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edited by John D. Montgomery

A Westview Special Study

International Dimensions of Land Reform

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Land reform became an international issue in the aftermath of World War II, when the United States planned to dispossess the *Junker* in Prussia and actually participated in major land redistribution programs in Japan, the Republic of China, and Korea. It became a canon of United States foreign policy in the Philippines, Thailand, and Iran, as well as a centerpiece of Kennedy's Alliance for Progress in Latin America in the 1960s. Gradually U.S. efforts were joined by those of other countries, international organizations, and voluntary agencies.

Although much has been accomplished, the need for land reform is still critical in many parts of the world. But new challenges are being voiced against traditional views of the relevance of land reform to global needs and against the forms international efforts have taken. This book, which appraises both the ethics and experiences of international involvement in land reform, is the first comprehensive review of the international aspects of this important domestic policy.

John D. Montgomery is professor of public administration at the John F. Kennedy School of Government at Harvard University and is the chairman of the Department of Government there. He is the author or editor of numerous books and articles including *Technology and Civic Life: Making and Implementing Development Decisions* (1974) and *Patterns of Policy* (1979). He has more than twenty-five years of experience consulting on the organization and management of public activities in the United States and abroad.

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Contents

| | |
|---|-----|
| <i>Acknowledgments</i> | ix |
| 1. Land Reform as an International Issue, <i>John D. Montgomery</i> | 1 |
| Notes | 5 |
| 2. Ethical Dimensions of International Involvement in Land Reform, <i>Joseph S. Nye, Jr.</i> | 7 |
| Three General Approaches to International Ethics | 8 |
| Intent: Arguments In Principle for Land Reform | 12 |
| Arguments about Consequences | 17 |
| Intervention and Self-Determination | 21 |
| Conclusions | 26 |
| Notes | 27 |
| 3. The Illusory Goal of Equity in Latin American Agrarian Reform, <i>William C. Thiesenhusen</i> | 31 |
| The Context of Agrarian Reform | 35 |
| The First Case: Inequalities Introduced by Agrarian Reform | 36 |
| The Second Case: Inequitable Post-Reform Policies | 44 |
| The Third Case: Chile's Counterreform | 49 |
| Notes | 51 |
| 4. Land Reform and the Adequacy of World Food Production, <i>R. Albert Berry</i> | 63 |
| Differences in the Setting for Land Reform | 70 |
| Effects of Farm Size and Tenure on Factor Productivity | 71 |
| Differences in Productivity by Tenure: The Land Share | 74 |
| The Evidence from Land Reform Experience | 76 |
| Summary | 80 |
| Notes | 80 |
| 5. International Public and Private Agencies, <i>John P. Powelson</i> | 89 |
| International Public Agencies | 89 |
| Private Agencies | 98 |
| The Role of Private Agencies | 108 |

| | |
|---|-----|
| Conclusion | 109 |
| Notes | 111 |
| 6. United States Advocacy of International Land Reform, <i>John D. Montgomery</i> | 115 |
| United States Initiatives in Land Reform | 116 |
| The Alliance for Progress | 119 |
| Origins of United States Land Policy | 127 |
| Land Reform in United States Foreign Policy | 130 |
| Lessons from United States Experience | 133 |
| Notes | 138 |
| 7. International Influences on Land Reform in Africa, <i>John W. Harbeson</i> | 149 |
| Confirmation of Freehold: Land Consolidation and Registration in Kenya | 152 |
| Land Resettlement in Kenya: From Landlessness to Eventual Freehold | 154 |
| Land Redistribution in Zimbabwe: Transition to Rural Socialism? | 157 |
| Smallholder Villagization in Tanzania | 160 |
| Revolutionary Land Reform in Ethiopia | 162 |
| Conclusion | 165 |
| Notes | 166 |
| 8. Foreign Involvement in Land Tenure Reform: | |
| The Case of Ethiopia, <i>John M. Cohen</i> | 169 |
| Ethiopia as a Case Study | 169 |
| Land Reform from 1960 to 1974 | 172 |
| Foreign Involvement in Imperial Land Tenure Policies | 173 |
| Revolution and Land Reform | 191 |
| Observations on Foreign Involvement | 201 |
| Notes | 204 |
| 9. Prospects for International Action, <i>John D. Montgomery</i> | 221 |
| The Areas of Consensus | 222 |
| Areas of Uncertainty | 225 |
| Lessons for United States Policy | 227 |
| Prospects for a Global Approach | 230 |
| Notes | 231 |
| <i>About the Contributors</i> | 233 |
| <i>Index</i> | 235 |

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J.D.M.

1

Land Reform as an International Issue

John D. Montgomery

Who owns the Earth? Most Atlantic countries regard land as a form of personal property; most of Eastern Europe considers it a collective good. Both groups have tried to export their ideologies of ownership wherever their influence has run, whether by force or conquest, colonial rule, foreign aid, international conferences, or friendly advice. No state has fully lived up to its own ideal in the homeland: all have compromised in practice without ever acknowledging failure in theory. Despite decades of experience and experiment, facts about the consequences of private versus collective ownership are still uncertain. The possibility remains that both of the models are irrelevant to the needs of developing countries. But each persists in an ideal form ready for export and thus as an issue in the international arena.

The issue deeply divides nations. The struggle for land has made revolutions and thus has been a destabilizing force internationally. In the absence of revolution, land possession seems to be a stabilizing force, except when it encourages social exploitation and produces wide-scale popular unrest. Of the three classical factors of production, land is the one naturally limited good (social laws limit labor and capital). And until recently land ownership was a basic source of class differences. Land gives an illusion of permanence: governments try to preserve stability in the international system by pretending to regard the boundaries of other nations as fixed. Curiously enough, they are less solicitous of land rights *within* other nations.

If in Western history land has been among the most intimate and treasured of individual possessions, it is also an essential component of the collective state in Eastern Europe. It is a chief cause of conflict at all levels of human society – among families, classes, clans, and nations. Yet it is better understood as an economic right than as a political issue. Rights to

its use have been studied for centuries by economists, anthropologists, and legal scholars. Territorial struggles among nations have occupied historians since the dawn of that discipline. Even so, as a factor in international relations, apart from boundary disputes land is essentially terra incognita.

Why do nations intervene to influence one another's exercise of this central function of sovereignty? No state claims an inherent right to do so. Interventions in matters of land tenure have to be justified in every case; and the variety of ethical, economic, humanitarian, and security grounds offered for this purpose is testimony to the human imagination.

Ethically, the argument for intervention draws upon the obligation of the state to protect the rights of its own citizens and to help others to do the same. But these rights are sometimes in conflict, so governments feel justified in preventing exploitative land owners from using law — an instrument of the state — to deny other citizens a reasonable share of the food they raised as tenants. When such denials accumulate to become a policy of societal injustice, other states feel justified in encouraging and persuading a delinquent government to make necessary adjustments, including redistribution of land if that appears necessary.

Economically, governments justify intervention in favor of land reform as a means of increasing production of domestic food supply and thus reducing dependency on imports, especially if they have to be financed through prolonged foreign aid.

Humanitarianism provides another justification for international intervention, taking the somewhat more modest form of representations to a friendly government on behalf of a deprived rural population. Such interventions often are resented as unwarranted interference in a domestic political affair; when undertaken by a military ally, therefore, a further justification — land reform as a security measure — is sometimes offered. Both East and West treat land reform as a means of promising satisfaction to the rural population, either as an instrument of revolution or to counter it.

All of these claims are complex. They rest on different theories of value, of social change, and of economic development. Their logic is also somewhat shaky, especially when applied to a volatile political situation. Even their factual assumptions are open to dispute. But in acting on these premises, nations are restrained and propelled less by consistency and coherence than by international politics. The United States force-fed land

reform to Japan in 1945 because the American military thought that a thorough change-over would contribute to peace and stability in the postwar world. In 1947 it encouraged a friendly nationalist Chinese government to emulate the success in Japan because Republicans and Democrats alike believed that success in such an endeavor would legitimize a shaky regime. Both before and after the North Korean invasion of the South, the United States took the lead in instigating and designing land reform programs for similar reasons. It tried again in Vietnam and the Philippines during the late 1950s, hoping to develop popular support for friendly regimes; these efforts met with much less success but acted on the same impulse. And in the 1960s came Kennedy's Alliance for Progress, with its ambitious aspirations for reform. Enthusiasm persisted in the 1970s and 1980s, focusing on Africa but also contributing to the hope of peaceful reconciliation in Central America.

The United States has scarcely lost interest: American support for land reform, land settlement, land development, and land management and conservation totalled \$3.9 billion in AID obligations from 1978 to 1983. Direct assistance to land reform as such amounted to \$2.8 billion; settlement, \$104 million; development, \$71 million, and management and conservation, \$197 million. Of the 52 countries surveyed in 1980 by AID, more than half had current activities dealing with inequitable access to land, and another third had such activities in the works. Additional U.S. support included extension, \$281 million; water development, \$289 million; credit, \$206 million; inputs, \$483 million; marketing, \$58 million; and institutional development, \$106 million.¹

Other nations have acted likewise: the United States has no monopoly on such interventions. Sweden used its diplomatic and foreign assistance missions in Haile Selassie's Ethiopia to cajole, persuade, and advise the government to undertake land reform for both domestic and foreign policy reasons. French and British experts tried to convert a variety of communal land systems to Western freehold models throughout their African colonies, both before and again after independence, thinking that private land holding systems would encourage agricultural productivity by introducing new incentives to farmers. Soviet, Chinese, and Israeli officials have used their own approaches to land ownership to inspire reforms in many newly independent countries. The UN's specialized agencies and other international organizations, including both the FAO and the World Bank, have held conferences,

offered technical assistance, and used various forms of leverage and pressure in Asia, Africa, and Latin America to encourage land policies that their experts consider more efficient or more equitable than the existing systems. Trade unions, church groups, and relief agencies have dispatched both technical and popular missions abroad to influence, advise, and offer support to agrarian and urban reformers. In land policy disputes in Central and South America, the ultimate influence of OXFAM or AIFLD may be slight, but the impulse to be there persists.

Land reform² means different things to these groups and to the different countries affected by it. The United States government officially defines it to include four kinds of activities:

1. Redistribution of land ownership (transfer from one individual to another; redistribution and expropriation with or without compensation; and communal decisions, with or without payment by new owners);
2. Land tenure reform (changes in policy regarding temporary leases and rental arrangements);
3. Land consolidation (collectivization or rearrangement of private holdings or some combination of the two);
4. Settlement (development of new agricultural lands or access to underutilized areas).³

International influence goes far beyond friendly advice. It ranges from the unsubtle coercion possible under military occupation to the recommended "conditionalities" of foreign aid, including travel and educational experiences that shape the perceptions and preferences of political leaders about land tenure. The outcome may be unpredictable: some attempts at imposed land reform have succeeded; some have not. Returned trainees from the Soviet Union often have become skeptical about collective farming, while foreign students in America find much that is puzzling and even offensive in the policies surrounding what is described as family-farm agriculture. Some internationalists in the United States have urged the State Department to champion the cause of land reform; others have seen such movements as threatening to property rights, including those of American citizens and corporations. Even the direction of international influence, to say nothing of its effectiveness, is ambiguous.

But it is certainly not negligible. Apart from the celebrated Asian land

reforms sponsored by the United States, there have been many lesser cases in which international efforts provided the equivalent of a local "political will," especially when the leaders in friendly countries had hesitated to act against the immediate interests of some of their own powerful supporters. At the implementing levels, advisory personnel from abroad have provided both knowledge and moral support to local administrators charged with the complex and politically sensitive responsibilities of agrarian reform. This book is the first effort to explore in detail the dimensions of international influence on land tenure relationships. It considers the ethics of such interventions, the extent to which they have contributed to the global objective of increasing food supply, the degree of equity land reform has been able to bring about in developing societies, and the styles and strategies of international action in different settings. It brings the judgments of history to bear on some important aspirations of the present.

It may not stand as the last word on these subjects, but it does aim at being the first.

NOTES

1. Figures supplied by Agency for International Development in August 1982.
2. The term "agrarian reform," sometimes used synonymously with land reform, usually refers to the larger context of agricultural policies designed to improve productivity and profitability, especially for small farmers. It includes "land reform" as an option but not necessarily the key ingredient of change.
3. Adapted from AID Policy Determinations: AID Policy on Agricultural Asset Distribution: Land Reform, Washington: 16 January 1979. For practical purposes, most of the land reforms of this century have been intended either to redistribute large-scale holdings to small freeholders or to create some kind of collective farm system.

2

Ethical Dimensions of International Involvement in Land Reform

Joseph S. Nye, Jr.

Land reform is sometimes treated like motherhood. The very word "reform" has a positive connotation, but history has often seen evil done in the name of good. Moreover, even if land reform is judged good within the confines of a particular country, this does not by itself justify international intervention; and land reform may require deep intervention. Reform is rarely easy. It often involves reversal of local power balances and a strengthening of regional forces that central governments perceive as threats to their stability. Land reform often involves difficult trade-offs among important values, and it can be argued that such choices are legitimately made only by local actors, not by outsiders. For example, the Wall Street Journal has taken such a view of the Salvadoran land reform.

The Salvadoran land reform problem, as with all problems Salvadoran these days, is complex and it won't be helped much by fulminations from Washington. It is true that Salvadoran voters naughtily gave a majority of seats in their constituent assembly to the so-called right-wing parties, as defined by the foreign press. This exercise in democratic choice no doubt made some Senators uncomfortable but the United States encouraged El Salvador to have free elections and it is bad form to complain when the people elected attempt to run things as they think best. Senator Percy and friends are endangering Salvador's agriculture, its fragile experiment in democracy and the country's very existence.¹

I wish to thank Sissela Bok, John Cohen, Richard Cooper, Stanley Hoffmann, John Harbeson, Robert O. Keohane, and Henry Shue for comments on an earlier draft of this paper.

Not everyone agrees about the ethics of international involvement in land reform. In judging moral arguments whether their scope be domestic or international, one can appraise their clarity, logic, and consistency. As for actions, one must look at three things: intentions, consequences, and competing moral claims. Finally, since impartiality is a cardinal feature of moral argument and behavior, one should look at procedures designed to assure impartiality. Within this framework, I will first survey the main general approaches to ethics and international politics and explain the qualified state moralist position on which my argument is based. Then I will turn to three arguments about international involvement in land reform; arguments in principle, arguments based on consequences, and arguments about competing moral claims and balance of rights. The conclusion will summarize the ethical case for international involvement in land reform.

THREE GENERAL APPROACHES TO INTERNATIONAL ETHICS

International politics is not a particularly hospitable ground for moral argument. Different cultures have different views of right and wrong; there is no overall authority to balance the conflicting claims of order and justice; and there is an added complexity of causation that arises from having to consider at least three levels of analysis (the individual, the state, and the systems of states). Broadly speaking, there are three schools of thought about ethics and international politics: the skeptics, the cosmopolitans, and the state moralists.²

The skeptic sees international politics as an amoral realm. Obligation exists only where there is a community that defines and recognizes rights and duties. Such communities exist only in weak forms at the international level, and this sets bounds on international morality. Moreover, the world of sovereign states is a world of self-help without the moderating effects of a common executive, legislature, or judiciary. In such a domain, the range of moral choices is severely constricted, and the government that attempts to indulge its moral preferences may fail in its duties as a trustee for the interests of its citizens. As Hans Morgenthau has written, "The state has no right to let its moral disapprobation . . . get in the way of successful political action, itself inspired by the moral principle of national survival. . . . Realism, then, considers prudence . . . to be the supreme virtue in

politics."³

From the skeptics' point of view, international involvement in land reform should be judged by prudential rather than by ethical standards. Does involvement in land reform help to stabilize a friendly government? Does it stave off revolution? Or does it lead to local instability, government change, and counter-intervention that could escalate into international conflict?

The skeptics play a useful role in reminding us that justice depends upon a degree of order, and that international moral crusades can lead to disorder, injustice, and immoral consequences. But while it is true that international politics is less hospitable ground for moral argument than is domestic politics, it does not follow that morality is irrelevant in the international realm. Both statesmen and citizens constantly make moral judgments about international affairs. Survival may come first; but much of international politics is not about survival. Statesmen do face choices with moral significance, and citizens often wish their trustees to express moral values in those choices. There are no strong institutions to enforce norms, but only crude international institutions of law and diplomacy to preserve some degree of order.

Many citizens hold multiple loyalties to several communities at the same time. They may wish their governments to follow policies that give expression to the rights and duties engendered by other communities in addition to those structured at the national level. Such policies might include international involvement in land reform. Thus, the skeptics' approach is not sufficient to dispose of the ethical dimensions of this problem.

The cosmopolitan approach stresses the common nature of humanity. States and boundaries exist, but this does not endow them with moral significance. "Ought" does not follow from "is." As David Luban has written, "The rights of security and subsistence . . . are necessary for the enjoyment of any other rights at all. No one can do without them. Basic rights, therefore, are universal. They are not respectors of political boundaries, and require a universalist politics to implement them; even when this means breaching the wall of state sovereignty."⁴ From the cosmopolitan point of view, there are no major ethical problems in principle associated with international involvement in land reform. If land reform will enhance or ensure basic rights, then the cosmopolitan sees an obligation to promote those rights regardless of international boundaries. The language of individual rights is a

liberal formulation of the cosmopolitan approach. A Marxian formulation would stress the historical duty to help oppressed classes regardless of national boundaries.

While the cosmopolitan approach has the virtue of accepting transnational realities and avoids the sanctification of the nation-state, it also has serious drawbacks. First, if morality is about choice, then to underestimate the significance of states and boundaries is to fail to take into account the main features of the milieu in which choices must be made. As Stanley Hoffmann has written, "Moral politics is an art of execution; principles unaccompanied by practical means or by an awareness of possible trade-offs remind one of Peguy's famous comment about Kant — 'his hands were pure, but he had no hands.'"⁵ Applied ethics is more than merely constructing philosophical arguments; it must be relevant to the domain in which moral choice is to be exercised. The other problem with the cosmopolitan approach is ethical; it discards the moral dimension of national politics. "States may be no more than collections of individuals and borders may be mere facts. But a moral significance is attached to them. . . ."⁶ There are rights of people to live in historic communities and to autonomously express their own political choices. A pure cosmopolitan view, which ignores these rights of self-determination, fails to do justice to the difficult job of balancing rights in the international realm. International involvement in land reform may promote the rights of the oppressed, but it may also involve deep intervention, which violates rights of self-determination. The problem of balancing these rights is inadequately addressed by a simple cosmopolitan approach.

The third approach stresses morality among states and the significance of state sovereignty and self-determination. In this view, the rights of states are a collective form of their citizens' individual rights to life and liberty. The nation-state may be seen as a pooled expression of individual rights. The nation-state represents, as Michael Walzer has written, "the rights of contemporary men and women to live as members of a historic community and to express their inherited culture through political forms worked out among themselves. . . ."⁷ Thus, there is a strong presumption against outside intervention. However, this presumption is not absolute. Foreigners have an obligation not to intervene unless the lack of fit between a government and the community that it represents is radically apparent. Thus, for example,

Walzer would allow intervention to prevent massacre and enslavement; to balance a prior intervention in a civil war; or to assist secession movements that have demonstrated their representative character. This presumption and its exceptions are analogous to many of the existing rules of international law. An alternative formulation of the state moralists' viewpoint is offered by John Rawls. Recognizing that people live in states, he asks what rules the states would choose or would have chosen for just relations among themselves if they did not know in advance how strong or wealthy they would be. The principles that Rawls derives — self-determination, non-intervention, and an obligation to keep treaties — are again analogous to existing principles of international law.⁸

From a state-moralist viewpoint, international involvement in land reform may be legitimate but only if it conforms with international law and is welcomed by the government of the host nation. From a strict state-moralist point of view, pressuring governments to promote land reform is not legitimate. And any assistance to land reform programs must not run counter to the wishes of the central government of the country involved.

The virtues of the state-moralist approach are that it takes account of the reality of the way that international politics is structured and conforms quite closely to existing principle of international law. The weakness of the approach is inherent in self-determination itself. Who is the self that determines? If a large, landless peasantry wants land reform but a governmental élite opposes it, which voice represents the nation-state? How do we know when there is a radical lack of fit between government and people? Must an oppressed group fight and prevail to demonstrate its claim to speak as a people worthy of international recognition? If so, is not might making right? Or, as a critic asks,

[i]n Walzer's world, are there not self-identified political, economic, ethnic, or religious groups (for example, capitalists, democrats, communists, Moslems, the desperately poor) who would favor foreign intervention over Walzer's brand of national autonomy (and individual rights) if it would advance the set of rights, values, or interests at the core of their understanding of justice? . . . Why should Walzer's individual right to national autonomy be more basic than other human rights, such as freedom from terror, torture, material deprivation, illiteracy, and suppressed speech? . . . Walzer's ideal is but one normative, philosophical conception among others, no more grounded and often less grounded in peoples' actual moral attitudes (and social

identities) than other conceptions.⁹

In short, the state-moralist approach is particularly weak when it treats self-determination and national sovereignty as an absolute principle which must come first in a lexical ordering. In practice, peoples do want self-determination and autonomy, but they want other values as well. There is a constant problem of trade-offs and moral balancing of rights. Thus, while the state-moralist approach can provide a framework for looking at the ethical dimensions of international involvement in land reform, it does not provide ready solutions. The hard problems are not right versus wrong, but right versus right.

The difference between cosmopolitans and state moralists is a difference over balancing national and transnational values. Since sophisticated cosmopolitans admire the political significance of boundaries, and sophisticated state moralists admit the possibility of duties beyond borders, the two positions tend to converge in practice. But they start with different presumptions, and thus specify different conditions for qualifying or overriding their presumptions as they are applied to particular cases. While I start my arguments from a state-moralist base, it is a qualified form of that position, and many of the qualifications lead to a position that could also be reached, albeit in a somewhat different manner, by some cosmopolitans. In either case, a good ethical argument must consider intent, consequences, and competing moral claims.

INTENT: ARGUMENTS IN PRINCIPLE FOR LAND REFORM

There are at least five major ethical arguments in principle for international involvement in land reform.

First is the argument from basic rights. If we admit that life is special, then by the very nature of their humanity, we have special obligations in the way we treat other humans, and they can claim this special treatment. We call such justified claims "rights." Some rights can be described as more basic than others. As Henry Shue explains, "What is not meant by saying the right is basic is that the right is more valuable or intrinsically more satisfying to enjoy than some other rights."¹⁰ A right is basic in the sense of being logically prior or necessary for the enjoyment of other rights. If a

right is basic, "then no right for which it might be sacrificed can actually be enjoyed in the absence of the basic right. The sacrifice would have proven self-defeating."¹¹ Conversely, if the right is basic, non-basic rights may be attenuated if necessary in order to secure the basic right.

