DINAGECA, and how its needs might be addressed.

DINAGECA's revitalization and reorientation are critical to implementation of a program to ensure security of tenure for family and private farmers. On the other hand, any AID commitment in this area should be tied to tenure policy reform; there is no point in going to considerable expense to register titles which are so restricted and fragile as to not be worth securing.

AID should discuss the situation of DINAGECA with SIDA, which is already involved there. If AID were then interested in following up on this, LTC could suggest a consultant. The need is to assess the situation at provincial as well as national level and to consider how to strengthen some areas of DINAGECA's cadastral work but shed others, for example by re-legalizing private surveying.

6. Studies and other information-gathering might be especially valuable in two situations: peri-urban areas and resettlement areas for displaced persons.

Maputo's Green Zone and the peri-urban areas of other cities can have an important impact on urban food situations, but it is in these areas that tenure confusion and conflict over land are greatest and likely to become more acute with time. One possibility for approaching this would be through AID's project on Economic Growth in Peri-Urban Areas of Africa. The project is a collaborative effort among three institutions with cooperative agreements with AID's Bureau of Science and Technology: ACCESS II (Land Tenure Center, University of Wisconsin); Experimental Approaches to Rural Savings Mobilization (Ohio State University); and Human Settlements and Natural Resource Systems Analysis (SARSA) (Clark University, Institute for Development Anthropology, and Virginia Polytechnic Institute). The project is supported from Africa Bureau's Strategic Studies funds and by the Bureau of Science and Technology. I have arranged for USAID/Mozambique to be placed on the list of missions to be queried about interest in the project.

The resettlement context could offer important opportunities for action research: putting into practice and monitoring on a pilot basis some of the ideas concerning tenure and divestiture. As a result of the comments of the Ministry of Agriculture on the draft Food Security Study, new text is being added which reads: "As a matter of priority, donor assistance should be sought to help the Ministry of Agriculture design and implement resettlement programs [for displaced persons]." This might imply a greater involvement in site-specific project activities than has previously been the case under USAID/Mozambique's Private Sector Support Program, but should be considered.