Shue argues that physical security and subsistence are such basic rights that in their absence other rights have no meaning. Food is obviously a critical component of subsistence. To the extent that land tenure patterns strongly affect food and subsistence, then land reform is closely related to basic rights. As Shue argues, "Property laws can be morally justified only if subsistence rights are fulfilled."¹²

If we admit a duty to promote such basic rights, we are not excused from our part of the duty merely because others, for example, the local government, are not living up to their part of the duty.

Because the right is basic, we must give it priority. The basic nature of subsistence rights justifies our concentration, for example, on land reform rather than other rights such as the right to education or the right to job security. Indeed, because it is a basic right, we are justified in overriding other rights, such as the right to self-determination. This does not establish the degree of override of the right of self-determination that is justified (which is discussed below), but insofar as land reform is more closely related to subsistence rights, this would justify a greater degree of override for land reform than, for instance, overriding the views of another culture to promote the right of education.

The connection between land reform and subsistence is an empirical proposition and so may vary from case to case. There seems to be increasing evidence of a positive connection between land reform and improved food production.¹³ Arthur Lewis and Jan Tinbergen argue that "What is needed above all is an increase in agricultural productivity in the poor countries," and that it "cannot be carried out in many countries unless land is redistributed. . . ."¹⁴ Similarly, Robert L. Paarlberg has written:

Today's world food system is not especially interdependent. . . . Particularly for the undernourished in remote villages, food activities are seldom international in character. Most international food trade takes place among the rich. The poorest countries, where hunger is widespread to the greatest degree, are those that participate least in the world food system. . . . The greatest obstacles to food security are not to be found in the global arena

of nations. They are instead found within nations, where concentrations of wealth and power too often hold food policy hostage to minority interests in pursuit of short-sighted or non-food objectives.¹⁵

This may not be true in all cases, and assuring subsistence is rarely the major motive behind land reform. Other values are also involved; but starvation provides the strongest case. Where the empirical propositions are correct about the close and positive relationship between land reform and the basic right of subsistence, then there is a *prima facie* case for the promotion of land reform. Moreover, in those cases, unless there are better remedial measures, land reform could take precedence over our duties toward other rights and thus override (to some degree discussed below) the right of self-determination.

A second argument in principle is based on equality. It can be argued that since land reform is usually redistributive and reduces inequality, it should be promoted. There are certain difficulties with this argument. Even if one adopts a cosmopolitan approach, there are questions of how much inequality may be justified. The search for perfect equality of land holding might actually increase suffering in circumstances in which there is increasing population pressure on the land. If one adopts Rawls' principle of justifying that degree of inequality which improves the lot of the least well off, it is not clear where this line is drawn in land tenure. It is also not clear whether continuing restrictions are essential to prevent aggregation of agricultural land into larger holdings. If so, there is a clear trade-off between equality and some aspects of liberty. Moreover, land reform often involves expropriation or compulsory change in property rights. Local views of property vary greatly. In some societies, the historical context of property rights shows they have little legitimacy; in others, property has a considerable consensual element. Greater equality of land ownership may come at the cost of traditional rights and values such as security of land tenure. It is hard to argue that such trade-offs are the proper purview of outsiders. Nor is it clear that equality is a sufficiently important value to justify overriding the right of self-determination.

One might argue, as does Henry Shue, that there are types of inequality that are morally unacceptable; namely, inequalities that are degrading.¹⁶ This does not rule out all inequality, merely inequality that is incompatible

with respect for other human beings. It can be argued that landlessness is a particularly degrading form of inequality in peasant societies, where agriculture provides the only employment, and land is the only source of dignity and status. However, this is a limited argument; it may be used to justify some outside involvement in egregious cases of extreme and degrading inequality, but it does not generally apply.

A third argument in principle is that land reform encourages liberty and democracy and that the promotion of those political values is sufficiently important to justify international involvement in land reform. Ever since Jefferson, Americans have believed deeply in the importance of the yeoman farmer or small land holder as the basis of a free and democratic society. But, as with equality, it far from clear how much such a relationship would justify international involvement in land reform. The problems of trading off traditional rights, liberty, and equality are again issues that are normally regarded as belonging to members of the community affected rather than being within the purview of outsiders. An interest in promoting human rights beyond basic rights of subsistence is a legitimate concern of donor governments. This concern might create for them an interest in land reform, but it would not justify the same degree of intervention in pursuit of land reform as would be the case with subsistence rights, which by their nature can override all other rights.

A fourth argument in principle for international involvement in land reform is based on order and stability. Inequality of land tenure is seen as a major source of social conflict and violence. As Roy L. Prosterman has written, a series of twentieth-century societies has been convulsed by revolutions in which the insurgent rank and file has been "recruited chiefly from among such tenant and agricultural-laborer families. This had been true in the Mexican, Russian, Chinese, Cuban, and Vietnamese revolutions, as well as in the upheavals in Bolivia, Ethiopia, and elsewhere."¹⁷ The utility of land reform as an instrument for heading off revolution might be seen as a pragmatic argument to be used by skeptics rather than as a moral one; but in discussing the case for land reform in El Salvador, Prosterman also makes a moral argument: "[I]t was clearly desirable that land reform should come through nonrevolutionary means. A civil war with a toll proportionate to that of 1932 could mean up to 100,000 deaths. If the extreme right won, it would be brutality and no reform. If the extreme left won, it would be political

repression not significantly less than that under previous dictatorships, and a land reform that would almost certainly impose collectivization upon the unwilling peasants overall."¹⁸

The costs and benefits of revolutionary change are debatable. Certainly, if reform can save lives, there is important value to the lives saved. And if the reform produces a more democratic and decentralized society than the revolution would produce, this is an additional consideration on the positive side. On the other hand, advocates of revolution complain that reform may merely serve as a palliative, taking the edge off the demand to solve more deeply rooted problems rather than leading to their solutions. Thus, the moral basis for involvement in land reform that looks towards stability will depend on one's assessment of the balance of merit between the land reform and the revolutionary causes in each particular instance. However, if a reform were to head off widespread violence and the prospect of deeper outside intervention, which on the other hand a revolution might precipitate, this might be an additional factor to be weighed.

A fifth argument in principle is the importance of land reform for "development." From a neo-classical economic perspective, land reform can break inefficient traditional patterns and lead to better use of resources such as land and labor. Improved use of resources can enhance opportunities for those alive now; it also can provide greater opportunities for posterity. Of course, there are difficult questions relating to the definition, quality, and distribution of the gains from development, but if one admits obligations to posterity and an empirical relation between land reform and enhanced factor productivity, "development" can be used as an argument for land reform.

There is also a Marxian or "historicist" variant of the development argument. In poor countries, land reform helps to end feudal patterns of social organization in the countryside, where a large portion of the poor live. Thus it speeds progress toward higher stages in the fulfillment of man's nature and serves a higher good.¹⁹ When combined with a cosmopolitan perspective, such historicist views of development are used to justify outside intervention in land reform.

One must be cautious about both development arguments. The longer the time that one assumes, the more complex are the causal chains of social change and the more difficult it is to predict outcomes and to anticipate

consequences. With such empirical uncertainty, there is a greater proportion of ideology or faith statements in the arguments. It is far from clear that the values and faiths of outsiders should override those of a local historic community when such judgments are made. Land reform may be justified by development, but from a state-moralist view, the speed, type, and risks of development are presumed to be more matters of local than outside choice — to the extent that choices are involved. The degree of outside involvement would be one of those local choices.

In conclusion, there is a basis in principle for international involvement in land reform. The strongest moral argument based on intentions relates to basic rights and subsistence, but this is rarely the major political motivation for land reform. The other four arguments provide less certain justification, but they have some merit. That merit is bound to be debated in particular cases. Moreover, outside governments usually have mixed motives. Geopolitical and power considerations become intertwined with moral issues; but even if the intents of the outside intervenors in land reform accord with one or more of these principles, it does not follow that their involvement will have been good. One must still judge the consequences of their involvement and the costs of their involvement by competing moral claims.

ARGUMENTS ABOUT CONSEQUENCES

Good intentions — acting according to moral principles — are not sufficient for moral behavior. Failure to pay attention to consequences can lead to greater immorality than if no action had been taken in the first place. This is particularly appropriate when implementation of land reform is in question. If the government is so corrupt that the net effect of international involvement in land reform is merely to enrich an elite and exacerbate the gap between the elite and the masses rather than to lead to any significant redistribution, then clearly the effect of the international involvement has not been moral. Even if a government is honest, it may be so fragile that efforts to create a significant land reform may lead to an instability or chaos that prevents the effecting of the reform. And even if a government is relatively honest and relatively stable, it may lack the political institutions and infrastructure to carry out a reform that has redistributive effects, and its efforts may merely lead to enriching another

small class.

These examples are not merely hypothetical. As Dennis A. Rondinelli has written:

Most governments in developing countries have been unwilling or unable to create a decentralized institutional structure that seems essential to meet the needs of the rural poor. . . . Land tenure is uncertain for many small farmers and ownership is concentrated among wealthy elites who generally reinvest their profits in urban centers. . . . Markets are often inaccessible to small producers, or the terms of trade are adverse. . . . Simultaneous investments in services, facilities, technical inputs, and marketing must be made by government in rural areas to increase output. The failure of agrarian reform in countries such as Sri Lanka, for instance, has been directly attributed to fragmented programs. . . . The benefits of single-purpose programs have usually gone to richer farmers or the middle class, only temporarily increasing the incomes of smaller farmers and largely bypassing landless laborers and shifting cultivators.²⁰

Rondinelli goes on to describe the "power paradox" in land reform: "A paradox inherent in agrarian reforms is that strong central political commitment is unquestionably necessary to initiate them, they cannot be effectively implemented or sustained without diffused political support and widespread participation by intended beneficiaries. But such a diffusion of participation of power is often considered a serious threat by those whose political commitment is necessary to initiate reform."²¹ He argues that to escape this paradox of power it is necessary to break the hold of clientilistic politics and to create an organizational base of political support and local participation. Obviously, these prescriptions could involve far-reaching intervention in a society, and such far-reaching transformations may involve unforeseen negative consequences.

Such adverse consequences may negate arguments for international involvement based on moral principles. For example, suppose a case in which land reform decreases food production. One might still justify land reform and international involvement in it on the basis of the other values of equity, liberty, and order. But how much loss of productivity is tolerable? The answer depends on whether people are at the edge of starvation and whether there is a sufficient surplus in the rural system to ameliorate their condition through redistribution.

Similar questions arise in regard to equity. Efforts at land reform where

conditions for favorable implementation are absent may actually reduce equity. Joseph W. Elder argues:

When one takes an overall historical look at South Asian land reforms, one is struck by the fact that their net effects (with few exceptions) consistently seem to have benefitted the wealthier sectors of the rural population at the expense of the poor sectors of that population. As the figures from the Asian Development Bank indicate, the proportions of the rural populations in South Asia with no land (or land under one hectare) have increased, as have the proportions of land holding over ten hectares. The economic gap in the countryside has widened.²²

Even if this were not the case in the first instance, the question might arise about the effects of land reform in areas where there is severe pressure of population upon the land. If there is a land reform effort without a concurrent effort at birth control, will subdivision progressively lead to smaller and smaller plots and greater immiseration of the local peasantry?

Similar questions also arise in regard to the arguments about democracy and order. If the political structure of a country is exceedingly fragile, the efforts to foster land reform and to encourage a restructuring of internal power balances may prove more than the political systems can cope with and may lead to disorder and civil violence. As John Cohen has shown, in Ethiopia the unintended effects of many American actions were greater than the intended effects.²³

Finally, in order to try to cope with the unintended consequences and adverse side effects of efforts to promote land reform in countries where implementation is particularly difficult, the international involvement may become so deep that it seriously violates local self-determination. In short, once one introduces consequences, the balance of rights in particular cases may look different than it does when analyzed simply in terms of principles.

Another important consequentialist point is the problem of assessment. We can never fully know the consequences of our actions in complex and interdependent social systems. But this does not protect us from an obligation to assess consequences as best we can. If someone drives too fast on a rain-soaked pavement and inadvertently causes a fatality, we may judge him innocent in intent but culpable for not having made reasonable efforts to assess the probable consequences of his actions in the prevailing circumstances.

A standard of reasonable expectations is an essential basis for judging the morality of particular actions. How well did an outside intervenor assess the probable consequences of his involvement in land reform? Were there serious and significant efforts at assessment? Was assessment based on social science research related to the particular case at hand, or was it based on dogma and ideological expectations? For example, before promoting "land to the tiller" legislation, have studies been made to ascertain whether a significant portion of those who rent out land are widows or poor families who would be impoverished by the "reform"? The effects may be very different in El Salvador than in the Philippines, and different again in Africa, where land tenure patterns are a changing mixture of private and communal rights.²⁴

There is always likely to be uncertainty, and sometimes action may be required before good social science can be carried out in a timely way. Nonetheless, a reasonable and significant effort at assessment is an important part of consequentialist judgments about the morality of international involvement in land reform.

For example, John Montgomery has written:

Enthusiasts have now created a kind of populist front in rural development based on the proposition that participation is the key to improvement. Without stopping for evidence of its preconditions and its limitations, the populists are devoting their attention to the task of working out details for diverting various functions of government from the capital cities to the villages. . . . They see bureaucrats as instruments of control, and not very successful ones at that. What they do not see is that bureaucrats can also provide decisive influence in moving local organizations to respond to local needs.²⁵

Another example, cited by Milton J. Esman, is current enthusiasm for campaigns to increase food production. Unless these programs are part of a broader rural development strategy, "the landless and near landless may actually be penalized. Not only will resources be available for agriculture, and rural development continue to flow to the minority of the more prosperous farmers, but it is likely they will use their enhanced profits to mechanize their operations to purchase additional land, which could bear heavily on agricultural laborers and marginal cultivators."²⁶

The very possibility of unintended negative consequences underlines the

normative importance of good social science research in judging international involvement in land reform. Moral principles without research may produce immoral consequences. At the same time, research that is not addressed to the normative issues raised by philosophical investigation may be largely irrelevant. There will always be unanticipated consequences when we intervene in complex social processes. But we have obligations to reduce their magnitude and construct plans that are robust enough to survive some unanticipated consequences and to allow us to compensate for negative unintended effects.

INTERVENTION AND SELF-DETERMINATION

Even in cases where intentions are good and a reasonable assessment indicates probable positive consequences, outside involvement in land reform may not be justified. There is still the question of means and how they affect competing moral claims. As argued above, an important aspect of competing moral claims in a world of nation-states is national autonomy and self-determination. For example, if the government of a country needing land reform were so weak that the only way to effect reform is for an outside government to administer that reform through a colonial administration, most people today would argue that such outside involvement would not be justified. Or, to cite an example given by Michael Walzer, even if it were possible for Swedes to insert a chemical in Algerian drinking water to make Algerians behave like Swedish social democrats, such an action would not be justified.²⁷

Part of what we owe to others in recognition of their special status as humans is respect for their autonomy. Autonomy cannot be absolute, but as Jonathan Glover has written, a concern for rights includes a presumption in favor of autonomy.²⁸ Even if one argues that moral obligation is owed only among individuals, nation-states can be seen as communities of pooled individual rights. In short, the competing moral claims of national autonomy set limits on the justifiable extent of international involvement in land reform.

At the same time, moral proscriptions against outside intervention cannot be absolute. Walzer argues that the state is the arena in which self-determination is worked out and from which foreign armies have to be excluded. There should be a presumption of legitimacy of internal processes

unless there is a radical lack of fit between government and community. But the rules allowing foreigners to disregard the presumption against intervention are as important as the presumption itself. These rules are rightly restrictive when one focuses, as Walzer does, on extreme forms of intervention associated with the large-scale use of lethal force. But these rules for war do not give much guidance when one is dealing with an issue like international involvement in land reform.

When we consider intervention in the socio-economic realm, it is important to remember that national autonomy is not absolute. First, even in the absence of any overt governmental intervention, the workings of the international economy may have devastating effects on the poor. In some cases, these transnational economic effects may have life-and-death consequences that are just as significant and even more likely than the ones arising from war.²⁹ Second, nation-states are not like billiard balls, hard and closed unto themselves and merely ricocheting off each other. As noted earlier, many citizens in many states have multiple loyalties both below and above the national level which give rise to various senses of community. There are rights and duties associated with the social roles in each community. Such citizens may welcome outside involvement in their national affairs—up to a certain point. Third, few countries are fully self-sufficient, and outside assistance and involvement can help to turn a theoretical autonomy in the present into a greater real autonomy in the future. If this strengthens a state, it may reduce the chances of intervention by outsiders.

Finally, self-determination is not a precise concept. It is one thing to say that every group has the right to choose its own sovereignty, but how is such a choice to be made? A democratic principle is not enough because the decision of where (within what boundaries?) and when (now or later?) and on what agenda (what is excluded?) one votes will often lead to radically different outcomes. In other words, there is always a certain degree of moral arbitrariness in the decisions about which rights of national self-determination are observed and which are not. Thus respect for autonomy of the state cannot be absolute.

Not only is there a porousness and relativism about the concept of national autonomy, but the concept of intervention must also be seen as a matter of degree. If intervention is defined as involvement in another country's domestic affairs, one can imagine a variety of dimensions, such as

method, scope, and duration. One can also envisage a variety of actors, both inside and outside a country, having intended and unintended effects on an issue like land reform. Table 2.1 illustrates this variety.

Since morality is concerned with choice, the degree of coercion involved in intervention is critical from a moral point of view. Governments have coercive powers. One can imagine a wide spectrum of actions by outsiders that range from declarations or speeches aimed at the citizenry to full-scale military invasion. In between these extremes are such actions as economic and military assistance, the funding or arming (usually covert) of opposition groups, and small-scale military intervention. Some intervention, regardless of degree, might be judged immoral if the intentions were bad, for example, if the purpose were to exercise domination; or if the consequences were bad. But if the intentions and consequences are both good, then one is not assessing right versus wrong, but right versus right. In balancing rights in this way, one should not accept an absolute prohibition against intervention, but must look at the question of proportion. The relevant standard would be the "proportionality" — the degree of intervention in relation to the severity of the wrong being righted. Thus, to return to our earlier example, one would reject the imposition of colonial rule to effect land reform because it would be too destructive of autonomy.

We today would presume a priori that lower degrees of intervention are preferable because they compromise autonomy less. One cannot assume, however, that low degrees of intervention are automatically justifiable. They might fail the consequential test. If, for example, limited efforts at land reform may sometimes have unintended negative effects, then something more than a minimal degree of international involvement may be not only justifiable but necessary. In other words, in assessing the proportionality between the degree of intervention and the wrong to be righted, one must look at the unintended consequences as well as the direct ones. Thus, assessments of proportionality cannot be made using absolute rules. They must be made given the circumstances related to particular cases.

There are at least four factors to be considered in assessing the proportionality of intervention in particular cases. First is the severity of the situation. For example, in terms of subsistence rights, are the rural landless starving rather than merely malnourished? If so, higher degrees of intervention would be justified given the severity of the conditions. Similar

arguments can be made in relation to equity, political liberty, and order. Is the inequity particularly degrading? Are the prospects for enhancing political liberty particularly promising? In the absence of land reform, is violent disorder highly likely? If so, a higher degree of international involvement may be justified.

TABLE 2.1
Some Interventions Affecting Land Reform

| 1. Actions within a country | | |
|------------------------------|---|--|
| | Intended | Unintended |
| By government | Technical assistance Military assistance Covert actions Military interventions | Education and training Supporting or weakening local governments |
| By transnational actor | Political influence Education and training Private assistance Bribery | Agribusiness growth Education |
| 2. Actions outside a country | | |
| | Intended | Unintended |
| By government | Speeches Démarches Giving aid Withholding aid | Education and training Example Interest rates Food policy |
| By transnational actor | Research Private funding Education and training | Research Media coverage Education and training |

A second factor is the degree of existing transnational interdependence. When there is a high degree and many actors are already involved (as depicted in Table 2.1), it may be impossible for outside governments not to be involved. Intervention may counter other forms of intervention. In addition, there is a question of responsibility. Thomas Nagel has argued that:

[I]f the world contained countries that could not trade or interact with one another, inequalities between them could not be used to criticize "the world economic system." But when a set of institutions governs and authorizes the economic transactions of even a very large population, they become to that extent a community and the effects of the institutions require scrutiny. . . . If there are possible alternative arrangements that would reduce the inequality without drastically harming productivity, then such a system is illegitimate.³⁰

Moreover, where there is a high degree of interdependence, transnational actors have greater leverage and capability to affect a situation. In short, where it is not possible to be uninvolved, as in the United States' historical relationship to Central America, higher degrees of intervention may be justified to redress the negative effects of other forms of intervention. Indeed, they may not lead to a net reduction in overall autonomy.

Third, one can assess the justifiable degree of international involvement in terms of the effects on local autonomy. I argued earlier that land reform often involves difficult trade-offs among important values of equity, property, subsistence, freedom, and order, and that such trade-offs are best made by the local communities involved. But some communities may be structured in such a way that large portions of the population that are strongly affected by these decisions are not able to participate in the process or even to affect it significantly. In these instances, outside involvement that tends to strengthen the weaker parties by promoting devolution or decentralization or by providing resources may actually enhance the capability of an indigenous political process to act in a manner that reflects the wishes of a majority of the population.

Fourth, and equally important, are the procedures to be used to ensure impartiality in balancing competing moral claims. Impartiality is a touchstone of moral reasoning. It is all too easy for humans to unconsciously weigh their own interests more heavily when balancing competing moral claims. This is particularly true for outside governments, for power politics and idealism

often create a complex mixture of motives. This, it is important that a procedure for making such judgments includes the perspective of the country in which an intervention occurs, and that within such countries the perspective of the peasant be included. This argues for both a high degree of local involvement in decision-making and for an explanation of policy judgments that is accessible and acceptable to local audiences. It also suggests the value of involvement of international agencies as a means of protecting against cultural imperialism, conscious or unconscious, in processes of implementation. There are many international institutions, some more and some less oriented to the status quo. Such organizations cannot provide a panacea; they also make mistakes.³¹ Pluralism of institutions may help to increase local choice. One could envision the creation of new types of institutions to support agrarian reform.³² Finally, to return to the importance of assessment, procedures that involve the impartiality of rigorous social science, and the private institutions that promote it, can also contribute to ethical outcomes in the judgment of competing moral claims.

CONCLUSIONS

I have argued that the ethical dimensions of international involvement in land reform are not so simple as they might first appear. Efforts must be judged from three perspectives: the logic and clarity of the principles that guide intentions; the consequences; and the choice of means and the manner in which a balance is struck among competing moral claims, in particular, rights of national self-determination and autonomy. I have argued that the strongest principle and the one with the best claim for overriding competing rights of national autonomy is the claim based on rights of subsistence. But this simple standard is rarely sufficient in practical cases. Other principles that may help to justify intervention included equity, liberty, order, and development, but these principles have less compelling claims to override the competing rights of national autonomy and must be debated case by case. Above all, care needs to be taken in assessing consequences. Unintended negative consequences are a real possibility. Therefore, each case must be judged carefully and impartially.

Thus, while this paper supports and provides an ethical argument for international involvement in land reform, it is a limited one. It does not

provide a firm basis for an international crusade for land reform, but rather establishes an a priori assumption in favor of reform that must be studied carefully in light of the circumstances of particular cases. In conclusion, it is worth remembering Stanley Hoffmann's injunction of prudence and modesty: "Moral politics combines the prudential with the moral. . . . While distributive justice is no longer purely an internal concern, our external reach is limited. . . . If death defines the human condition, injustice defines the social one. There is a duty, national and international, to reduce it as much as possible, but there is no definitive victory."³³

NOTES

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12. *Ibid.*, p. 124.
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18. *Ibid.*, p. 22.
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3

The Illusory Goal of Equity in Latin American Agrarian Reform

William C. Thiesenhusen

As wealth is power, so all power will infallibly draw wealth to itself by some means or other. - Edmund Burke (1780)

There is a machine that is making people poor. It is like an armadillo that digs holes in the ground and ruins the land. We have to stop the machine from making poor people - to kill the armadillo. . . . Who is this armadillo? . . . It is a social system.
-Fernando Altemeyer (1982)

Over a decade has passed since Robert McNamara observed in a Santiago speech that income distribution in most less developed countries (LDCs) was becoming more skewed. In so doing, he contributed to a chain reaction among economists who vied with one another to muster evidence to show that the goals of increasing production and equity are compatible. In the process of increasing production, though, equity has become more and more illusory, while social science goals, relatively speaking, have been spared. Now the poor in Latin America are relatively poorer and the rich relatively richer than when McNamara first placed the issue high on the development agenda. Are the twin goals themselves truly incompatible, or have planners merely abandoned the effort to achieve them?

The Goals. Adelman demonstrates that slow rates (below 3.5 percent) of per capita economic growth in LDCs are associated with declines in the share of national income to the poor. On the other hand, more growth (i.e., rates above 3.5 percent) is found to occur when a bigger share goes to the bottom 40 to 60 percent, but only if (1) it is accompanied by policies designed to improve the quality of human resources, and (2) it occurs in economies that are not sharply dualistic. If such dualism is to be reduced, agrarian reform usually is found to be necessary.¹ Thus growth and equity are not incompatible goals, but they do call for different policies. The policy

recommendations are still in dispute, however. Some economists are becoming more insistent in their call for agrarian reform on the basis of Adelman's evidence. Others reverse the theoretical sequence and focus on the economic growth route to equity; but reformists object, because the continuation of growth itself may falter for lack of effective internal demand. Their solution returns to reform as the engine of self-renewing demand. Following Keynes, they call for income redistribution to stimulate both the farm and the manufacturing sectors.² Figueroa calculated, for example, that if 10 percent of farm income in Peru could be transferred from the richest decile to the poorest quarter it would increase employment in manufacturing by 5 percent because of the demand created for labor-intensive goods.³ The implication of this work is that more attention should be paid to the internal market because Latin American exports expand sluggishly (although with cyclical variation). A two-pronged policy of "more import-substituting industrialization plus export promotion" would follow.

The Efforts. As of the beginning of the 1980s, some Latin American countries are in a holding pattern that results neither in much growth nor in more equity.⁴ The relatively high rate of domestic savings they had achieved in the 1970s has markedly slowed if not stopped altogether;⁵ foreign aid is drying up; and the export earnings of both non-oil and petroleum-based economies are inadequate. As foreign debt piles up⁶ and inflation rates continue high, groups that demanded reforms in the 1960s and 1970s are discouraged, repressed, or radicalized. The economic means for reforms seem to have disappeared along with the political will to introduce them. For want of such commitment, government reform programs in Latin America during the past two decades have ranged over a fairly narrow spectrum between moderately successful efforts and dismal failure. There is no agreement on which is which, however, for the empirical data are poor, and the causality is not clear.⁷

Despite this gloomy assessment, attitudes toward change have improved since the days of the Alliance for Progress. Then, the poor almost never benefited from growth; and if they weren't satisfied with their lot, at least they found it bearable. When they heard through the mass media about the rich élites or encountered the upper-middle class as patrons, they, with some notable exceptions, rationalized their disadvantaged position. When I asked Chilean campesinos during the Alessandri years why they weren't using the

same modern inputs as their more fortunate neighboring landlords, often as not they responded to the effect that "only the ricos use commercial fertilizer."

Since those days, peasants have found some political voice, supported by the mass media and encouraged by new sources of income. New income to poor classes has usually occurred in brief spurts of reform, but exceptions have occurred. In Brazil, for example, where there was no reform, the absolute average income of the poor half of income recipients rose during a period of remarkable growth—even though their share of the national income fell.⁸ This distribution pattern was not uncommon in countries that had modest reforms but little growth: so far as some of the poor were concerned, reform was a substitute for growth.

Disappointment in the consequences of land reform has led social scientists to denigrate its importance. Even when countries have enjoyed some years of fairly rapid growth after reform (e.g., Mexico in the 1950s and 1960s), they may in this period have a measurably more inegalitarian size distribution of income. Where agrarian reform has had a positive distributional impact it always has been coupled with supportive and non-contradictory government economic policies. Weak and ambiguous reform coupled with strong contrary policies can mean that whatever egalitarian effects reform may have had are swamped.

Not all reforms equalize to the same degree, of course. Inegalitarian results of reform can be traced first to peculiarities in the law that benefit the upper-poor class at the expense of the lower poor. For example, reforms that distribute land of large estates to resident farm workers (who already have some stake in the system) have a perverse distributional effect if landless workers and small farmers do not benefit. Even in an absolute sense these latter will become worse off because the actual beneficiaries of the reform tend to hire less work than hacendados did.⁹

The second and more important source of difference is the other policies that the governments follow while reform is in progress. For example, gains accruing to a fairly small group of beneficiaries are sometimes cancelled out by losses suffered by a much larger group of non-beneficiaries. Policies that are responsible for these consequences include:

1. export subsidies to non-beneficiaries of reform;
2. import subsidies for products that compete with locally grown crops;
3. credit rationing or subsidized interest rates;
4. differential exchange rate policies that may permit agricultur-
alists to import machinery and substitute it for day laborers;
5. internal terms-of-trade shifts that favor industry over agricul-
ture;
6. taxes on the poor that are not imposed on the rich;
7. fiscal policies that promote infrastructure development on lands
that have not been reformed;
8. subsidies for export crops grown by the agricultural rich and
not for staple crops grown by the poor.

Another policy factor has contributed to inegalitarianism: introduction of counterreform. This may be accompanied by some land reform beneficiaries becoming landless. The evolution of resident farm workers into daily wage workers, which usually represents a step down on the income ladder, is a continuing feature of the agricultural landscape in almost every country.¹⁰

In only a few cases, such as in Chile under Allende and in Mexico under Cárdenas, did the entire package of government policies pursue a balanced egalitarian goal. In both cases, programs constituting the social safety net became more tightly woven; macroeconomic policies came to have less of an urban bias; and within agriculture, policies had less of a large-farm bias.

On the whole, then, the evidence points to fairly clear conclusions. Even countries that had agrarian reform in the 1960s and early 1970s suffered equity reversals due to interrelations of such reform with the slowing growth of the economy and lack of government backing (reflected in policies that were decidedly inegalitarian).

Disappointments with agrarian reform because it did not create as much equity as was hoped for are caused by three interrelationships which I propose to explore in this paper: (1) inequalities that appear when some poor benefit while others are left behind because of the way the original reform was designed; (2) inequality caused by government macroeconomic policy; and (3) inegalitarianism that have appeared with the snap of counterreform following a relatively radical reform.

In the recent history of Latin America, Peru and Chile provide examples of the first situation; Peru and Mexico illustrate the second; and Chile is the most salient example of the third.

THE CONTEXT OF AGRARIAN REFORM

In many cases reform must take place in the context of a development "squeeze," the transfer of resources to the nascent leading sector (usually manufacturing) from another (usually agriculture) undertaken as a result of varying degrees of government intervention.¹¹ In Taiwan and South Korea, where there was a generally unequal exchange relationship between agriculture and the city, living standards in rural areas did not decline.

In Taiwan some time for rural development was allocated between the reform and the squeeze: ". . . success was, to a significant extent, supported by other related measures that promoted agricultural productivity. These measures included land consolidation, farm mechanization, agricultural credit, and improvement of agricultural techniques."¹² Investment in the agricultural sector continued through the import-substitution phase of Taiwanese development up to about 1960, because of a series of successful government interventions. Chang and Lee show that if 1952 is taken as a base year, the index of agricultural production is 155.3 for 1961, 231.8 for 1971, and 286.9 for 1980.¹³ Chenery has argued that technological change in both agriculture and industry was complementary in that it was labor-intensive, so that agricultural progress was not accompanied by a rate of rural-to-urban migration much in excess of what cities could productively employ.¹⁴

In both Taiwan and South Korea, peasants who rented land often were converted into landowners; management continued to be vested in them after reform as before.

By contrast, in Latin America those who participated in reform underwent a traumatic change — often from being the equivalent of serfs one day and in one location to having to be entrepreneurs the next day in a new location. In this precarious situation, they were not ready for the squeeze. Squeezing is a logical development step only if agriculture is an established sector; premature squeezing kills the goose before it is mature enough to lay.

The agricultural sector in South Korea was also relatively starved for capital after reform and through the wartime period in the 1950s, but the presence of food aid from the United States permitted the industrial sector to progress. Hsiao notes, "[c]ompared with Taiwan, South Korean agriculture has been relatively backward. Throughout the import substitution strategy

under the Rhee regime, much of agriculture's potential fuel for further growth was not fully realized. Accordingly, after export substitution was carried out, a tremendous burden fell upon the industrial sector, assisted largely by foreign capital, to continue to 'pull' the sector along with it, despite the continuous drain of agricultural workers."¹⁵ World Bank evidence supports this contention: while GDP in South Korea grew at an average of 8.6 percent from 1960 to 1970 and at 9.5 percent from 1970 to 1980, agriculture grew at a rate of 4.4 percent from 1960 to 1970, and this rate slowed to 3.2 percent from 1970 to 1980.¹⁶ While distribution of income in South Korea was less egalitarian than in most LDCs up to 1970,¹⁷ Reed shows that as growth slowed between 1970 and 1974, distribution of income also became more concentrated, at least partly because credit went disproportionately to the bigger farmers in the effort to favor agricultural growth.¹⁸

The usual conclusion of a discussion on growth-distribution issues is that the capital-starved reform sector is singled out as the culprit of failure, when in fact the problem may be caused by misallocations after reform or by defective inter-sectoral linkages.

THE FIRST CASE: INEQUALITIES INTRODUCED BY AGRARIAN REFORM

If the growth rate is high, the process by which any resulting new income is distributed among the poor tends to be inequalitarian in a country where resources are generally inequitably distributed. In some cases new income in the economy benefits the disadvantaged in rough proportion to their original wealth or their educational achievement, however modest these may be. In other cases benefit is a product of venturesomeness, such as when a poor person seeks out a new, better-paying job. At times, those who benefit are favored by chance — they grow a crop for which a favorable market can be found, or they are located in an advantageous place to be helped by reform. The chance factor deserves particular consideration in the present discussion, because if chance reflects "the way the impersonal market works," it is not likely to be perceived as a problem by those who don't benefit.

Reforms, on the other hand, may well be judged as coming from the government in a not totally impersonal manner. Potential beneficiaries who

in the end receive nothing are likely not to perceive the government as irresponsible if *no* one gets anything, but to the extent that one party in a reference group, and not another, is rewarded in what seems to be a series of capricious moves, distribution is perceived as arbitrary. The situation may be even more complex, for a "demonstration effect" accompanies more flexibility in the system that reform brings: though some are helped out of poverty, a number from the middle class may fall into it, and some of the poor may get poorer.

There is a spectrum of likely feelings that a poor non-beneficiary may have in an environment of reform, depending on how long he is kept waiting and ultimately on whether he becomes disenchanted with the process. First there is hope, next frustration, and finally anger, leading through intermediate stages of envy, disappointment, and disillusionment. If politics are relatively open there is a step beyond anger: direct action. Hirschman argues this point by an analogy that can easily be translated into the language of welfare economics:

Suppose that I drive through a two-lane tunnel, both lanes going in the same direction, and run into a serious traffic jam. No car moves in either lane as far as I can see (which is not very far). I am in the left lane and I feel dejected. After a while the cars in the right lane begin to move. Naturally my spirits lift considerably, for I know that the jam has been broken and that my lane's turn to move will surely come any moment now. Even though I still sit still, I feel much better off than before because of the expectation that I shall soon be on the move. But suppose that the expectation is disappointed and only the right lane keeps moving: in that case I, along with my left lane cosufferers, shall suspect foul play, and many of us will at some point become quite furious and ready to correct manifest injustice by taking direct action (such as illegally crossing the double line separating the two lanes).¹⁹

These days the immediate sensation of being poor and excluded from an agrarian reform is similar to that of being passed on the right lane. But there are several situations not covered in Hirschman's highway analogy that could be elaborated. The left lane may begin to move in reverse while the right lane continues to travel forward; the right lane may stall after moving ahead for a time, while the left lane never gets started; or both lanes (representing the middle and upper classes) — which had been moving relatively rapidly — stall. In Latin America, if speed in the analogy is equated with rate of income growth, one can find examples of all three situations in the 1980s.

Inequality in Peru

It is surprising that the highly touted Peruvian land reform policy instituted in 1968 had shown no improvement in distribution of income by 1972 (Table 3.1).²⁰ Indeed, income became more concentrated. In terms of deflated *soles*, the bottom 20 percent of income recipients benefited somewhat during the period but to nowhere near the extent of the upper quintile; and the gains in the top one percent were truly phenomenal. This suggests that whatever redistribution there had been from 1968 to 1972 primarily benefited the wealthy. This observation was also made by Figueroa and Webb,²¹ who conclude: "For a country like Peru, the crucial problem is adding to the incomes of the poorest 50 percent of the population. . . . The results in today's Peru (1968-1973) are, however, very modest. The estimations we have made . . . show that all of the reforms transferred . . . 2 or 3 percent of the national income . . . [and] almost all of this was within the richest 25 percent."²² They note that this transfer had some positive employment effects, which however were minor.

TABLE 3.1

Size Distribution of Income in Peru

| Income groups (Quintiles) | INCOME SHARE (percent) | | MEAN ANNUAL INCOME (deflated soles) | | INCREASE 1961-1972 (1961=100) |
|------------------------------|---------------------------|------|--|--------|-------------------------------------|
| | 1961 | 1972 | 1961 | 1972 | |
| Q ₁ | 3.0 | 2.5 | 4620 | 5396 | 117 |
| Q ₂ | 7.0 | 6.5 | 10787 | 14031 | 130 |
| Q ₃ | 13.0 | 12.5 | 20032 | 26983 | 135 |
| Q ₄ | 21.5 | 20.5 | 33130 | 44252 | 134 |
| Q ₅ | 55.5 | 58.5 | 88522 | 126279 | 143 |
| Upper 5% | 26.0 | 33.0 | 160258 | 284939 | 179 |
| Upper 1% | 9.8 | 17.9 | 302025 | 773184 | 256 |

Source: Claes Brandenius, *Structural Changes in the Peruvian Economy 1968-1975*, Research Policy Program, Discussion Paper 104 (Lund, Sweden: University of Lund, September 1976) at 20, Table 3.

The Highway Effect in Peru

By mid-1979, 40 percent of the land in Peru had been allocated to 35 percent of agrarian families, making the Peruvian reform one of the most complete in Latin America.²³ Nonetheless, the first cause of inequality was that some peasants received land and some did not, an example of the highway effect. Mallon felt that one out of five rural workers would benefit on the coast and fewer (only one in eleven) in the highlands.²⁴ The work of Caballero leads to the conclusion that some Peruvian campesinos benefited in a very marginal manner from reform: "Of the agricultural labor force only 22.2 percent benefited in the sense of receiving via agrarian reform a source of work and a sustained and reasonable level of income."²⁵

Assessing the progress made under the Peruvian land reform law of 1969, Lastarria and Havens report that the agrarian reform under the Military Government "affected the vast majority of the large landholdings in Peru. . . . Significant sectors have been neglected by the reform activity, particularly the landless peasant, the part-time day labourer and the large small-farm minifundista sector."²⁶

That so few nonresident hacienda or plantation farm laborers have been included in the Peruvian reform process comes as no great surprise; it is merely the continuation of a trend described in 1974 by Horton:

One of the major disappointments of the reform is its impact on employment. Neither striking increases nor declines have been reported, and it seems likely that the net effect is a small positive one. . . . Reform enterprise members are by no means interested in increasing membership or non-member employment at the expense of profits. On most of the estates visited the trend in pre-reform employment was downward. The reform has greatly diminished this trend, but there is little evidence of a marked increase in employment.²⁷

After a careful examination of a number of agrarian reforms, Horton concludes: "In no case did members or managers consider it rational to cut back or delay mechanization in order to employ more field hands. Nor were cases found where members cut the number of days each worked in order to take on more outside labourers."²⁸

Another cause of inequality is that some beneficiaries received more or better land than others. The difference between the coast and the sierra (80

percent of the bottom half of income recipients live in the sierra) is one example. On the Pacific coast, Agrarian Production Communes (CAPs) were begun. The unique organizational form to supplement CAPs in the highlands was the Agrarian Society of Social Interest (SAIS). Members of the CAPs were often former plantation workers while the SAIS encompassed hacienda laborers and tenants and comuneros (peasant community members near the expropriated hacienda). In fact, those who received coastal property got better land than highland recipients. In unadjusted hectares the coast and the highlands account for 13 percent and 83 percent of adjudicated land, respectively. In standard hectares they account for 58 percent and 36 percent, according to Caballero and Álvarez.²⁹ Coastal CAP beneficiaries, who made up 29 percent of all beneficiaries, received 58 percent of the adjudicated land standardized for quality. At the other extreme were the highland comuneros who made up 31 percent of the beneficiaries and got only eight percent of the land.³⁰

Generally speaking, the permanent wage workers, a minority among the peasantry, received the largest benefits from the reform. The comuneros, a minority group among the peasantry, obtained the smallest benefits. If comuneros are not considered as beneficiaries (most were not given access to land, but only a share of SAIS economic surplus, which was minimal or nonexistent), then the relatively privileged position of the beneficiaries becomes even more evident.³¹

The fact that CAPs received the best land and also that this property was in operation as sugar plantations meant that income potential of the workers-turned-co-op-members on the coast was more promising than that of the highlanders. Kay documents that real incomes of workers increased rapidly at first but in the late 1970s stagnated and fell due to a drop in the world sugar price, mismanagement, droughts, and inappropriate government intervention. This initial rise in wages also happened in the rice and cotton CAPs. So an extremely favorable situation for coastal beneficiaries eroded a bit in the later 1970s.

Two major types of equity conflict have resulted in disputes on the CAPs. The first was with the government, which was interested in holding down wages and profit distribution so that undistributed profits could be raised for debt servicing. The other was between those members who got a share of the profits and made up three-fourths of the work force on the

coast, and the eventuales, or day laborers, who got no profits, worked longer hours per day doing the most irksome tasks, and received lower wages than the members.³²

Inequality in Chile

The only fairly reliable data on distribution of income between the time of the coup and more recent events in Chile have been made available in the Corporación de Investigaciones Económicas para América Latina (CIEPLAN) study of Greater Santiago (see Table 3.2).³³ But half of Chile's group "in poverty" is in the agricultural sector, which employs only about 21 percent of the population. Moreover, the internal terms of trade turned against agriculture in the mid- and late 1970s, according to Lovell Jarvis.³⁴ In the meantime the counterreform occurred. The distribution of income in the countryside as a whole is probably even more skewed than in Greater Santiago. This has doubtless been accentuated by the economic turndown of the early 1980s.

Despite this evidence, there was a full-fledged debate within Chile on whether income distribution had stayed the same or had become less egalitarian after Allende's downfall, particularly in the relatively speedy growth

TABLE 3.2
Income Distribution, Greater Santiago
(in percent)

| HOUSEHOLDS | SHARE OF TOTAL INCOME | |
|-------------------|-----------------------|-------|
| | 1969 | 1978 |
| 20% poorest | 3.74 | 3.70 |
| 20% next poor | 7.65 | 7.36 |
| 20% middle income | 12.10 | 11.68 |
| 20% next richer | 20.12 | 19.96 |
| 20% richest | 56.39 | 57.30 |

SOURCE: René Cortazar, *Distribución del ingreso, empleo y remuneraciones reales en Chile, 1970-1980*, Estudios CIEPLAN (junio de 1980) at page 12.

period of the late 1970s. The national statistical service (INE) has published data that indicate that wages rose from 1974 to 1979 from an index of 67.8 (1970 = 100) in 1974 to 112.6 in 1979, while the retail price index rose from 59.2 to 80.3 in the same period. INE data would imply a net gain in purchasing power for workers over the period,³⁵ but more dispassionate CIEPLAN research concludes that the wage has probably dropped or at best remained about the same while the unemployment rate rose sharply from 6.1 percent in 1969-1970 to 18.4 percent in 1978.³⁶

Other information discredits the INE findings. Between 1954 and 1968, Chile's wage and salary earners increased their share of national income at the expense of the richest segment of the population. As a general rule, wage and salary incomes tend to be more equitably distributed than profits. By 1970 wage and salary earners received 52.3 percent of total national income, while the remainder, 47.7 percent, went to other factor payments, primarily capital. However, in 1976, labor's share of national income had fallen to 41.1 percent while capital shares rose to 58.9 percent from 37.2 percent in 1972. CIEPLAN projected the 1980 distribution as still markedly in favor of capital. This latter figure is especially revealing in light of the conclusion that assets were becoming more concentrated during the decade. It is possible that in Chile "never had so few owned so much."³⁷ O'Brien ascribes the rising rate of unemployment to the decline of the labor union movement:

It took the Chicago team some six years to finally gain control of the Ministry of Labour and push through a new body of trade union legislation in keeping with the overall philosophy of their model. . . . The earlier period of simple repression . . . has now given way to "free, nonpolitical trade unions," although repression has certainly not ended. The new legislation, which is a sophisticated overturning of all old labour legislation, is designed to atomise and weaken the trade unions. . . . Unemployment . . . plays an important political role in dividing and weakening the trade union movement which still remains divided, weak, and demoralised.³⁸

The "Highway Effect" in Chile

Chile, as Peru, also has had subclasses of peasantry distinguishable by a relationship to the land that has been codified by local or national ascriptions. While those with no relationship to the land (residents of

Santiago, for example) might call all peasants "campesinos," those with a passing knowledge of agriculture in the 1960s would have been able to define statuses beginning with mediero (sharecropper — a relatively high status) and ending with afuerino (seasonal or migratory worker or day laborer), as well as various intermediate states.

These subclasses in Chile benefited unequally from the Frei-Allende agrarian reforms. The existing smallholders did not, as a rule, get more land; there seemed little justification for granting land to those who already had some. But within the smallholder category, some heads of households had plots too small to offer subsistence and had to work on estates for the bulk of their income, leaving other family members to cultivate their land; they were sometimes as poor as day laborers, who had no chance to obtain land in the reform. In one way these smallholders were at a disadvantage as compared to itinerant laborers because they had the added burden of reduced mobility in seeking more remunerative employment.

The landless migratory day laborers also benefited little from reform. They were not organized; they had no prior ties to property, even in the form of established or continuing work patterns; and they were growing numerically more rapidly than other rural poverty groups. As a result, not only were they and the smallholders passed over by land reform, but they found new owners less willing to hire them than the former hacienda workers were. The new landowners were reluctant to bring in another group that might develop a claim to land, and they were concerned over the cost of hired labor. Their economic concerns were bolstered by an ideological proscription against continuing the "feudal" practice of hiring outside labor.

Resident farm laborers in the middle-poor category were most apt to receive land. They were often organized or at least organizable; they possessed some tools and implements, had proprietary interests in the land because of their long standing in the area, and had managerial experience that came from living on the farm year-round and observing farm operations. Among the peasantry this group posed the least risk for causing a drop in agricultural production after reform.

While it was not explicit in the agrarian reform legislation under the Frei government, preference in land assignment was given to those who had worked for three years on a permanent basis on the farm to be allocated. There were high-minded efforts under Allende to include the poorest rural

workers, but they came to little. In analyzing the progress made in the Allende reforms, Barraclough and Alfonso noted that in only 18 months (November 1970 to June 1972) the government expropriated and redistributed 3282 farms. They calculated this to be 21 percent of the productive agricultural land of the country, estimating that 75,000 benefited directly from the 1967 law. Since other peaceful "reforms" such as those in Colombia, Ecuador, and Italy had not affected more than five to ten percent of the agricultural land, the authors found this progress particularly praiseworthy; yet the direct beneficiaries were seldom the most disadvantaged — the migratory farm laborers. "The position of the most backward agricultural groups, such as the Mapuches (the Indians who live on reservations in the South), the comuneros of Norte Chico, the afuerinos (day labourers) and the poor minifundistas continues now as in the past."³⁹

THE SECOND CASE: INEQUITABLE POST-REFORM POLICIES

What can be just as real as the Hirschman "highway effect" — but not as obvious — is that what happens in other sectors is transmitted via prices to the reform sector. The premature squeeze placed on agriculture, most frequently affecting the poorest members of the sector, is sometimes a more powerful influence on equity than the reform itself.

Peru

In Peru counter-policies were largely responsible for the failure of reform to achieve distributional effects. To favor the urban consumer, price controls on agricultural products were extended and enforced, and food subsidies were introduced in 1973 to prevent food prices from rising. Over 80 percent of these subsidies, according to Álvarez, went to imported food products, creating unmanageable competition for local producers.⁴⁰ After reform, the largest farms in the sierra and the biggest coastal farms continued to receive the lion's share of available agricultural credit. Within the reform sector, the coastal CAPs were favored. The campesinos in the sierra did not receive credit, whether they were land reform beneficiaries or not. The relatively favorable position of the coastal worker and the unfavorable position of the campesino in the sierra were unchanged by reform. Reform

distributed some land but too few auxiliary services and necessities to result in increased income.

As Table 3.3 shows, credit distribution changed little as a result of reform. The sierra remained as discriminated against after the reform as it had been before, receiving about 12 percent of total credit in 1956-1957 and 14 percent in 1974, though there was some shift in favor of the jungle lowlands (*selva*); large-scale agriculture continued to receive most of the credit. Some care should be exercised in the interpretation of the bottom half of Table 3.3, since some beneficiaries are counted in the large farm sector in the 1974 data; but ordinary credit for use on non-cooperative land was not available to the *comuneros* who made up a large number of the

TABLE 3.3
Distribution of Government Credit
of the Banco de Fomento Agropecuario

| | 1956-1957 | | 1974 | |
|--------|----------------------|------------|----------------------|-------------|
| | (thousands of soles) | (%) | (thousands of soles) | (%) |
| Coast | 421,242 | 81.1 | 6,580,114 | 66.6 |
| Sierra | 63,691 | 12.3 | 1,382,272 | 14.0 |
| Selva | <u>34,261</u> | <u>6.6</u> | <u>1,911,878</u> | <u>19.4</u> |
| | 519,194 | 100.0 | 9,874,264 | 100.0 |

| | 1968 | | 1974 | |
|--------------------|---------------------|-------------|---------------------|-------------|
| | (millions of soles) | (%) | (millions of soles) | (%) |
| Large farms | 1799 | 51.9 | 8486 | 77.4 |
| Intermediate farms | 650 | 18.8 | 473 | 4.3 |
| Small farms | <u>1014</u> | <u>29.3</u> | <u>2000</u> | <u>18.3</u> |
| | 3463 | 100.0 | 10959 | 100.0 |

SOURCE: Fernando Eguren López, *Política agraria y estructura agraria*, in *Estado y política agraria: 4 ensayos* (Lima: DESCO, Centro de Estudios y Promoción del Desarrollo, 1977).

"beneficiaries." Eguren estimates that of 1,400,000 small farms only 3.3 percent receive credit.⁴¹

Alvárez concludes, "The process of land transfer via agrarian reform, although necessary and indispensable, didn't resolve the problems associated with rural flight, employment and distribution of income."⁴²

Mexico

During the Cárdenas presidency (1934-1940) income distribution in Mexico became more egalitarian. After that period the trend has been towards inequality. Between the revolution and 1934 very little redistribution took place, since only 6 percent of the area ultimately to be affected by land reform was distributed. In the absence of size distribution data before 1950, functional shares must be used. Cole and Sanders calculate that salary and wage shares paralleled profit shares in 1940 (29.1 and 28.6 percent, respectively), but they became very dissimilar during the 1940s, reaching 23.8 percent and 41.4 percent by 1950.⁴³ There was some narrowing of these figures in later years, but the overall direction has been retrogressive.

TABLE 3.4
Distribution of Family Income after Taxes (in percent)

| Economic level: | 1950 | 1958 | 1963 | 1968 | 1969 | 1975 | 1977 |
|------------------|------|------|------|--------|------|--------|-------|
| Lowest 20% | 6.1 | 5.0 | 4.2 | (3.7) | 4.0 | (4.1) | 2.9 |
| 30% below median | 13.0 | 11.7 | 11.5 | (10.7) | 11.0 | (10.1) | }39.4 |
| 30% above median | 21.1 | 20.4 | 21.7 | (22.5) | 21.0 | (19.4) | |
| Top 20% | 59.8 | 62.9 | 62.6 | (63.1) | 64.0 | (66.4) | 57.7 |
| Gini Index | .50 | .53 | .55 | (.56) | .58 | (.58) | — |

Sources: IBRD, *The Economy of Mexico* (Washington, 1973), vol. 2, p. 91; de Navarrete, *La distribución del ingreso en México: tendencias y perspectivas*, in *El perfil de México en 1980* (3d ed.)(Mexico, D.F., 1971), vol. 1, p. 37. Calculations in parentheses are from Wouter van Ginneken. Figures for 1977 are from World Development Report 1982 (Oxford University Press for World Bank), Table 25, p. 159.

Table 3.4 shows increasing inequality in size distribution of income between 1950 and 1975,⁴⁴ a time when per capita income was growing by an average of about 3 percent a year. Van Ginneken reports that the richest 20 percent of income recipients considerably increased their share while the bottom 50 percent had their income share significantly reduced even though absolute poverty did not increase. His work is supplemented by that of de Navarrete, who shows that both the bottom and the top quintiles have recently lost ground.⁴⁵

The growing inequality over the long sweep of history is contributed to by the decline of the agricultural sector. When land as the main source of employment and income has been redistributed, the result has been a less skewed distribution of wealth and income in the post-land reform period.⁴⁶ As agriculture is supplanted as the dominant activity by the more dynamic industrial sector, redistribution of land loses some of its importance for income distribution.

A reason for the growing inequity in income distribution after 1940 that is probably more important is that the more conservative governments after Cárdenas turned their attention away from land reform in favor of increasing the amount of land under the plow. The immediate post-Cárdenas period began with the blocking of European imports because of the outbreak of World War II, which gave added impetus to the process of import substitution in Mexico. Since cheap food was considered a requirement for industrialization, and since the conservative government had little faith in the land reform (ejidal) sector's ability to produce, the government turned to the private farm sector. First it reclaimed desert land by investing in irrigation in the largely unsettled north. Irrigation expenditure as a percentage of total government spending rose from 6.8 in 1940 to approximately 11 in 1941 through 1944. From 1945 to 1947 the figure rose to about 14 percent; only twice in the period of 1948 to 1955 did the percentage drop below 11.⁴⁷ While newly irrigated land under the Cárdenas regime averaged 1600 hectares a month, the comparable amounts for the three succeeding presidents were 7600, 8700, and 10,700.⁴⁸ Irrigation probably benefited the private sector more than it did the ejidal sector. Figueras reports that since 1946 export crops, largely in the private sector, have accounted for half to three fourths of the value of all irrigated crops.⁴⁹ Looney's work summarizes the government's agricultural policies that seem to have contributed

to inequities:

While creating ejidos, the government's agricultural policies have been oriented toward favorable conditions for the expansion of large-scale modern agricultural production by investing a great proportion of the budget in the development of power, transport, fuel, irrigation, research, and credit institutions to serve the sector. Tax privileges, overvalued exchange rates, and minimum price supports⁵⁰ have also been used to subsidize the larger commercial farmers.

Reynolds has demonstrated that internal terms of trade strongly favored agriculture up through at least 1950.⁵¹ Since the ejidal sector was still fairly nonmonetized at this time, this development also favored the large farmers.

Other reasons for the growing inequalities of income distribution lie outside the agricultural sector. Van Ginneken notes that investors were able to realize good returns on bonds, and an increasing part of the middle class could obtain a reasonable yield on savings and time deposits. During this period, effective protection in the manufacturing sector was at very high levels — about 20 percent.⁵² Policies favoring import-substituting industrialization tended to skew income towards the industrial sector and, within agriculture, to the large commercial operator. Continued land distribution did not offset these advantages. In the middle of this century Mexico followed the economic model of many other higher-income LDCs and attempted to fill the demand for food from the commercial sector of agriculture but looked toward manufacturing for the economy's growth. The result was a systematic bias against the growing number of landless in agriculture, against progress of the ejiditario, against artisan crafts, and against industrial labor which became more and more underemployed as new technology and private foreign investment were introduced. Lack of worker organization in both manufacturing and agriculture reinforced this pattern. Profit-takers won while labor lost. As Looney says,

It has taken skillful manipulation on the part of successive Mexican presidents to convince peasants and workers that the government had remained faithful to the ideals of the revolution, that it was striving toward the establishment of a welfare state for the benefit of the underprivileged. However, this was largely an illusion, for government policies have definitely favored the privileged class.⁵³

On the other hand, Reynolds strikes a different note:

Investment propensities were increased partly by shifting downward the risk discount by expansion of internal market (due to revolution-inspired decisions to attend to internal rather than external demand as a prime criterion of public policy), by state subsidies, by protection, and by identification of the state with business interests. These policies have been called "betrayal of the revolution" by critics of the post-Cárdenas administrations. Yet if the maximum amount of income is to become available to the masses through the role of the state (i.e., if the state ultimately identifies its interests with the masses, for political necessity if for no other reason), then maximization of the growth of output (by providing higher incentives for private investors through public policy) is entirely consistent with the goal of the revolution. Maximization of social welfare,⁵⁴ not expropriation for its own sake, is the purpose of revolution.

This tone is typical of the views of other scholars describing post-Cárdenas Mexico, for example, Howard F. Cline:

The continuing policies of encouraging expansion and diversification of crops, pursued since about 1940, have been successful. They have had a double effect: the renovated and improved agricultural system has covered domestic needs and released surpluses for export; the same process has cut down, and in many cases eliminated, imports of foodstuffs. Representing 44 percent of Mexico's total exports in 1957, agricultural exports were more than double in value to its imports, 3.8 million compared with 1.7 million pesos.

Long-range programmes embrace many policies already discussed: greater distribution of arable land; construction of more dams and irrigation works; increased use of farm machinery, fertilizer, and pest controls; agricultural and related research, and extension services; further farm credits, price supports, and controls on distribution of basic foods; a system of crop insurance; tariff and trade controls to assure domestic consumption needs and also to foster export of surpluses; and promotion of domestic processing. In communications, interest is growing in tertiary market roads now that the primary network is complete and the secondary ones well-developed.⁵⁵

THE THIRD CASE: CHILE'S COUNTERREFORM

From a classical latifundio-minifundio situation in the early 1960s, the Frei and Allende agrarian reforms resulted in expropriation of 43 percent of the country's agricultural land (measured in standardized hectares). After the

1973 coup, 28 percent of this land was judged to have been expropriated illegally and was returned to its original owners; five percent was sold at auction to the highest bidder, thus also returning to the large farm sector; another ten percent was retained for public use, but may be sold in the future. The result of the counterreform was that the reform sector ultimately retained 57 percent of the land expropriated from 1965 to 1973, or about 25 percent of the agricultural land of the country. There are at least five other redistributive effects of the counterreform.⁵⁶

First, land transactions continue. Some studies show that by the end of 1979, between 30 and 60 percent of land reform parcels have been resold, usually to large farmers.⁵⁷ At the same time, there is some subdivision of existing unreformed large farms among members of the élite. Jarvis believes that this procedure was most common between 1974 and 1978 and succeeded accumulation as the more common current trend.⁵⁸ Small farmers especially are in the midst of a capital pinch that permits large landholders to take advantage of their situation. Even though sale of reformed properties is illegal, legal and quasi-legal evasions are common. The values of the land rights that are sold vary greatly. Jarvis points out that because of a booming market for grapes, land of reform beneficiaries in one region has sold for several thousand dollars a hectare. Others for which the use is more restricted sell for much less.⁵⁹

Second, the attempt to move technical assistance to the private sector did not have a successful outcome because many necessary functions were abandoned. The government set up both strict mortgage arrangements and land taxes for the beneficiaries of land reform. Unable to make use of credit because of usurious interest rates, and in the absence of technical assistance, the reform sector progressively lost land. In the same year when the first mortgage payments were required, land sales jumped. This phenomenon apparently recurred in 1980 when the first substantial land tax payment was required of beneficiaries. Jarvis concludes: "Many could be saved if adequately designed support policies are applied. Credit and technical assistance are their chief needs."⁶⁰ The Banco del Estado is the major credit source for beneficiaries, but it has reached only 26 percent of the total number of qualified borrowers. Furthermore, since loans are indexed, default tends to be fairly high and if beneficiaries find they cannot repay, the bank refuses to renegotiate the loans.⁶¹

Third, due to the failure, when asentamientos were parceled out, to make required changes in irrigation systems that had been designed for large farms, new landholders have considerable difficulty with water; community organization, which in other reforms has helped ease irrigation problems, is now discouraged by the government.⁶²

Fourth, the internal terms of trade have again turned against agriculture in the late 1970s.⁶³

Last, wages in both agricultural and urban areas have markedly decreased.

The issue of equity in land reform requires attention to activities beyond the sector reformed. The equity results of a reform are determined by the shape of the law itself and, after the reform is completed, by the relationships among the government, the reformed sector itself, the remainder of agriculture, and the economy as a whole. The strength of any counterreform that follows must also be considered.

Critics who blame agrarian reform for failing to produce equity tend to ignore what has happened in its aftermath. Unscrupulous politicians often speak in favor of reform (because land division is something that can be readily seen) at the same time as they support policies that work against it (and that utilize techniques that are less readily apparent). These contrary motions need not be considered as elements of a sinister plot; the political forces at work are far more complex. There is raw material enough here to busy a dozen political scientists, some of whom will claim that equity never was a goal of the reformers. It would be instructive to know the character of political forces that contribute to inequality following land distribution.

NOTES

1. Irma Adelman argues, primarily on the basis of the success of Korea, Japan, and Taiwan, that land reform is a precondition for a development pattern that benefits the great majority of the people. Adelman, *Growth, Income Distribution, and Equity Oriented Development Strategies*, in *World Development*, vol. 3, no. 2-3 (February-March 1975). "Dualism" is understood to be equivalent to Johnstonian "bipolarity." See Bruce F. Johnston, *Agriculture and Economic Development: The Relevance of the Japanese Experience*, in *Food Research Institute Studies*, vol. 6, no. 3 (1966).

2. William C. Thiesenhusen, *A Suggested Policy for Industrial Reinvigoration in Latin America*, in *Journal of Latin American Studies*, vol. 4, no. 1 (1972), pp. 85-104.

3. Adolfo Figueroa, *Income Distribution, Employment and Development: The Case of Peru*, Ph.D. thesis, Vanderbilt University, Nashville, Tenn. (1972), p. 111.

4. Growth of GDP was 5.9 percent from 1960 to 1973, 5.4 percent from 1973 to 1980, and -2.5 percent in 1981. See World Bank, *World Development Report 1982* (Washington), Table 2.1, p. 8. Earlier, the IADB had painted a somewhat rosier picture. See Inter-American Development Bank, *Economic and Social Progress in Latin America, 1980-81 Report* (Washington), Table I-2, p. 7. But in the 24 countries it analyzes, only eight show a higher growth of GDP in 1980 than in 1979. Nine showed a higher yearly growth rate in 1976-1980 as compared to 1961-1970. CEPAL shows that of the 19 countries it analyzes, 17 showed a lower GDP growth rate in 1981 than in 1980. The exception was Uruguay (there was no 1981 information available for Venezuela). Overall growth rate for 1980 was 5.8 percent and 1.2 percent for 1981. Six countries showed negative growth rates in 1981, compared to only two in 1980. See Enrique V. Iglesias, *The Economic Evolution of Latin America in 1981*, in *Comercio Exterior de México* (March 1982), Table 3, p. 97.

5. The case is not solid on this point. Some countries record substantial commercial and concessionary public transfers from DCs and/or were petroleum exporters and increased their gross investment, but the sustainability of this can be questioned, particularly after the IMF-World Bank meetings in Toronto in September. Of 19 countries examined by the World Bank, nine showed less annual change in investment in 1970-1980 than in 1960-1970. Of 24 countries examined by the IADB, six showed a lower gross domestic investment rate in 1979 than in 1971-1975. See Inter-American Development Bank, note 4 *supra* at Table III-1, p. 65. Figures for the 1980s are not yet available, so the footnoted statement is based on a certain amount of surmise.

6. According to the Morgan Guaranty Trust, of the ten LDC and socialist bloc countries owing debts to private foreign bankers, Latin American countries represent half, with Mexico, Brazil, Venezuela, and Argentina heading the list. See also *New York Times*, 12 September 1982.

7. My own informal attempt at classification: Brazil, Argentina, Paraguay, Uruguay, and Guatemala have had no reform, but Brazil, Paraguay, and Guatemala have had some colonization of state lands on the frontier. Bolivia had some reform immediately after it passed a land reform law in 1953 and Chile from 1965 to 1973, but there has been considerable regression since. Mexico has had a continuing distribution of land, a process that continues to a small extent to this day, although the heyday of reform was between 1934 and 1940. Peru and El Salvador have eliminated their biggest estates, the latter under wartime conditions. Nicaragua has incorporated all of the former Somoza lands (together with the properties of his henchmen) — about 20 percent of the farmland in the country — into the reform sector and has done some minimal amount of expropriation of underutilized property from the private sector. Aside from Nicaragua and El Salvador, the Central American

country with the most reform probably is Honduras, which turned over some underutilized land to campesinos in the early 1970s. Venezuela did a rather small "reform without redistribution" in the 1960s, paying dearly for land with oil revenues. The "token" land reform countries are Colombia, Panama, Ecuador, and Costa Rica.

8. One of the fastest growing Latin American countries that has had no reform is worthy of a more detailed examination because it is so large and because it illustrates difficult problems of internal diversity.

Brazil's economy grew at an average annual rate of 5.4 percent between 1960 and 1970 and 8.4 percent between 1970 and 1980. Most of this can be attributed to a rapidly growing manufacturing and services sector, but between 1970 and 1980 even agriculture grew by 4.9 percent. See World Bank, note 4 *supra* at Table 2, p. 113. Total population growth was 2.9 percent between 1960 and 1970 and 2.2 percent from 1970 to 1980. *Ibid.*, Table 17, p. 143. Even with this rate of population growth, per capita income growth was significant. Albert Fishlow states [in Alejandro Foxley ed., *Income Distribution in Latin America* (Cambridge: Cambridge University Press, 1976) at p. 72]: "This economic 'miracle' has already begun to rival the earlier German example. The common ingredient of greater scope to market forces and freer rein to the private sector has not gone unnoticed; there is already talk of the applicability of the Brazilian model to other parts of the developing world." Yet Fishlow argues on the basis of preliminary 1970 census data that the way in which the initial income increases and succeeding increments were distributed is a more perplexing and troublesome matter. Table A below uses data not available when Fishlow wrote but illustrates conclusions similar to his. It shows that while the poorer half of the workforce received 17.4 percent of total income in 1960, it received 14.9 percent in 1970 and only 12.6 percent in 1980. The richest ten percent made real gains, increasing from a 39.6 share of total income in 1960 to 46.7 percent in 1970 and 50.9 percent in 1980.

In an examination of 1000 farms in Brazil in the late 1960s along with some other Latin American data, Cline reinforces this view of the entire economy with the observation that income distribution worsened in the decade. He concludes that if specific policy measures were not devised to correct the situation, rural income, and by implication all incomes, would continue to become more concentrated. He goes further to suggest some policy alternatives that had been or were to be reiterated by others who examined the same or similar situations: first, land redistribution or agrarian reform is the policy most likely to bring both production gains and improved equity; second, new crop varieties, highly desirable from the standpoint of production alone, may have adverse income distribution effects. Cline also suggests that if big farmers adopted mechanization with tractors or combines, the usual result would be that they would displace labor, increase unemployment, and therefore worsen the situation for those on the low end of the income spectrum. His conclusion is that if output gains in Brazil and Mexico were channeled to low-income rural families, there would be little loss of savings and production. Brazil could, if it adopted the appropriate policies, have more equity without much sacrifice in rate of growth. William R. Cline, *Interrelationships between Agricultural Strategy and Rural Income Distribution*, in *Food Research Institute Studies in Agricultural Economics, Trade, and Development*, vol. 12, no. 2 (1973), pp. 138-157; see also Cline, *Economic Consequences of a Land Reform in Brazil* (Amsterdam, 1970).

Table A. Size Distribution of Income in Brazil (in percent)

| Population | PARTICIPATION IN INCOME-EARNING ACTIVITIES | | |
|-------------|--|------|------|
| | 1960 | 1970 | 1980 |
| Richest 1% | 11.9 | 14.7 | 16.9 |
| Richest 5% | 28.3 | 34.1 | 37.9 |
| Richest 10% | 39.6 | 46.7 | 50.9 |
| Poorest 50% | 17.4 | 14.9 | 12.6 |
| Poorest 20% | 3.9 | 3.4 | 2.8 |

Source: Luis Carlos Bresser Pereira, *Economia Brasileira: Uma Introdução Crítica* (São Paulo: Brasiliense, 1982).

Table B. Comparison of Distribution of Income in Brazil (in percent)

| Workforce | PARTICIPATION IN TOTAL INCOME | | |
|------------------|-------------------------------|-------|------|
| | 1960 | 1970 | 1976 |
| Richest 5% | 27.69 | 34.86 | 39.0 |
| Next 15% | 26.66 | 27.38 | 28.0 |
| Next 30% | 27.92 | 22.85 | 21.2 |
| Poorest 50% | 17.71 | 14.91 | 11.8 |
| Gini coefficient | 0.50 | 0.56 | 0.60 |

Source: José Serra, *Renda Concentra-se Mais Nos Anos 70*, in *Ensaios de Opinião* (Rio de Janeiro, 1978), Tables 1 and 2-6, p. 28.

Table C. Median Income in Brazil (in constant cruzeiros)

| Workforce | 1960 | 1970 | 1976 |
|-------------|--------|--------|--------|
| Richest 5% | 1131.0 | 1984.0 | 4638.0 |
| Next 15% | 396.1 | 519.3 | 1109.7 |
| Next 30% | 192.7 | 216.7 | 420.0 |
| Poorest 50% | 73.4 | 84.8 | 140.4 |

Source: Serra, *ibid.*

As we know, the specific policy measures that Cline called for have not been implemented in the Brazilian rural sector; nor have their analogues come in the urban sector. Consequently an enormous income gap between the poorest 50 percent of the population and the top ten percent appears by 1980. See Tables B and C. Table C shows that in 1960 the average earnings

of the top five percent were 15 times greater than those of the bottom half; by 1976 this ratio had increased to about 33.

Some have pointed out that even the poorest 50 percent have in fact participated in the growth process because their income was 66 percent greater in 1976 than in 1960. By this reasoning, all have "participated"—the next poorest 30 percent had a 94 percent increase; the next 15 percent, 114 percent more, and the top five percent, 134 percent. See Gary Fields, *Who Benefits from Redevelopment?—A Reexamination of Brazilian Growth in the 1960s*, in *American Economic Review*, vol. 67, no. 4, pp. 570-582, who disagrees with the Serra interpretation partially on these grounds. Several arguments have been made in response to the idea that "everyone has benefited but some more than others." First, the modernization of agriculture has increased cash salaries but decreased payments in kind—which, although they are a vestige of feudalism, at least do not depreciate with inflation. Also, legislated minimum salaries have risen more in urban than in rural areas; the fact that the plight of the rural worker is likely to be worse than that of his urban counterpart is reflected in these data (personal communication with Fernando Dall'Acqua; see also *Ensaio de Opinião*, supra). Furthermore, if the "poorest 50%" category were disaggregated, it would be clear that the very poorest, who are largely rural people, had lost income in absolute terms; see Weisskopf and Figueroa, *Traversing the Social Pyramid*, in *Latin American Research Review*, vol. 11, no. 2.

Fishlow summarizes the situation:

In sum, in the absence of effective and far-reaching alteration in governmental attitudes, there is likely to be little progress and, quite possibly, retrogression in the distribution of income. It is mistaken to view such a result as an unfortunate but inevitable consequence of rapid growth. There is no necessary inconsistency between greater equity and expanding output. Brazilian poverty is directly linked to low levels of productivity, particularly rural, that are subject to attack. Policies can be developed. But first there must be recognition of an accounting system that reckons and applauds not only increases in aggregate output, but also tabulates the differential gains in welfare that are reflected in the distribution of income.

Fishlow, *supra*, in Foxley, ed., p. 75.

9. William C. Thiesenhusen, *Population Growth and Agricultural Employment in Latin America with Some U.S. Comparisons*, *American Journal of Agricultural Economics* (1969), pp. 735-775; R. A. Berry, *Land Reform and the Agriculture Income Distribution*, *Pakistan Development Review*, vol. 11, no. 1 (Spring 1971).

10. Carmen A. Miro and Daniel Rodríguez, *Capitalism and Population in Latin American Agriculture*, *CEPAL Review* (April 1982), pp. 51-71, and other articles in this issue devoted to peasant agriculture.

11. W. F. Owen, *The Double Development Squeeze on Agriculture*, *American Economic Review*, vol. 56 (March 1966), pp. 43-70.

Economic growth frequently requires a squeeze transferring capital to growth points of the economy. In Latin America taxes work rather inefficiently as a rule so the job is frequently done via the internal terms-of-trade mechanism. A frequently-used illustration is Brazil, where data collection facilities are more sophisticated than in most of Latin America. Tables D and E show that between 1951 and 1964 the internal terms of trade turned away from agriculture and that there was a trend in the other direction from 1964 to 1977.

The question is where development capital came from in the late 1960s and 1970s. Dall'Acqua musters some evidence to show that it came from the industrial working class in that the average real wage fell behind real production (Table F). A regressive tax structure reinforced the income transfer from labor to capital as did a rapidly rising cost of living (Dall'Acqua, pp. 240, 241). This point is further supported by the data in Table G, which show that the minimum wage level from 1954 to 1965 in São Paulo and Belo Horizonte was consistently above the 1952 level, but between 1966 and 1973 there was a severe drop.

Table D. Industry/Agriculture Price Ratios in Brazil, 1951-1964
(1951 to 1953 = 100)

| YEAR | Industrial prices/ Agricultural prices (not including coffee) | Industrial prices/ coffee prices |
|------|--|-------------------------------------|
| 1951 | 102 | 100 |
| 1952 | 100 | 98 |
| 1953 | 98 | 102 |
| 1954 | 110 | 90 |
| 1955 | 100 | 106 |
| 1956 | 104 | 123 |
| 1957 | 109 | 142 |
| 1958 | 114 | 165 |
| 1959 | 115 | 224 |
| 1960 | 101 | 221 |
| 1961 | 104 | 163 |
| 1962 | 96 | 254 |
| 1963 | 104 | 337 |
| 1964 | 106 | 173 |

Source: Fernando Dall'Acqua, *The Relationship between Agriculture and Industry in Brazil*, draft Ph.D. thesis, University of Wisconsin, Madison, 1982, p. 214.

Table E. Agricultural and Industrial Prices, Brazil, 1964-1977
(1965-1967 = 100)

| YEAR | AGRICULTURAL PRICES | INDUSTRIAL PRICES |
|------|---------------------|-------------------|
| 1964 | 51 | 47 |
| 1965 | 72 | 75 |
| 1966 | 102 | 100 |
| 1967 | 127 | 125 |
| 1968 | 149 | 163 |
| 1969 | 181 | 196 |
| 1970 | 233 | 229 |
| 1971 | 292 | 269 |
| 1972 | 357 | 312 |
| 1973 | 425 | 358 |
| 1974 | 550 | 463 |
| 1975 | 682 | 599 |
| 1976 | 1085 | 818 |
| 1977 | 1622 | 1139 |

Source: Dall'Acqua, *ibid.*, p. 234.

Table F. Evolution of the Average Real Wage Rate and Productivity
in the Brazilian Industrial Sector from 1969 to 1973 (1969 = 100)

| YEAR | Real Production | Employment | Real Product per worker | Mean real wage |
|------|-----------------|------------|----------------------------|-------------------|
| 1969 | 100 | 100 | 100 | 100 |
| 1970 | 111 | 100 | 111 | 103 |
| 1971 | 124 | 104 | 129 | 108 |
| 1972 | 141 | 110 | 128 | 117 |
| 1973 | 162 | 120 | 135 | 128 |

Source: Dall'Acqua, *ibid.*, p. 242.

Table G. Minimum Wages, São Paulo and Belo Horizonte, 1952-1973

| YEAR | MINIMUM WAGES (São Paulo 1952 = 100) | |
|------|--------------------------------------|----------------|
| | São Paulo | Belo Horizonte |
| 1952 | 100.0 | n.a. |
| 1953 | 88.2 | n.a. |
| 1954 | 107.3 | n.a. |
| 1955 | 116.1 | 111.1 |
| 1956 | 119.4 | 111.0 |
| 1957 | 131.2 | 117.0 |
| 1958 | 114.0 | 101.6 |
| 1959 | 130.1 | 116.8 |
| 1960 | 115.1 | 103.4 |
| 1961 | 132.0 | 118.8 |
| 1962 | 120.4 | 108.1 |
| 1963 | | 109.7 |
| 1964 | | 110.8 |
| 1965 | | 103.2 |
| 1966 | | 94.6 |
| 1967 | | 91.4 |
| 1968 | | 92.5 |
| 1969 | | 89.3 |
| 1970 | | 86.0 |
| 1971 | | 87.1 |
| 1972 | | 89.3 |
| 1973 | | 82.1 |

Source: E. Bacha, *Issues and Evidence on Recent Brazilian Economic Growth*, in *World Development*, vol. 5, no. 1 and 2 (1977), Table 5, p. 54.

12. Hsin-Huang Michale Hsiao, *Assessing and Comparing Government Agriculture Strategies in the Third World: The Cases of Taiwan and South Korea*, Ph.D. thesis, State University of New York at Buffalo, June 1979, p. 48.

13. Wei-I Chang and Ruey-Tsang Lee, *The Impact of Land Tenure on Land Use in the Republic of China*, mimeographed workshop paper, Taipei, 26-30 July 1982, p. 6.

14. Hollis Chenery et al., *Redistribution with Growth* (Oxford: Oxford University Press, 1974), pp. 285-290.

15. Hsiao, *supra* note 12 at p. 279.

16. World Bank, *Development Report, 1982*, *supra* note 4 at Table 2, pp. 112-113.

17. Irma Adelman and S. Robinson, *Income Distribution Policies in Less Developed Countries: A Case Study of Korea* (Stanford: Stanford University Press, 1978).

18. Edward P. Reed, *Group Farming and Smallholder Agriculture: Experience and Potential in South Korea*, Ph.D. thesis, University of Wisconsin-Madison, 1979, Table III-10, p. 64 and discussion on pp. 60-65.

19. Albert O. Hirshman, *Essays in Trespassing: Economics to Politics and Beyond* (Cambridge: Cambridge University Press, 1981), p. 40.
20. If investment in human resources must follow after a land reform in order to ensure that the lower class participates in development one must look at per capita government expenditures for education and possibly health care. In the 1972-1979 period, central government expenditures for education declined by 26 percent in Peru, while expenditures on health lost 20 percent. See IBRD, *supra* note 4 at Table 24, p. 156. The inference to be made is that the trend towards greater inequality continued in Peru.
21. Richard Webb and Adolfo Figueroa, *Distribución del Ingreso en el Perú* (Lima: Instituto de Estudios Peruanos, 1975).
22. *Ibid.*, p. 162 (translation by the author).
23. Cristóbal Key, *Achievements and Contradictions of the Peruvian Agrarian Reforms*, *Journal of Development Studies*, vol. 18, no. 2 (January 1982), pp. 141-170.
24. Richard D. Mallon, *Reforming Property Ownership and Income Distribution in Peru*, mimeographed paper, December 1972, p. 5.
25. José María Caballero, *Reforma y Reestructuración Agraria en el Perú*, CISEPA Documento de Trabajo no. 34 (Lima: Pontificia Universidad Católica del Perú, December 1976), my translation.
26. Susana Lastarria C. and A. Eugene Havens, *Agrarian Structure, Agrarian Reform, and Peru's 'Revolution,'* prepared for Latin American Perspective, special issue on Peru, mimeographed (Lima, April 1976), p. 28.
27. Douglas E. Horton, *Land Reform and Reform Enterprises in Peru*, report submitted to the Land Tenure Center, University of Wisconsin and to the International Bank for Reconstruction and Development (1974), pp. xxvii-xxviii.
28. *Ibid.*, p. 166.
29. J. M. Caballero and E. Álvarez, *Aspectos Cuantitativos de la Reforma Agraria (1969-1979)* (Lima: Instituto de Estudios Peruanos, 1980).
30. Kay, *supra* note 23 at p. 153.
31. *Ibid.*, p. 154.
32. *Ibid.*, p. 155.
33. René Cortazar, *Distribución del Ingreso, Empleo, y Remuneraciones Reales en Chile, 1970-1978*, in *Estudios CIEPLAN* (June 1980), pp. 5-23.
34. Lovell S. Jarvis, personal communication, 17 September 1982.
35. INE, *Informativo Estadístico* (Santiago, 1979).

36. Cortazar, *supra* note 33 at p. 1 and also Cuadro 7, p. 20; also pp. 17-22.

37. Robert Carty et al., *Miracle or Mirage? A Review of Chile's Economic Model, 1973-1980*, in *Latin American Working Group Letter* (Toronto), vol. 7, no. 5/6 (March 1982), p. 19. See, e.g., Fernando Dahse, *Mapa de la Extrema Riqueza: Los Grupos Económicos y el Proceso de Concentración de Capitales* (Santiago: Editorial Aconcagua, 1979).

38. Philip O'Brien, *The New Leviathan: The Chicago Boys and the Chilean Regime, 1973-1980*, in *IDS Bulletin: "Monetarism" and Its Effects on Developing Countries*, vol. 13, no. 1 (December 1981), p. 48.

39. Solon Barraclough and Almino Affonso, *Diagnóstico de la Reforma Agraria Chilena* (noviembre 1970-junio 1972), separada de la revista *Cuadernos de la Realidad Nacional* (CEREN), 16 (April). This phenomenon is treated elsewhere (cf. Pedro M. Lopez, et al., *Exposición Metódica y Coordinada de la Ley de Reforma Agraria de Chile* (Santiago: Editorial Jurídica de Chile), p. 93.) Pearse, in *The Latin American Peasant* (London: Cass, 1975), p. 149, reports that in the Bolivian reform, distribution "followed the existing pattern," presumably with those who had the strongest claims to demesne land getting the most.

In the Philippines, only on rice and corn farms above a certain acreage have tenants been affected by agrarian reform, often called the number one priority of President Marcos' New Society. While it is generally agreed that more progress has been made in the last four years than the past 30, the similarities to Peru and Chile are obvious in that only groups with some initial foothold in the system benefit. As Robert Shaplen reports in "Letter from Manila" in *The New Yorker* (Vol. 52, 3 May 1976, p. 92):

The major part of the land problem — the freeing of peasants from bondage as impoverished tenants and sharecroppers — has been only partly solved by the program, which covers merely those areas devoted to the cultivation of rice and corn. Nearly a million and a half hectares (a hectare is about two and a half acres) of these crops, worked by nine hundred and fifteen thousand tenant farmers, are covered under the program. When it is completed — some time in 1977, the government hopes — over half the land will have been transferred to almost four hundred thousand tenant farmers under permanent leasehold arrangements. This is no more than a third of the country's total agricultural land; the rest is devoted to other crops, the most important of which are coconut and sugar. Peasants working land devoted to these crops want to bring it under the reform program, too, but no such action is imminent, even though workers in sugarcane fields are, with one exception, probably the worst paid and most underprivileged of all agricultural employees. The exception is landless peasants, who work when and for whom they can — a category that, according to some estimates, comes to perhaps three million people.

I have suggested a typology for those likely to be benefited and those likely to be omitted from reform in *Reaching the Rural Poor and the Poorest: A Goal Unmet*, in Howard Newby, ed., *International Perspectives in Rural Sociology* (Chichester: John Wiley, 1978), pp. 159-182.

40. Elena Álvarez, *Política Agraria y Estancamiento de la Agricultura, 1969-1977* (Instituto de Estudios Peruanos, 1980), pp. 69-75.
41. Fernando Eguren López, *Política Agraria y Estructura Agraria*, in *Estado y Política Agraria: 4 ensayos* (Lima: DESCO, Centro de Estudios y Promoción del Desarrollo, 1977), pp. 246-250.
42. Elena Álvarez, *Política Agraria del Gobierno Militar y Su Posible Impacto sobre la Población, 1969-1979*, mimeographed paper prepared for the seminar "Políticos públicos y su incidencia en la dinámica poblacional," held at El Bosque, Peru, 16-19 June 1980, p. 21 (my translation).
43. William E. Cole and Richard D. Sanders, *Income Distribution, Profits and Savings in the Recent Economic Experience of Mexico*, in *InterAmerican Economic Affairs*, vol. 24, no. 2 (Autumn 1970), pp. 49-63.
44. Wouter van Ginneken, *Socio-Economic Groups and Income Distribution in Mexico* (New York: St. Martin's Press, 1980).
45. I. de Navarrete, *La Distribución del Ingreso en México: Tendencias y Perspectivas*, in *El Perfil de México en 1980*, p. 37.
46. Edmundo Flores, *Agrarian Reform and Economic Development*, in Kenneth H. Parsons, et al., eds., *Land Tenure* (Madison: University of Wisconsin Press, 1963).
47. Alfonso Orive Alba, *La Política de Irrigación en México* (Fonda de Cultura Económica, 1960), p. 196.
48. James W. Wilke, *The Mexican Revolution: Federal Expenditure and Social Change since 1910* (Berkeley: University of California Press, 1967), p. 198.
49. Juan Antonio Figueras, *Agrarian Reform and Agricultural Development in Mexico*, Ph.D. thesis, University of Florida, 1974, p. 165.
50. Robert E. Looney, *Income Distribution Policies and Economic Growth in Semiindustrialized Countries* (New York: Praeger, 1975), pp. 83-84.
51. Clark W. Reynolds, *The Mexican Economy: Twentieth Century Structure and Growth* (New Haven: Yale University Press, 1970), p. 108.
52. Van Ginneken, *supra* note 44 at p. 25.
53. Looney, *supra* note 50 at p. 85.
54. Reynolds, *supra* note 51 at p. 55.
55. Howard F. Cline, *Mexico: Revolution to Evolution 1940-1960* (London: Oxford University Press [for] Royal Institute of International Affairs, 1962), pp. 268-269.
56. Lovell S. Jarvis, *Small Farmers and Agricultural Workers in Chile*, PREALC/ILO working paper (Santiago: Programa Regional de Empleo para América Latina y el Caribe and ILO, May 1981), p. 114.

57. *Ibid.*, p. 159.

58. *Ibid.*, pp. 118-119.

59. *Ibid.*, pp. 160-164.

60. *Ibid.*, pp. 135-138. See also Cristóbal Kay, *Class Alliances and Agrarian Change in Chile*, in *Journal of Peasant Studies*, vol. 8, no. 4 (1981).

61. *Ibid.*, p. 161 and pp. 164-166.

62. *Ibid.*, p. 159 and p. 133.

63. Lovell Jarvis, personal communication, 17 September 1982.

4

Land Reform and the Adequacy of World Food Production

R. Albert Berry

As population continues to rise rapidly in most Third World countries and the pressure of man on the land becomes accentuated, land tenure and the possible desirability of land reform cannot help but remain on center stage.

Between 1960 and 1980 the agricultural labor force rose at an average annual rate of nearly 1.5 percent in low income countries and 0.5 percent in middle income countries (Table 4.1). During this period land area under cultivation rose at only 0.5 percent annually in the LDCs.¹ After the initial Green Revolution euphoria had passed and the limits to its benefits became known, concern over food supply in the LDCs began to be felt. Over the period 1960 to 1980, per capita food output rose by only 8 percent or 0.4 percent per year (Table 4.2). The low income countries as a group gained not at all, while the LDCs in Africa actually suffered a loss.² Per capita food consumption rose a little faster than production — perhaps 0.5 or 0.6 percent a year — as the Third World's net agricultural exports fell. It is widely believed that income distribution has been worsening in many developing countries,³ and that asset redistribution might be one of the few government policies with a chance to avert this trend.⁴

Land reforms that redistribute land from large farmers to small ones or from owners to farmer tenants are virtually guaranteed to improve income distribution, and considerable evidence accumulated over the last couple of decades suggests that they (especially the first type of reform cited) may

This is the revised version of a paper presented at the Conference on International Dimensions of Land Reform in Mexico, January 1983. I have benefited from the comments of participants in that conference and especially from the observations of Keith Griffin. Any errors or oversights that may remain are my responsibility.

TABLE 1

Trends in Agricultural Labor Force, Developing Countries

| | Agricultural Labor Force | | Percent Increase 1960-1980 | Total Labor Force Percent Increase 1960-1980 | Agricultural Labor Force Annual Average Increase |
|--|---|------|-------------------------------|--|--|
| | Percent of Total Labor Force 1960 | 1980 | | | |
| Low Income Countries (includes China) | 77 | 71 | 34.3 | 45.7 | 1.5 |
| Bangladesh | 87 | 74 | 32.7 | 56.0 | 1.4 |
| Ethiopia | 88 | 80 | 32.5 | 45.7 | 1.4 |
| Zaire | 83 | 75 | 27.8 | 41.5 | 1.2 |
| India | 74 | 69 | 28.1 | 37.4 | 1.2 |
| Pakistan | 61 | 57 | 44.4 | 54.5 | 1.9 |
| Middle Income Countries | 61 | 44 | 10.4 | 53.0 | 0.5 |
| Indonesia | 75 | 58 | 12.7 | 45.7 | 0.6 |
| Egypt | 58 | 50 | 29.4 | 50.1 | 1.3 |
| Philippines | 61 | 46 | 18.8 | 57.6 | 0.9 |
| Nigeria | 71 | 54 | 10.8 | 45.7 | 0.5 |
| Korea | 66 | 34 | -8.8 | 77.1 | -0.5 |
| Brazil | 52 | 30 | 8.3 | 87.7 | 0.4 |
| Mexico | 55 | 36 | 19.3 | 82.4 | 0.9 |
| Iran | 54 | 39 | 19.5 | 65.5 | 0.9 |

Notes: Low Income Countries include those with GDP up to \$410 (1980 U.S.)
 Middle Income Countries have GDP between \$420 and \$4500.
 Figures for 1980 are preliminary estimates (1980 sectoral share
 estimates are extrapolations of the 1960-1970 trends).

Source: World Bank, World Development Report 1982, pp. 146-147.

lead to an increase in total agricultural output. In some contexts, cooperation in the performance of some production or distribution activities may be quite complementary with a system based on small farming. The argument for land reform would thus appear to be very strong indeed. A closer look suggests a picture that, while varying greatly from country to country and region to region, does suggest both a continuing important role for land reform and a need for haste in carrying out such reform.

In assessing possible effects of land reform in Third World countries on the adequacy of world food production one must consider a number of inter-related phenomena. The direct effect via differences in the productivity of pre-reform and post-reform units is the first and most obvious, but perhaps equally important is the impact on income distribution in those countries and the resulting effects on the demand for food.

Interest in the effect of land reform on world food output stems from concern for the fulfillment of nutritional needs. It is widely recognized that the capacity to ensure adequate world food supply exists and has existed but that insufficient resources have been devoted to that end by the developed countries. The reason that the rich countries' capacity is not fully utilized is the inability of poorer countries to buy more from them, and more specifically the inability of poorer people in those countries to buy adequate amounts of food from anyone. Were world distribution of income quite equitable, there would be no world food shortage.⁵ From the perspective of poor people in a poor country, then, the food producing capacity of the rich countries is relevant only if the poor countries sell non-food items to get the foreign exchange to buy food. Most LDCs have a better chance to produce their own food than to buy it by exporting something else. Hence the main issue with respect to land reform is how it affects food production in the country in question; this will be the focus of our discussion, with little attention to world aggregates.⁶ By the same token, the food production of the rich within a country may not help the poor, whose main problem is an income too low to purchase the necessities. Land reform can provide some of the poor directly with the capacity to produce (and consume). This capacity may be enhanced not only by access to land but also by the improved nutrition resulting from better consumption standards. Nutritional deficiencies are concentrated among the poor, mostly the rural poor. While rising productivity on large farms (for example, via the Green Revolution)

TABLE 2
Growth Rates of Agricultural and Food Output, 1960-1980 (excludes China)
(in percent)

| Region and Country Group | AGRICULTURAL OUTPUT | | | | FOOD OUTPUT | | | |
|--------------------------------|---------------------|-----------|------------|-----------|-------------|-----------|------------|-----------|
| | Total | | Per Capita | | Total | | Per Capita | |
| | 1960-1970 | 1970-1980 | 1960-1970 | 1970-1980 | 1960-1970 | 1970-1980 | 1960-1970 | 1970-1980 |
| Developing countries | 2.8 | 2.7 | 0.3 | 0.3 | 2.9 | 2.8 | 0.4 | 0.4 |
| Low income | 2.5 | 2.1 | 0.2 | -0.4 | 2.6 | 2.2 | 0.2 | -0.3 |
| Middle income | 2.9 | 3.1 | 0.4 | 0.7 | 3.2 | 3.3 | 0.7 | 0.9 |
| Africa | 2.7 | 1.3 | 0.2 | -1.4 | 2.6 | 1.6 | 0.1 | -1.1 |
| Middle East | 2.5 | 2.7 | 0.0 | 0.0 | 2.6 | 2.9 | 0.1 | 0.2 |
| Latin America | 2.9 | 3.0 | 0.1 | 0.6 | 3.6 | 3.3 | 0.1 | 0.6 |
| Southeast Asia | 2.9 | 3.8 | 0.3 | 1.4 | 2.8 | 3.8 | 0.3 | 1.4 |
| South Asia | 2.5 | 2.2 | 0.1 | 0.0 | 2.6 | 2.2 | 0.1 | 0.0 |
| Southern Europe | 3.1 | 3.5 | 1.8 | 1.9 | 3.2 | 3.5 | 1.8 | 1.9 |
| Industrial market economies | 2.1 | 2.0 | 1.1 | 1.2 | 2.3 | 2.0 | 1.3 | 1.1 |
| Nonmarket industrial economies | 3.2 | 1.7 | 2.2 | 0.9 | 3.2 | 1.7 | 2.2 | 0.9 |
| TOTAL WORLD | 2.6 | 2.2 | 0.7 | 0.4 | 2.7 | 2.3 | 0.8 | 0.5 |

NOTE: Production data are weighted by world export unit prices. Decade growth rates are based on midpoints of five-year averages, except that the figure for 1970 is the average for 1969-1971.

Source: World Bank, World Development Report 1982 (Oxford University Press, 1982), p. 41, based on FAO data.

might help the poor indirectly by holding food prices down, it cannot generally provide any direct boost to the income of the rural poor. Since the beginning of the Green Revolution there have been rather high hopes that creation of employment associated with the greater intensity of cultivation of the new high yielding varieties (HYVs) would in effect spread the benefits to the landless class of workers. Some such spread effects have been observed, but they usually have fallen short of expectations.⁷ It is apparent that such a process in the poorer developing countries cannot be presumed to resolve the income problems of the disadvantaged in the foreseeable future.

The most favorable situation for land reform is that in which small units (or owned units, if the reform involves tenancy rather than size) have higher total factor productivity than do large ones (or tenanted ones).⁸ Then, as long as they are also equally or more oriented to food production than are larger (or tenanted) farms, the immediate effect should be to raise food output and probably also to increase the relative output of cheaper foods, such as cereals, vis-à-vis meats. The demand for labor in agriculture is likely to increase, and, because the beneficiaries should be towards the bottom of the national income distribution, both on-farm demand and total demand for food should rise.

The effect of such a reform on a marketed surplus of food or of different types of food is not clear a priori even when the reform units have higher land productivity than the pre-reform units. It depends on the small farmers' marginal propensity to consume various types of food. This may be quite high if the reform beneficiaries are low in the income distribution;⁹ Table 4.3 shows the average consumption of food and drink of families in the bottom half of the rural income distribution. If marketed surplus does rise relative to demand, then relative food prices should fall, presumably discouraging some of the potential increase in output. This will encourage some migration to the non-agricultural sector and will also raise the food consumption of the urban poor. The extent of this "price effect" on food demand and consumption may be rather limited.

In the long run, the effects of land reform on the adequacy of food consumption (more relevant than aggregate food supply) will depend not only on the just-cited static effects of relative efficiency of pre-reform and post-reform farming units and the effect on food production of the income redistribution associated with the reform, but also on any impact on the

Table 4.3

Expenditures on Food and Beverages as a Percent of Total Consumption
in Selected Countries, by Rural/Urban and by Income Group

| Country and Year | Rural Population as a Percent of Total Population ^k | Expenditure on Food and Beverages as a Percent of Total Consumption | | | |
|--------------------------------|--|--|--------------------------|--------------------------|-------------------------------|
| | | Bottom 50% of Rural Families ^e | All Rural Families | All Urban Families | Top 20% of all Families |
| Colombia (1971) | 41 | 69.7 ^a | 64.7 | 44.9 | ≈40 |
| Honduras (1967-68) | 72 | >60 ^b | 62.6 | 46.3 | ≈40 |
| Mexico (1968) | 43 | 63 ^c | 52.4 ^c | 40.9 ^d | 30-35 |
| India (1971-72) | 80 | 83 ^f | 76 | 69 | ≈55 ^f |
| Iraq (1971-72) | 40 | 65-70 | 39.2 | 66.0 | |
| Pakistan (1971-2) ^g | 74 | ≈56 | 56.0 | 47.1 | >45 |
| Egypt (1974-75) | 57 | ≈67 ^h | 61.6 | 49.7 | ≈45-50 ^h |
| Ghana (1967-68) | 72 | ≈67 | 57.5 | 50.0 | |
| Sudan (1967-68) | 84 | ≈75 ^h | 74.1 ^j | 60.5 ^j | |
| Tanzania (1969) | 92 | >72 | 67.3 | 51.2 | |

Source: For first column, World Bank, World Development Report 1982; for all other data, ILO, Household Income and Expenditure Statistics, No. 3, 1968-76 (Geneva: ILO, 1979).

Notes: a. food, drink, and tobacco
 b. a guess; there is an error in the source (p. 133)
 c. families engaged in agriculture
 d. families engaged in non-agriculture
 e. ranked by income, unless otherwise noted
 f. ranked by per capita consumption
 g. In Pakistan family size varies unusually strongly (positively) with family income
 h. families ranked by family expenditures
 j. in Sudan there is also a semi-urban category for whom the figure is 67.6%.
 k. different countries have different definitions of "urban," so the figures in this column are not fully comparable.

governmental attention to technological change or other output increasing public expenditures; effects on total savings and their use; effects on the environment; and effects on population growth. It is, in short, important to consider both short- and long-term effects of land reform, although it may not be obvious to which category an effect will belong.

It is frequently argued that even if small farms may show greater productivity than large ones under conditions of low-level traditional technology, they are less likely to show dynamism over time and hence are an unsuitable base for the growth of agricultural output that is crucial in all developing countries. There is concern with the possible effects of land reform on savings if the marginal propensity to save rises with income (since reform leads to more egalitarian income distribution) and also at times with whether the savings of small farmers can as successfully be transferred as those of larger farmers to other sectors when a country's level of development requires such a substantial transfer. There may also be concern with whether reform will tend to encourage population growth because it might slow rural to urban migration, and birth rates tend to be higher in rural than in urban areas. Finally, as the pressure of humanity on the land, and especially on more marginal land, increases, the question arises whether attendant effects on the ecology are greater with small farmers or with larger ones. Most of these possible effects are likely to be of longer duration than the ones cited earlier, though duration will depend to an extent on the setting.

When discussing land reform, it is important to consider some complementary public policies that may affect the chances of a successful outcome. The key ones are government policies on agricultural research and on the provision of extension services, credit, marketing facilities, and so on. Some analysts include such factors in the very definition of land reform, though we will not do so here. Rural education may also be very important. Another relevant feature of public policy is the presence and efficiency of food subsidy programs; were such a program strong, it would considerably reduce the necessity of the poor having access to land as a way to guarantee adequate nutrition. Many of these programs are found in the land policies of a number of Asian countries and a scattering of others.¹⁰ Studies to date suggest that they seldom do much for the rural poor. Both political factors (the greater power of the urban proletariat and middle class) and the administrative costs

of food distribution to rural areas mean that rationing systems or programs targeted at the poor are usually de facto limited to urban areas.¹¹ From a planning standpoint one may treat all these policy variables as manipulable by government and may analyze the optimal policy packages that include land reform. From a political economy perspective, however, it may be relevant to view certain associated public policies as endogenous to the model. For example, if a country is dominated by an élite whose stance on agrarian reform is to view it as a necessary evil or an unavoidable concession, then attention to research in support of agriculture may actually be diminished by the existence of a reform with which the government has no rapport.

To summarize, the issue we wish to address is the effect of shifts from large to small operated units and from tenancy to ownership.¹² It should be emphasized that neither in general nor in a specific country will a particular redistribution scheme be the obvious one; land reform can go far or only a little way toward equalizing access to land, depending on the constellation of power and on the nature of the pre-reform system. Of particular concern is the possibility that a reform will be designed that redistributes from large units to middle-sized ones or from the rich to the (rural) middle class. If this occurs poverty may be little diminished—it might even be accentuated. Thus, although a reform would be expected to raise total agricultural output (and total food output), in not putting land at the disposal of the rural poor it would forgo the most important locus of increased food output.¹³

DIFFERENCES IN THE SETTING FOR LAND REFORM

Since existing agrarian structure varies a good deal across continents and countries, so too does the potential relevance for land reform. The extremely unequal land distributions that constitute the most obvious settings in which such a reform would be beneficial are found mainly in Latin America and in Asia. At the same time, sub-Saharan Africa is one of the areas of greatest nutritional deficiency.¹⁴ Africa's problems are rather different from those of other areas.

While the characteristics of agriculture thus vary among LDC regions and countries, certain developments have been widespread during the last few decades. Notable among these are:

1. the increase in pressure on the land as rapidly rising population leads to an increase (albeit less rapid) in the rural labor force;

2. increases in the intensity of cultivation and in yields, due to varietal improvements and the associated increase in use of fertilizers and other technological advancements. In most LDCs, the share of agricultural output increases associated with yield increases has been higher in the last couple of decades than before; and

3. marked improvements in rural education, so that in most LDCs the new generations of farm operators will be considerably better educated than earlier ones.¹⁵ Both small farm operators and landless workers are among the least educated occupational categories. As of the early to mid-1960s, a period from which much of our farm productivity data comes, 50 to 80 percent of these groups were illiterate in such major LDCs as Brazil, Indonesia, Pakistan, India, and Bangladesh. The average education of literates was, needless to say, very low. By the mid-1980s the percentage who are literate or who at least have a literate in the family may well have doubled in some of these countries. It is interesting that the relatively high productivity of small farms in the 1960s was in spite of such low levels of education. Large farmers were of course better educated, though not much evidence is available on how much.¹⁶ The spread of rural education could affect the future competitiveness of small farmers considerably.¹⁷

The next section assesses evidence on the relationship between farm size and tenure and factor productivity—one of the considerations taken into account in predicting a reform's output impact, while the following section looks at some aspects of the experiences of countries that have had substantial reforms.

EFFECTS OF FARM SIZE AND TENURE ON FACTOR PRODUCTIVITY

The literature on the relation between farm size and productivity has been dominated since 1960 by the finding from many LDCs that land productivity (value added in crop and livestock products) per unit of land varies inversely with size whereas labor productivity varies directly with size. How total factor productivity varies by size is unclear in most countries for want of analysis (and usually want of data) or because the appropriate social prices to be attached to inputs are not clear. Though yields of specific crops may decline with farm size, the opposite relationship has also been observed, depending on the country, crop, and situation; but even when crop yields are positively related to farm size, overall land

productivity is not, since small farms concentrate on higher value products than do larger ones.¹⁸ Whether land productivity declines with size when differences in land quality are taken into account is not clear. Trends over time in these size-factor productivity relationships have been studied in only a very few countries, but in most of these the finding has been that the advantages of small farms have been on the decline.

The evidence, mainly from the 1960s and early 1970s, reviewed by Berry and Cline reveals large gaps in land productivity across farm sizes and suggests that an "equalizing" land reform might raise output substantially in some settings; though such estimates require a number of assumptions and should be regarded as benchmark calculations rather than as predictions.¹⁹ Where it has been possible to make some adjustment for land quality differences between small and large farms (by introducing price as a proxy for quality), the land productivity of smaller farms is usually at least twice that of the largest ones; in Colombia the ratio is about 2:1;²⁰ in Northeastern Brazil more than 2:1 in most of the six zones distinguished by Cline;²¹ and in India and Muda River, Malaysia over 2:1.²² The countries analyzed by Berry and Cline were chosen for the relatively good quality of the data.

In the last few years, data for several more of the large LDCs has appeared. Evidence presented by Hossain for the Phulpur and Thakurgaon regions of Bangladesh shows the usual negative relationship between size and land productivity,²³ with part but not all of the negative effect due, in Hossain's judgment, to differences in land quality. In Indonesia as of the mid-1970s, wet riceland yields were 20 to 25 percent higher on the smallest farms (less than 0.3 hectares) than on those of at least 5 hectares.²⁴ In four Iranian villages average land productivity was negatively related to farm size as of 1974-1975.²⁵

In several countries there are now comparable readings of reasonable quality on the relationship of farm size to land productivity at two or more times. The negative relationship of these variables remains present in the more recent evidence though it appears to have weakened in some countries.²⁶ This pattern was observed by Bhalla in India over 1968-69 to 1970-71²⁷ (during the height of Green Revolution innovation) and by Rao over the earlier period 1955-56 to 1968-69.²⁸ Berry and Cline have surmised it in the cases of Pakistan and Colombia over the 1960s and early 1970s, though the data for these countries were less suited for inter-temporal

comparison.²⁹ For Bangladesh, Hossain's analysis indicates a strengthening of the negative effect of size between the 1969-70 and the 1973-74 farm samples he uses, though this might be explainable by a statistical quirk.³⁰

In interpreting the long-range implications of an apparent general tendency for the productivity advantage of small farms to diminish or disappear under the influence of rapid technological change, it is important to probe further the source of that advantage. Many possible factors have been mentioned, but only a modest degree of success has been achieved in sorting them out.³¹ Among these the chief are lower labor costs, associated with the use of family workers, and of particular relevance when a large quantity of labor is needed for high land and capital productivity; greater incentive to work hard and manage well, associated with the lower income level of small farmers; and greater investment in land improvements.

The weakening (or disappearing) negative relationship of size to productivity can be more or less satisfactorily explained by the fact that large farms, typically earlier to adopt new technology, have been the beneficiaries of periods of marked technological advances. But the real question is what the future holds, and here both the source of the original advantage of the smaller farms and the reasons for their slower adoption of new technologies become relevant. At one extreme one might surmise that the small farm advantage will be restored as soon as the rate of appearance of new technology slows, since the factors that accounted for the advantage before will be equally relevant after closure of the adoption gap; even more optimistic would be an expectation that even if technological change continues at the fast rate of the main Green Revolution period, smaller farms will learn to adapt more quickly, through better education, practice in innovation, or improvements in access to credit and extension services.³² At the other extreme would be a scenario in which the historical advantage becomes a disadvantage, through some combination of continued rapid technological change, with small farms unable to close the adoption gap vis-à-vis large ones; better adaptability of the new HYV technologies to large farms, so that even when all profitable adoption has occurred they will have contributed more to output on the large farms than on the smaller ones; changes in availability of inputs that substitute for the labor whose price is lower on smaller farms — mechanization has this effect, and increasing availability of hired farm managers may in effect decrease the need for a sharecropper's

decisionmaking skills; and the increasing importance of access to non-farm factors of production, such as fertilizer, for which credit is needed (unless the gap in access is diminished its impact on relative productivity rises). In any case, it is clear that the "output augmenting" case for land reform will be weakened as long as the decline in land productivity advantage of small farms continues.

A further uncertainty about the future of this argument involves the problems of measuring the data on which most comparisons of factor productivities are based. Variability of land quality poses a major problem. A current study in India, which introduces land characteristics in a more precise way than any previous investigation, suggests that the differences in quality or location of land may indeed explain the whole of the size-productivity relationship. If this is true in India, it may be true in other countries.

Comparisons of farm size categories relative to land productivity are most meaningful when labor is definitely in surplus supply and when the capital-land ratio does not vary much by size. In LDCs where labor has a significant opportunity cost, total factor productivity comparisons tend to assess small farms less favorably than land productivity comparisons. But few such comparisons have been attempted because of the multiplicity of measurement problems.

DIFFERENCES IN PRODUCTIVITY BY TENURE: THE LAND SHARE

The economic literature on agriculture has always included as a prominent issue the relative merits of a system of owner-operators versus other tenurial arrangements. The central hypothesis once was that sharecropping in particular was inefficient because of the lack of incentive for the sharecropper to use variable inputs optimally.³³ Later, more complete contract theories disposed of this simple proposition but left no clear prediction in its place, and such empirical studies as have focused on this issue have not isolated any interesting regularities.³⁴ It seems likely that other differences among farms are more important for predicting the effects of a land reform on output, though change of tenure can of course be quite important to improvement of income distribution depending on the share of value added accruing to the land.

Many studies have tested for differences in input and output intensities

between sharecropped and owned farms. When farm size is taken into account, most studies find differences of only about 10 percent or less (usually in favor of the owned farms) that might be explained by specification error or data problems and that in any case would imply that type of tenure is not an important determinant of productivity.³⁵ It would therefore seem that the alleged incentive problems of sharecropping are largely overcome in practice.³⁶

Together with the traditional argument that sharè-tenancy is static and inefficient has gone a presumption that it is a barrier to investment and innovation, either because of a lack of incentive for the tenant (perhaps because he cannot be sure of reaping the future benefits), or because tenancy makes obtaining credit difficult. A recent, extreme version of this idea is found in Bhadur's model of tied sharecropping and credit transactions.³⁷ However, studies of the adoption of high yielding varieties, adjusting for the effects of farm size, have not shown important lags on tenanted or sharecropped farms.³⁸ Indeed, the argument that tenancy significantly slows innovation is inconsistent with the finding of no significant static efficiency difference in those studies undertaken recently enough that considerable technological advance had already occurred in agriculture in general. The effects of tenancy on investment have received very little study, and it may be that they constitute a more serious problem.

In order to consider the possible income redistribution impact of a transfer to a tenant of land that he currently works, one must know at least roughly what share of the income generated on the farm is commanded by the factor land.³⁹ Sharecropping often involves a 50:50 split of gross output, but whether value added is also shared 50:50 depends on who supplies the inputs, who gets output byproducts, and so on. The land share appears to fall when the level of wages increases and to rise when land productivity rises due to technological change,⁴⁰ results consistent with economic theory.

Reforms of land tenure bring less sure output and distribution benefits than does redistribution of land from large farms, for reasons both economic and political. Programs designed to convert tenants and sharecroppers into owners are often partially or wholly subverted by owners who begin to cultivate their own land in order to avoid reform. Fixing of rental ceilings tends not to work because tenants or those seeking to become tenants often have an interest in colluding with landlords to ignore regulations.⁴¹ This

type of reform thus runs the risk of actually being counterproductive.⁴²

THE EVIDENCE FROM LAND REFORM EXPERIENCE

Detailed economic assessments of recent reforms are valuable for the formulation of current land policies, much more than any predictive model. Unfortunately, such assessments are difficult to make precisely and thus are very rare. But one conclusion at least can be drawn from the historical record — that reasonably competent reform will not lower output or its growth rate.⁴³

The reforms in Japan, Taiwan, and Korea all followed a distinct pattern, in part because of American involvement (especially in Japan and Korea), and in part because of structural similarities among the three agricultural sectors. In the Japanese case it remains open to debate whether the rapid and consistent postwar growth of agriculture would have occurred without reform.⁴⁴ Output grew at 3 to 4 percent per year through the 1950s and early 1960s, and land productivity increase accelerated to 4 percent per year from 1 percent before reform.⁴⁵

Agricultural output has risen rapidly in Korea since the major land reform of the 1945 to 1952 period, during which land previously rented from landlords was distributed to owner-cultivators. There was some acceleration of output growth after the reform (3.6% per year from 1953 to 1961, for example—somewhat higher than the fastest prior growth, 2.9% in the 1930s), and the staying power of this sector is reflected in the rates of 4.4 percent over 1960 to 1970 and 3.2 percent from 1970 to 1980, by which time population was growing at only 1.7 percent a year.⁴⁶ Ban et al. speculate that the reform may have been less effective than it might have been because of the small effort of the government to replace the rural functions previously performed by the landlords. The reform almost eliminated tenancy and, with its ceiling on size, decreased the proportion of land in farms of more than 3 hectares from about a quarter in 1945 to 5 percent or so after the reform. As of 1959 the value of farm output per cultivated hectare was about 40 percent higher on farms of at most 0.5 hectare than on those of over 2 hectares, suggesting that the elimination of large farms may have made a contribution to output.

Taiwan's major land reform, carried out during 1948 to 1953,

encompassed rent reduction, sale of public lands formerly owned by the expelled Japanese, and land transfers to former tenants of owners of large tracts. It was also followed by good growth performance; output value rose at 4.4 percent per year from 1951 to 1970 with gross value added at 3.6 percent.⁴⁷ Yields were substantially higher on smaller farms; as of 1965, net farm income per hectare was about twice as high on farms of less than 0.5 hectare than on those of over 2 hectares.⁴⁸

Although this is less generally accepted to be the case, the effects of the major Latin American land reforms on production appear also to have been positive. The major reforms (excluding the case of Cuba) determined by share of land affected have been in Bolivia and Mexico. In Bolivia, despite the "conventional wisdom"⁴⁹ to the contrary, output developed quite favorably in the succeeding ten to fifteen years.⁵⁰ Quoting Eckstein:

During the period of estate takeovers and turmoil in the early 1950s, when the redistribution of lands was far more concentrated in time than at any period in Mexico, there may well have been a transitional decrease in farm production. The best evidence of shortfall was in the long waiting lines and short supply of foodstuffs in the cities; but these could also be explained by rapid inflation with price controls, drought in some of these years, plus probable increases in farm consumption levels. By the late 1950s, however, the production of basic foods was clearly above the pre-reform levels of 1950, and the increases continued strongly into the 1970s. The implied annual growth rates are 6.3% for potatoes and 4.8% for maize and rice—all high by Latin American standards. Potatoes are the main food staple of the highland or altiplano regions, where the largest population is found; maize (along with potatoes) is grown largely in the valleys of intermediate altitude; and rice is the main food crop of the tropical lowlands, having the least population of the three regions. Barley and wheat are secondary but important highland crops.⁵¹

Potatoes are by volume Bolivia's largest crop and figure importantly in the national diet; due to the labor intensity of production they are favored by small farms more than by larger ones. The 1950 agricultural census (just before the reform) showed a strongly negative relation between yields and farm size,⁵² which would help to explain the post-reform output increase when land was parceled into small farms. Interestingly, "the output of potatoes nearly doubled again in the 1960s; and the major reason for this continued growth appears to be the application of up to 90 percent of the chemical fertilizer in Bolivia to the potato crop."⁵³ Even more striking than

the clear increase in output on land previously in haciendas is the increase achieved on what had previously been relatively modern estates. Two case studies by Dorsey indicate that value of output per hectare had more than quadrupled by 1967 as the peasant owners switched from forage and subsistence crops to vegetables for the market.⁵⁴

In Mexico, after fifty years of reform, about half of crop land and 43 percent of all land had been transferred to reform beneficiaries.⁵⁵ The land of nearly 80 percent of the ejidos established by 1970 came from what previously had been traditional haciendas, and over 90 percent of this was allotted to family farms with some communal reserve.⁵⁶ The long-run output effects of this reform have not been problematic, since between 1940 and 1960 the annual average output growth in Mexico was 4.6 percent a year — far higher than the Latin American average of 2.7 percent — and it was still a relatively high 3.8 percent in the 1960s before falling to 2.3 percent in the 1970s under the influence of the oil boom. It is difficult to sort out the impact of the reform on this growth. The state has provided better services and has made great infrastructural expenditures on behalf of the remaining large-scale sector — its general policy has been to direct inputs to those it feels could make the best use of them, usually the larger units.⁵⁷

Yates reports that between 1950 and 1970, the value of output per hectare rose by 89 percent on ejidos (3.2 percent a year), a little less than on large private farms (111 percent or 3.8 percent a year) and much less than on small private farms (278 percent or 6.9 percent a year).⁵⁸ Meanwhile, value of output per worker rose by perhaps 45 percent on ejidos (1.9 percent a year), less rapidly than on small private farms (130 percent or 4.3 percent a year).⁵⁹ These figures are subject to a number of weaknesses,⁶⁰ but there is no doubt that overall land productivity rose markedly and that the ejidal and small-scale private sectors advanced at a relatively rapid rate in this respect, at least by world standards. Although the low incomes and backward technology of the ejidal sector are often bemoaned in Mexico, in historical perspective and given the stingy government support, its performance seems to have been creditworthy.⁶¹ Mexican land reform can in no sense stand convicted of being a failure from either an efficiency or a growth standpoint.

Estimates of relative land productivity and total factor productivity among ejidal units, small private farms, and large private farms vary greatly

according to the methods employed in making them. Under some plausible assumptions the ejidos look more efficient than large private farms, under others less so.⁶²

Turning to another continent, a recent significant change occurred in Iran, where a society of extremely wealthy landowners who virtually controlled the lives of the vast majority of landless peasants was gradually abolished by the land reform started in 1962.⁶³ At that time 80 percent of the farming population had been composed of sharecroppers and landless workers. In much of the country "the landlords periodically redistributed the sharecroppers' holdings in order to reduce the peasants' security of tenure and independence."⁶⁴ The landlords received up to 80 percent of the crop, plus free labor and other services in off seasons; in other words, the sharecroppers were virtually serfs. The land reform was designed to destroy this feudalism and to accelerate the growth of agriculture. By the mid-1970s about 2.3 million families with perhaps 8 million hectares had been directly affected. As in many reforms, land cultivated directly by the owner either with machines or with hired labor was exempted. By 1971 the reform was officially complete; all former tenants were smallholders with full land use rights. But only 20 percent had clear title, because most had not completed their payments. The reform did not attempt to settle landless workers, and reports indicate that some of them were displaced. No serious attempt was made to complement the reform with better extension, credit services, or distribution of water rights.

The output effects of this reform appear to have been substantially positive. An increase in the summer cash crops, generally prohibited by landlords before,⁶⁵ was an obvious result. Whereas overall agricultural output is believed to have risen at about the same rate as population through the mid-1950s,⁶⁶ the estimated rate was 4.4 percent from 1960 to 1970,⁶⁷ though incorporation of new property slowed and new land was increasingly marginal. Expenditures on dams were increased at this time.

The performance of the small and medium-sized farms created in the reform seems generally adequate. Productivity on them appeared in 1972 to be over twice that on large farms even though a smaller percentage of the land was irrigated.⁶⁸ As of the mid-1970s, Iran had encouraged both large private agribusiness ventures and farm corporations designed to pool small and fragmented holdings for efficient use of agricultural inputs. With good

management, some of these have been quite successful,⁶⁹ but typical yields were about the same as on small fully irrigated farms.⁷⁰ Since large farms of over 100 hectares accounted for only about 7 percent of output in 1972, the good growth over the 1960s must have occurred in the small and medium categories.

SUMMARY

The expectation that land redistribution from large farms to small ones will lead to an increase in output, an expectation based on the land productivity advantages of small pre-reform farms over large ones, remains reasonable in many developing countries. Such a prediction is less persuasive than it would have been a decade or so ago, when those advantages appeared to be larger. At worst, there is no serious ground to fear a decrease in output provided a reform is competently executed and service levels do not deteriorate. The "output augmenting" case for transfer of land from owners to tenants is and has always been much shakier, at least on static grounds. The retrospectant evidence from the more important reforms implemented in this century is generally positive; increase in output growth has been the norm, and though other factors may have contributed to such acceleration, it seems safe to say that reform presents little risk of stagnation.

With technological change increasingly important as a source of output growth in agriculture, and with population pressure on the land still mounting in many countries, inequitable distribution of land will continue to levy hidden costs in the form of income inequalities, nutritional deficiencies, and social unrest.

NOTES

1. FAO, *FAO Production Yearbook 1981* (Rome: FAO, 1982) and *FAO Production Yearbook 1976* (Rome: FAO, 1977), vol. 1.
2. The crisis in sub-Saharan Africa's agriculture is ably reviewed in Carl K. Eicher, *Facing Up to Africa's Food Crisis*, in *Foreign Affairs*, Fall 1982.
3. See, e.g., M. Ahluwalia, N. Carter, and H. Chenery, *Growth and Poverty in Developing Countries*, in *Journal of Development Economics*, vol. 6, September 1979.

4. E.g., I. Adelman, Growth, Income Distribution, and Equity Oriented Development Programs, in *World Development*, vol. 3, no. 2-3, February-March 1975.

5. The slower growth of food and agricultural output in developed countries than in developing countries reflects these demand-side considerations. See Table 2.

6. The level of food production in developed countries does of course affect world prices, and for a number of items is the main determinant. And food aid affects supply in some Third World countries. However, the Third World is as a whole essentially self-sufficient in food. Over the 1970s the declining excess supply of the agricultural sector in the United States decreased the degree of freedom in the world food economy and made it less likely that the United States could quickly move in to correct major food shortfalls as it did in certain instances in the 1960s. Cf. Lester Brown, *Global Food Prospects, in Challenge*, January-February 1982. Most experts, however, do foresee a continued tendency towards an excess supply of food in the industrialized countries, albeit with fluctuations due to weather and to the economic cycle.

7. It appears that increases in employment on land converted from traditional varieties to HYVs have fallen short of most predictions, which have often been based on the assumption that the introduction of the HYVs would not be accompanied by or lead to labor-displacing mechanization. And rapid output growth via varietal improvement has not been a recipe for a rising rural wage, so far as can be judged at this time.

8. The common observation of higher land productivity of small farms is particularly striking in light of the general presumption that their access to such resources as credit and fertilizer is less than adequate.

9. Consider a case in which the pre-reform output on a parcel of land is 100 units of food, of which 40 is profit to the owner and 60 payments to labor. After reform output is 120 units, all income to the beneficiary family. The total income of the previously non-owner class thus rises by 60. If the marginal propensity to consume food is 0.7 for this class and 0.3 for the owner class, demand for food will rise by $(42-12)$ or 30 units while supply rises by only 20 thereby leading to an increase in the relative price of food.

10. A recent review is L. Taylor, S. Horton, and D. Raff, *Food Subsidy Programs: A Survey*, mimeo, 1983.

11. In Bangladesh, for example, "approximately 80% of the ration-supplied food serves those with cash in towns or cities. The food gap, calculated in the name of the poor, serves the middle class." (Joseph F. Stepanek, *Bangladesh—Equitable Growth?* (New York: Penguin, 1979), p. 58.) Stepanek notes that when ration prices were far below free market prices in late 1974, "ration cards were forged in abundance" (*ibid.*, p. 71).

A counterexample, however, is the extensive Egyptian system. Although ration quotas for oil and rice are often smaller in rural areas than in cities and meat sales (also subsidized) are mainly urban, per capita consumption of imported wheat flour may be nearly as great in rural as in urban areas. The

system has good outreach and cannot be described as having a strong urban bias. See Harold Alderman, Joachim von Braun, and Sakr Ahmed Sakr, *Egypt's Food Subsidy and Rationing System: A Description* (Washington: International Food Policy Research Institute, Research Report no. 34, 1982).

12. Consolidation of very small units into "economically viable ones" is widely discussed and sometimes becomes part of land reforms. The argument for such consolidation seems very shaky in general because land productivity is usually highest on the very smallest farms and the argument that a family has inadequate land to make a living is hardly a valid reason for taking from them what they do have. However, there may be a few instances where consolidation makes some sense.

13. This general pattern of excluding many of the poorest tillers of the soil—usually landless workers and small farmers—seems to be a widespread feature of land reforms. Peru's reforms of 1968 abolished the haciendas in the highlands and the plantations on the coast, converting both into cooperatives with the former full-time workers as members. Both the landless and the minifundia owners who had previously worked part-time on the large farms were left out (see William Loehr and John Powelson, *The Economics of Development and Distribution* (New York: Harcourt Brace Jovanovich, 1981), p. 249.) The Philippine agrarian reform laws of the early 1970s turned rice share tenants into either amortizing owners or permanent lessees with secure tenure and fixed rental costs. But the landless rural workers did not benefit and, according to Ledesma, have been pushed by the reform policies into a truly marginal position in the village social structure (Antonio Ledesma, *Landless Workers and Rice Farmers: Peasant Subclasses Under Agrarian Reform in Two Philippine Villages*, unpublished Ph.D. dissertation, University of Wisconsin-Madison, 1979.) A theoretical discussion of the issue of excluded groups is presented in R. A. Berry, *Land Reform and the Agricultural Income Distribution*, in *Pakistan Development Review*, vol. 11, no. 1 (Spring 1971).

14. See World Bank, *World Development Report 1982*, pp. 152-153, for daily calorie supply as a percentage of requirement.

15. Even though rural-urban emigrants will continue to include many of the better educated of those born in rural areas.

16. In any case the relatively high productivity of small farms was usually due more to the weak performance of large farms than to really high productivity on the small ones. Technology was still quite traditional.

17. While the returns to education are hard to estimate in the case of farmers, most evidence points tentatively to its making a significant contribution. See especially Dean Jamison and Lawrence Lau, *Farmer Education and Farm Efficiency* (Baltimore: Johns Hopkins University Press, 1982).

18. See R. Albert Berry and William R. Cline, *Agrarian Structure and Productivity in Developing Countries* (Baltimore: Johns Hopkins University Press, 1979), Chapter 2.

19. Evidently, size of farm is only one relevant characteristic of an agrarian system, in which farms are linked to one another and to the rest of the

economy in complex ways. Exactly what a post-reform small farm system looks like may be as important for output and income reasons as its emergence in the first place. Small farmers require credit, marketing facilities, and so on, their requirements tending to differ from those of large farmers. Their productivity may, depending on the setting (including use of irrigation, types of crop, usefulness of machinery), be substantially enhanced by cooperation in carrying out certain activities. This is obvious with respect to canal irrigation systems. In many other contexts our understanding is seriously incomplete. The point is that comparison between a "good" large farm system (i.e., one fulfilling the potential of that structure) and a "good" small farm system necessarily invokes all those issues of cooperation and of interface with non-agricultural sectors.

20. R. Albert Berry, Land Distribution, Income Distribution, and the Productive Efficiency of Colombian Agriculture, in Food Research Institute Studies in Agricultural Economics, Trade and Development, vol. 12, no. 3 (1973), p. 219.

21. Berry and Cline, *supra* note 18, Table 4.1-2.

22. *Ibid.*, Tables 4.5-2 and 4.6-1.

23. Mahabub Hossain, Farm Size, Tenancy, and Land Productivity: An Analysis of Farm Level Data in Bangladesh Agriculture, in The Bangladesh Development Studies, vol. 5, no. 1 (July 1977), pp. 338, 345.

24. Anne Booth, The Agricultural Surveys, 1970-75, in Bulletin of Indonesian Economic Studies, vol. 15, no. 1 (March 1979), pp. 64-65.

25. Fatemah E. Moghadam, Farm Size, Management, and Productivity: A Study of Four Iranian Villages, in Oxford Bulletin of Economics and Statistics, vol. 44, no. 4 (May 1982), pp. 370-371.

26. In assessing these trends it is important to distinguish trends in the relationship between farm size and gross value of output per unit of land and trends in the relationship between farm size and value added per unit of land. The new seed-fertilizer revolution has in general raised the ratio of purchased inputs to output in crop production so the smaller farms may have been losing their advantage in gross output faster than they have been losing their advantage in value added per acre. While the latter is more pertinent in the assessment of the relative total factor productivity by size of farm, the former is more relevant to the goal of adequate food production.

27. Surjit Bhalla, Farm Size, Productivity and Technical Change in Indian Agriculture, Appendix A of Berry and Cline, *supra* note 18.

28. C. H. H. Rao, Technological Change and Distribution of Gains in Indian Agriculture (Delhi: Macmillan Company of India, 1975), p. 143.

29. *Supra* note 18 at Chapter 4.

30. Another study appears on the surface to suggest a weakening or disappearance of the inverse relationship, but its results are in fact ambiguous (Ifthikhar Ahmed, Technological Change and Agrarian Structure: A Study of

Bangladesh (Geneva: ILO, 1981).) Ahmed's analysis is not based on observations at different times but rather on the fact that, in three villages studied in 1974-1975, for the main (Aman) crop the inverse relationship between productivity and farm size is observed only for the traditional rice crop but not for HYV rice (pp. 44, 56-57). His test, however, is for the effect of size when such variables as percentage of land irrigated, fertilizer used, level of mechanization, and land price (as a proxy for quality) are also included, and it is not possible to deduce whether the simple inverse relation is indeed present in the HYV case or not. Further, some methodological aspects of the study are not clear; it seems, for instance, that a given farm appears only in one or the other of these two categories, although many produce both traditional and HYV rice.

31. It is evident that the factors at work vary from setting to setting and especially between Asian countries and those in Latin America.

32. The declining relative productivity of small farms in some countries where the impact of new technologies has been considerable may have been associated with their lack of education, among other factors. While, as noted above, studies of the payoff to education in agriculture are only beginning to suggest its possible effects, one hypothesis that seems commonsensical is that the payoff must be made frequently. The rising level of small farmer education could thus be a source of optimism with respect to the potential of land reform under conditions of rapid technological change.

33. This proposition dates back to (and beyond) Alfred Marshall's *Principles of Economics* (London: Macmillan, 8th ed. 1920), Book 6, Chapter 10.

34. A good recent review of the theories and models propounded is Hans R. Binswanger and Mark R. Rosensweig, *Contractual Arrangements, Employment and Wages in Rural Labor Markets: A Critical Review* (New York: Agricultural Development Council and Andhra Pradesh: International Crops Research Institute for the Semi-Arid Tropics, 1981).

35. Some of the findings are reviewed in J. C. Hsiao, *The Theory of Share Tenancy Revisited*, in *Journal of Political Economy*, vol. 83, no. 5 (1975).

36. In his analysis of 732 farms in the Punjab and Sind, Pakistan in 1972-1973, Khan's regression explaining crop value added per cultivated area by farm size and tenure implies that the dependent variable was about 9% higher on owned than on tenanted farms, but the finding was not statistically significant (M. H. Khan, *Underdevelopment and Agrarian Structure in Pakistan* (Boulder: Westview Press, 1981), p. 194). In a second test, with 114 farms chosen by homogeneity of soil conditions, the dummy variable for tenancy in a Cobb-Douglas production function was not statistically significant but implied a very slightly greater output on owned farms (*ibid.*, p. 196). When the sample was partitioned into owned farms and tenant farms, however, the coefficient on land was much lower on the former, whereas that on labor inputs was much higher (*ibid.*, p. 197).

37. Amit Bhadur, *Agricultural Backwardness Under Semi-Feudalism*, in *Economic Journal*, vol. 83 (1973).

38. As noted in Binswanger and Rosensweig, *supra* note 34. See, e.g., Gelia

Castillo, *All in a Grain of Rice: A Review of Philippine Studies of the New Rice Technology* (Laguna, Philippines: South-East Asian Regional Center for Graduate Study and Research in Agriculture, 1975); Inderjit Singh, *Small Farmers and the Landless*, forthcoming.

39. The income transfer will normally be less than this, for the tenant will have to pay something for the land, and the previous owner will receive some compensation.

40. Wolf Ladejinsky commented (in Punjab Field Trip) that in the wake of the Green Revolution in the Indian Punjab, crop share rents tended to move from the traditional 50:50 division to 70:30 in favor of the landlord.

41. However, the Philippine reform, which has led to substantial conversion of share tenancy to leasehold tenancy with fixed rental rates, has permitted the leaseholds to capture much of the increase in land rents due to increased productivity and increased demand for land. See Bruce F. Johnson and William C. Clark, *Redesigning Rural Development: A Strategic Perspective* (Baltimore: Johns Hopkins University Press, 1982), p. 87.

42. Michael Lipton, *Inter-Farm, Inter-Regional, and Farm-Non-Farm Income Distribution: The Impact of the New Cereal Varieties*, in *World Development*, vol. 6 (November 1978).

43. The rate of output growth may not be a very good indicator of the long-term impact of the reform, given the rather low price elasticity of demand for food and other agricultural products.

44. See, e.g., the review of evidence in Russell King, *Land Reform: A World Survey* (London: G. Bell and Sons, 1977), pp. 199-202.

45. *Ibid.*, pp. 199-200.

46. Sung Hwan Ban, Pal Yong Moon, and Dwight H. Perkins, *Rural Development* (Cambridge: Harvard University Press, 1981), p. 291, and World Bank, *World Development Report 1982*, pp. 113, 143.

47. Teng-Hui Lee and Yueh-eh Chen, *Agricultural Growth in Taiwan, 1911-1972*, in Y. Hayami, V. Ruttan, and H. Southworth, *Agricultural Growth in Japan, Taiwan, Korea, and the Philippines* (Honolulu: University Press of Hawaii, 1979), p. 61.

48. Joint Commission on Rural Reconstruction in China (U.S. and China), *Taiwan Agricultural Statistics, 1901-1965*. Economic Digest Series no. 8 (Taipei 1966), pp. 219-229. For rice yields by farm size, see Anthony Y. C. Koo, *The Role of Land Reform in Economic Development: A Case Study of Taiwan* (New York: Praeger, 1968), p. 75.

49. For example: "It was 10 years before agricultural output returned to pre-1955 levels, and even then only with the help of production from new land . . . in Santa Cruz and Beni areas. In areas formerly dominated by large estates and most heavily affected by land reform, agricultural output continues to lag." Philip Raup, *Land Reform and Agricultural Development*, in the section entitled *Less Successful Reforms*, in Herman Southworth and Bruce

Johnston (eds.), *Agricultural Development and Economic Growth* (Ithaca: Cornell University Press, 1973), pp. 289-290.

50. In Bolivia the de facto redistribution was rapid in most areas and was more or less completed between 1953 and 1955. See Schlomo Eckstein; Gordon Donald; Douglas Horton; and Thomas Carroll, *Land Reform in Latin America: Bolivia, Chile, Mexico, Peru, and Venezuela* (World Bank Staff Working Paper no. 275, 1978), p. 22. In two or three years, half of Bolivia's rural families had become farm operators and presumptive landowners; as of 1970 about 78 percent of landholdings with 30 percent of reported land area were operated by land reform beneficiaries (*ibid.*, p. 23).

51. Eckstein et al., *supra* note 50, p. 43.

52. *Ibid.*, pp. 44-45.

53. *Ibid.*, p. 44.

54. Reported at *ibid.*, p. 81.

55. *Ibid.*, p. 14.

56. *Ibid.*, p. 36.

57. *Ibid.*, p. 37.

58. Paul Lamartine Yates, *El Campo Mexicano* (Mexico: Ediciones el Caballito, 1978), p. 602.

59. R. Albert Berry, *Agrarian Structure, Rural Labor Markets, and Trends in Rural Incomes in Latin America*, paper presented at the meetings of the International Economic Association, Mexico, August 1980.

60. Among other things there was continued transfer of land to the ejidal sector over this period, while the number of small private farms fell markedly, so that the growth figures do not refer to a constant set of farms or area of land.

61. It must be noted that growth benefits of the reform occurred also in the large-scale sector; as haciendas or estates were reduced in size the owners began to farm more intensively on them.

62. Barchfield notes that large private farms are generally believed to have higher quality land than do other types, in part because "historically the original landholdings retained choice land and distributions to ejidos were made from peripheral land." John W. Barchfield, *Land Tenure and Social Productivity in Mexico* (University of Wisconsin-Madison Land Tenure Center Paper no. 121, 1979), p. 7. Assuming a zero social opportunity cost for labor and adjusting census data on land value to reflect its productivity more accurately, he concludes that in average performance over 1940 to 1970, the minifundistas (with small private farms of less than five hectares) surpassed the large private sector farms by 27 percent and the ejidos by 13 percent, pp. 10-11.

63. Oddvar Aresvik, *The Agricultural Development of Iran* (New York: Praeger, 1976), p. 96.
64. *Ibid.*, p. 97.
65. Because of the difficulty of checking of production and collection (see *ibid.*, p. 99).
66. *Ibid.*, p. 235.
67. World Development Report 1982, note 14 *supra* at p. 113.
68. These figures appear to ignore income from livestock, which is of importance for many small farms.
69. Aresvik, *supra* note 63 at p. 119.
70. *Ibid.*, p. 121.

5

International Public and Private Agencies

John P. Powelson

If international and private bodies that promote agrarian reform have anything in common, it is that except for those religiously motivated, they all have other purposes than helping the poor. Agencies that design national agrarian reforms do not poll large numbers of small farmers to determine what kinds of land arrangements are most wanted, and none has studied seriously the history of agrarian reform in the hope of applying historically proven designs. International agencies—such as the United Nations, the World Bank, and regional development banks—have publicly favored agrarian reform but in general have not made loans or technical assistance contingent on serious implementation. It is just as well that they have not, for, as the present chapter will argue, intervention by international bodies has on the whole been negative. The experience with private agencies, on the other hand, has sometimes been positive, sometimes negative. Were international intervention to increase, it is probable that more harm than good would be done.

INTERNATIONAL PUBLIC AGENCIES

Between 1956 and 1976, the United Nations published six reports entitled *Progress in Land Reform*; no report has appeared since 1976.

The authority for the presentation of this series of reports stems from a number of resolutions of the General Assembly of the United Nations and the Economic and Social Council dating from 1950. These resolutions call upon the Secretary-General to submit periodically for the consideration of the Council comprehensive

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analytical surveys of the basic trends and problems in the implementation of land reform programmes, which constitute a prerequisite for economic and social progress and development in many countries.¹

The sixth report, prepared jointly by the United Nations, the Food and Agriculture Organization, and the International Labor Organization, was drafted primarily by the FAO on the basis of reports from 37 governments, along with results of FAO expert consultations, country studies, and other information. All six reports describe conditions of underdevelopment in the Third World (such as unemployment and low GDP per capita), repeating information already familiar to development specialists. Each one goes on to describe quantitatively and qualitatively the extent to which agrarian reforms have occurred since the last report. They chastise the industrial nations for not contributing more to agrarian reform, and they criticize governments of LDCs for not implementing reforms more quickly or more seriously.

The main strength of these reports is their descriptive information. Had they stopped after providing that, they would merit the respect shown for compendia of facts such as encyclopedias. Indeed, the number of country studies undertaken by the FAO is impressive; thirty-three of them, on Africa, Asia and the Pacific, Latin America, and Europe, are listed in the Appendix of the Sixth Report. However, the polite mildness with which the United Nations suggests weaknesses in the reforms of its member countries reveals it as not having the clout to tread on the toes of constituent government. The weak attempt to analyze issues reveals the emptiness of the United Nations' bag of technical expertise on what to do about reform.

Oddly, this political weakness may in fact turn out positive. It is not at all clear that agrarian reform can be successfully prepared or implemented through outside pressure or even internal pressure from governments. The conventional wisdom holds that agrarian reform must be planned and carried out by such government bureaucracies as agriculture or planning ministries. In a number of countries where reform has occurred this way – for example Algeria, Egypt, Iran, the Philippines, Turkey, and Venezuela – evidence is already piling up that the ancillary restrictions on reform beneficiaries (such as price controls, requirements on where and how inputs may be bought or outputs sold, and credit controls) either turn the terms of trade against these beneficiaries or force inefficiencies that reduce their productivity.² Furthermore, what the government gives the government can take away, as

many hapless farmers in Iran discovered even before the Shah was overthrown. The only successful international interventions reported on in this chapter occurred through two private instrumentalities: anthropologists from Cornell working in Vicos, Peru, and the American Friends Service Committee, operating in a number of countries.

The reluctance of the United Nations to use its political clout is not explained by its fear that agrarian reform by powerful states may not adequately protect the peasants. Nowhere in the literature of the United Nations (that this author was able to find) is there the slightest suggestion of doubt that the state is the most appropriate instrument for undertaking a reform. Nowhere is the question pondered whether peasants should choose the structures of reform, such as private farms versus cooperatives versus state farms; private versus state credit; free markets versus marketing boards; inputs supplied by governments versus inputs from private "seed salesmen"; price supports (or, conversely, price controls) versus free markets; or government versus private sources of technical assistance. These are the top issues of agrarian reform. Had they been addressed, the United Nations reports might have been converted from bland verbiage into exciting reading. Instead, the United Nations has finessed them all completely.

The Organization of American States

In the Charter of Punta del Este (1961), the Alliance for Progress is charged with the responsibility

to encourage, in accordance with the characteristics of each country, programs of comprehensive agrarian reform leading to the effective transformation, where required, of unjust structures and systems of land tenure and use, with a view to replacing the latifundios and dwarf holdings by an equilibrate system of land tenure so that, with the help of timely and adequate credit, technical assistance and facilities for the marketing and distribution of products, the land will become for the man who works it the basis of his economic stability, the foundation of his increasing welfare, and the guarantee of his freedom and dignity.⁵

The role of the United States in the Alliance for Progress is described by Montgomery in Chapter Six of the present volume. But the *collective* efforts of the U.S. and Latin American governments called for an international

agency. In fact, five such agencies (the Organization of American States, the Food and Agriculture Organization, the Inter-American Development Bank, the U.N. Economic Commission for Latin America, and the Inter-American Institute of Agricultural Sciences) collaborated in setting up the Inter-American Committee of Agricultural Development (CIDA in Spanish), which was charged with undertaking studies of land tenure and the potential for agrarian reform in the Western Hemisphere. The CIDA studies were done primarily during the 1960s; a summary of them was published;⁴ in addition, a résumé of seven important country studies provided a historical perspective as well as policy recommendations.⁵ In all of these studies and summaries, the CIDA reports represent a higher plane of analysis of background, issues, and policies than did the six reports of the United Nations.

Barracough asserts that "the CIDA studies leave little room for doubt that existing tenure institutions are primary obstacles to economic and social development."⁶ Abstracting from them, he reports how governments often attempt indirect approaches to agrarian reform that may turn out to be more politically palatable than would land redistribution. These include colonization where new land is available (as in Brazil, Bolivia, and Colombia), regulating contracts of tenancy and labor, social insurance and minimum wages, and tax reforms. "In all of the countries studied, taxation penalizes the more productive farmers while leaving those with large, idle estates virtually tax free."⁷ Legislation has been proposed to turn this situation around, but the political obstacles have been almost as great as those that beset land redistribution. While land reform reduces the physical quantity of land of large holders, increased taxes erode the capitalized or selling value, and either of these may be equally objectionable to owners.

The World Bank

The World Bank was relatively late among the international agencies to advocate agrarian reform. In his address to the Board of Governors in 1971, President McNamara stated: "All this suggests that there are many communities in which the reasonable redistribution of land, currently held in excessively large blocks, to the landless or to small farmers would be desirable not only on grounds of equity, but on grounds of efficiency as well."⁸ Though McNamara spoke frequently about poverty and the need for rural and

agricultural development, he did not call for agrarian reform in a major policy address until the meeting of the Board of Governors in 1973. Even then, he did not commit the Bank to any specific program:

But there are other structural changes necessary as well. And the most urgent among these is land and tenancy reform. Legislation dealing with such reform has been passed – or at least promised – in virtually every developing country. But the rhetoric of these laws has far outdistanced their results. They have produced little redistribution of land, little improvement in the security of the tenant, and little consolidation of small holdings.

The bank's commitment to participate in agrarian reform came in its policy paper Land Reform, which declared:

The World Bank will give priority in agricultural lending to those member countries that pursue broad-based agricultural strategies directed toward the promotion of adequate new employment opportunities, with special attention to the needs of the poorest groups. The Bank will support policies of land reform designed to further these objectives.

The Bank . . . stands ready to finance special projects and programs that may be a necessary concomitant of land reform. . . .

The Bank will cooperate with the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and other organizations to provide support and assistance to member governments seeking help with the specification and design of land reform programs. . . .

The Bank will support . . . research related to the economics of land reform. . . .

The Bank will undertake studies of the costs and benefits of settlement projects. . . .

[W]here increased productivity can effectively be achieved only subsequent to land reform, the Bank will not support projects which do not include land reform.

The Bank will pay particular attention to the consequences of the interaction of new technology and the prevailing institutional structures, as reflected in the pattern of landownership, in order to avoid adjustments which will increase the maldistribution of income and cause economic hardship.¹⁰

The last paragraph doubtless refers to the criticism of the green revolution in some countries such as India, where benefits were alleged to be confined to rich landowners, who had the only access to the requisite irrigation and fertilizer. There is, however, no indication of "economic hardship" caused by the green revolution, which is credited with India's capacity to avoid widespread famine, thereby indirectly assisting the poor.

In the policy paper, the Bank summarized its involvement with agrarian reform to date. In 1955 it recommended a graduated land tax to Colombia to help overcome inefficient use of land in large haciendas. Since then, missions and sector surveys in almost all member countries took account of land tenure patterns and insecurity of tenure as obstacles to agricultural development.¹¹ However, the report confesses that "few projects have supported land reform as such."¹² In general, external financing, whether bilateral or multilateral, has played a minor role in the financing of land reform programs. The implementation of land reform, the Bank argues, requires political will more than funding. Funding plays its part in general agricultural development, which may or may not be associated with land reform.

Since this enunciation of policy, although the Bank has made many loans for promotion of agriculture, and in particular for the benefit of smallholders, its direct participation in land reform has been limited. In the 1982 Annual Report, under the heading Agriculture and Rural Development, only two loan descriptions mention land reform. For a \$42.7 million loan to Brazil, the Bank reports that "some 39,000 small farmers . . . will benefit from increased agricultural production and incomes through the provision of secure land tenure, technical and marketing assistance, agricultural research, and basic health and education services." Another loan, for \$17 million to Ecuador, includes "agricultural extension, credit, and other support services, provision of land titles, construction and improvement of rural roads and bridges, and the provision of potable water, health-care services, and school facilities." In the 1981 Report, three loan descriptions mention land reform. For a \$37 million loan to Colombia, the Bank reports that "productivity, employment, and incomes will be increased on about 4,700 farms, including nearly 1,500 that are farmed by beneficiaries of land reform." In a \$20 million loan to Ecuador, "the productivity, incomes, and general living conditions of some 10,000 poor rural families . . . will be improved through the financing of support services and through the regularization of land tenure, the construction of rural roads, and the provision of potable water, primary health-care services, and school facilities." The third loan assisted a land settlement scheme in Malaysia. None of the countries mentioned — Brazil, Colombia, Ecuador, and Malaysia — has been vigorous in implementing agrarian reform. The first three have often been cited for their acute need

for reform, but their performance has been dilatory.

A survey of the Annual Reports from 1975 to 1982 shows that the Bank's involvement in agrarian reform falls into three general categories: programs of land distribution or direct changes in tenure, which include Morocco (1975), Brazil (1975), Colombia (1975), Colombia (1979), Malaysia (1981), and Brazil (1981); programs of regularization or security of tenure and provision of titles, which include Ethiopia (1975), Ecuador (1981), Brazil (1982), and Ecuador (1982); and programs providing goods and services to the beneficiaries of agrarian reforms, which include Honduras (1976), Chile (1977), Honduras (1978), Panama (1979), and Colombia (1981).

In examining the Bank's meager participation, it is difficult to distinguish between support for agrarian reform and loans for agricultural development that might have been made in any event. The facts that the Bank has assisted agriculture in countries whose agrarian reforms have been only nominal; that it has not made strong statements with respect to particular countries or been known to refuse a loan for tardiness in reform; and that it has made many agriculture-development loans in countries where reform has not been a consideration, all lead to the conclusion that like the United Nations, the Bank has done no more than to put itself on the side of the angels without trying to heal their wings.

The Bank has produced two related papers, one an "issues paper" entitled Agricultural Land Settlement (1978) and the other a sector policy paper entitled Rural Development (1975). Because they do not address themselves to land distribution as such, we do not analyze them further.

The Inter-American Development Bank

When the Inter-American Development Bank (IDB) agreed with the United States government to establish the Social Progress Trust Fund (SPTF) in 1961, the framers were clear about one thing — that they did not want to support payments to landowners for their land — but they avoided declaring whether the Fund would or would not actively finance land reform. The Fund would offer loans for "land settlement and improved land use, including access and feeder roads, assistance to agricultural credit institutions, assistance to supervised credit and agricultural extension, and development of storage and marketing facilities, provided the resources of the Fund shall not

be used for the purchase of agricultural land.¹³ During its first year of operation, the Fund made loans for water supply, sanitation, and other facilities for social development, with the only loan pertaining to land tenure for agricultural settlement in Chile. By the end of the second year, nine loans had been made for agricultural settlement.

The SPTF continued its operations until 1970. By the end of 1969, with resources from both the SPTF and the Fund for Special Operations (FSO), the Bank had financed twenty-eight agricultural projects. Among those outstanding at that time were a loan of \$16,543,000 to Bolivia for settlement of 8,000 farm families on public lands; \$2,490,000 for houses on government farm properties being settled in Chile; \$3,700,000 to Chile for subdivision of estates in central Chile for 600 farm families; \$1,233,000 to Costa Rica for settlement of farm families; \$4,000,000 to Ecuador for settlement of 1,600 farm families; and \$47,300,000 to Venezuela for housing 2,547 families in land settlement projects.

The SPTF had begun the practice of preparing an annual report on economic and social progress in Latin America. These reports continued even after the Fund had been merged with other operations of the IDB. During the 1960s and 1970s, however, reports referred less to agrarian reform and more to economic integration; less to social concerns and more to economic ones such as the financing of development and the external debt. It would seem that with the IDB, agrarian reform, which had never been a strong concern, was totally out of vogue by the early 1980s.

International Agencies and State-Conducted Reforms

The United Nations, World Bank, and Inter-American Development Bank reports as well as the CIDA studies leave no doubt that agrarian reform is deemed an integral process to be undertaken by the state in Third World countries. The theme persists that mere redistribution of land is not enough. The state must provide credit to overcome the usurious rates of moneylenders. By providing better marketing programs, the state must see that production does not decrease even temporarily after agrarian reform. Little attempt is made to discover why rates of interest may be usurious or why peasant initiatives for marketing, either individual or cooperative, may have failed.

Although something has been written about rates charged by money-lenders,¹⁴ there is little or no literature on their net returns. There is no evidence that moneylenders are monopolists. The very nature of their profession is its informality, in that free entry and exit occur widely. If lenders were earning monopoly profits, the solution would be to find more of them, not fewer. Instead of monopoly profits, their rates are high probably because the risk is great and losses severe. Costs may be high because of the small amounts of credit given. If so, these are problems to be confronted. State credit at lower rates may do nothing more than put the state in a condition of subsidy that may not be financially tenable.

Likewise, state technical assistance should take account of the reasons for the lack of earlier private technical assistance. But afterwards, why would it not occur on the part of "seed salesmen" (a generic term for private provisioners of farm inputs) as they tout their products? Possibly because they consider farmers poor risks for advertising campaigns; possibly because marketing costs are too great in sparsely settled areas. If so, however, these are the problems that need to be addressed. Once again, a government-sponsored technical assistance program will encounter them, and they may turn out to be more costly than the fisc will permit. Instead, governments might well spend their sparse budgets on agricultural research, whose findings would be disseminated widely, and leave the private sector to carry word to the farmers. Because of climate and soils, agricultural technology is highly local-specific and thus is not readily transferable. Such a policy would not only insure that the technology would be suitable to local conditions, but it would reduce political involvement, would avoid inefficient, overblown, and corrupt bureaucracies, and might result in the product being delivered more quickly and more effectively to the peasantry.

The specter of paternalism haunts the literature, not only that of international agencies but also that of some (not all) private proponents of agrarian reform. The farmer is not deemed capable of making his own decisions, developing his own structures or cooperatives, buying his own inputs, or marketing his own products without the government telling him how to do all these things. After agrarian reform, he should not be left "helpless." The falsity of this paternalism is brought out in many studies of small-scale agriculture,¹⁵ where peasants in less developed countries have been found to be shrewd individuals, perceptive of opportunities and quick to

respond to market incentives.

By stating that more agrarian reform should occur and that more credit and technical assistance should follow, international agencies have become pundits of the obvious and sages of nothing.

PRIVATE AGENCIES

Participation by private agencies in agrarian reform is hundreds of years old, as interest groups have bargained for this or that change in landholding structures, terms of tenure, and restrictions on the alienability of land. Arbitrarily, therefore, we limit ourselves to the interest of non-government groups in agrarian reform in the Third World after the Second World War. This interest has taken three forms: direct participation, advising, and political and economic literature designed to influence policy.

Direct Participation: Cornell at Vicos

In 1952 a group of anthropologists from Cornell University went to Peru to study culture change in pre-modern Indians about to be exposed to sudden modernization with the construction of a large hydro-electric dam to bring electricity to the Callejón de Huaylas. But it turned out that the power bypassed the area, and the Indian communities were left virtually unchanged. Undaunted, the anthropologists found another object of attention. They rented an hacienda and conducted an agrarian reform.¹⁶

The hacienda was Vicos, previously owned by the state and rented every ten years to the highest bidder. The Cornell group became the successful bidder and assumed the position of patrón. Previously, the patrón had been the sole manager, commanding the peons to do his bidding in many ways. They would work three days a week on the ten percent of the arable, known as hacienda land, whose produce belonged to the patrón, and three days on the ninety percent of arable allotted to them. But their greatest complaint was the impromptu work to which they were capriciously subjected, sometimes just when they were most needed at home.

The Cornell anthropologists substituted a cooperative farming system in which a committee of farmers made the decisions on crops, inputs, pricing, and marketing. Once the farmers discovered that the profits would be dis-

tributed among themselves rather than going to the patrón, productivity on the hacienda lands improved enormously. Previously the Indians had seen no need for elementary education and had even viewed it negatively, since teachers supplied by the government had treated their children as servants. With the aid of a school lunch program and other inducements, the Cornell group greatly increased the number of school attenders. Vicosinos undertook tasks of local administration and marketing, which had been closed to them earlier.

In all respects but one, the reform was a great success. The exception lay in the fact that the authority that the Cornell group had passed on to the Vicosinos remained a "gift." Besides their sincere concern for the welfare of the Vicosinos, the anthropologists were scholars and not permanent residents or protectors of the hacienda. The Indians had not gained the political clout that farmers of medieval Europe and Japan had gained when they bargained for the end of feudalism in their countries. Quite properly, the Cornell anthropologists retired in 1962-1964 to leave the Vicosinos on their own. But with the military agrarian reform of 1969, government officials "invaded" Vicos and imposed the uniform structures of their own reform, thus dismantling the administrative agencies that the Vicosinos had worked out for themselves.¹⁷ Unfortunately, we do not have data on agricultural output by Vicos from that time on. The overall agrarian reform in Peru, however, has not been especially successful; the improvement in rural output has been disappointing, and there is some indication that over all, income distribution among farmers may have worsened rather than improved.¹⁸

The Cornell anthropologists did inspire a similar experiment in applied anthropology undertaken in the late 1950s by Peruvian scholars in the small indigenous community of Kuyo Chico.¹⁹ Since it has no international component, I do not report on it in the present chapter.

Direct Participation: American Friends Service Committee

The American Friends Service Committee (AFSC) is an ecumenical outreach arm of the Religious Society of Friends (Quakers). Its projects in the Third World are inspired by religious concern and are designed to avoid paternalism or charity. Among these projects are several in land settlement--

in El Salvador in the 1950s, in Mali in the late 1970s, and in Laos, Ethiopia, and Somalia in the 1980s. The AFSC has also helped upgrade economic activity in urban slums in Zambia; land allocations were required in this program to promote home gardening.

While the AFSC settlement projects are agrarian reforms, they differ from the others discussed in this chapter in that they are local, mostly inspired by disaster rather than general economic development. The disaster may be either an act of God (drought in the Sahel) or an act of people (war in the Horn of Africa or in Indochina). But the distinction is not always clear. The resettlement of the mountain Hmong in Laos—while occurring in a country riven by war—may have been more inspired by general economic and social development.

AFSC projects have an even more significant distinction. Of all the agencies discussed in this chapter, the AFSC alone can be said to gain no benefit for itself, other than the satisfaction of helping others. All the international agencies, as we have seen, had motives relating to their own mandates or their own survival. Among the private agencies, Cornell at Vicos was interested in anthropological research, while Oxfam and the American Institute of Free Labor Development (to be discussed below) have political axes to grind.

The AFSC project in El Salvador (1952-1959) was undertaken in cooperation with the Institute of Rural Colonization in two locations: El Sitio del Niño and Joya de Cerén. The role of the AFSC was to help establish kindergartens, clinics, and cooperative stores, and to foster improvements in health, nutrition, and gardening, for families moved to new communities from marginal locations. Although the project can be considered an agrarian reform because new lands were allocated, the interest of the AFSC lay more in community development than in land ownership.

Since the projects in the Horn of Africa and in Laos are currently under way, it is not yet possible to assess them. But the project of the 1970s in Tin Aicha, a village in Mali, is complete and documented by the AFSC.²⁰ We will therefore use it as our example. The purpose was to help repair the economic, health, and psychological damage done by the Sahel drought to a nomadic community. Nomadism is likely to be the most efficient means of utilizing marginal land, but when land and economy have been destroyed by drought, the next best economic activity may be a combination of settled

farming and mobile herding.

Although the AFSC cooperated with the Government of Mali, its independence from governmental interference is reflected in this paragraph:

Although it was clear that the Malian government based its criteria for success on whether or not the people would remain settled, the AFSC was equally clear about its own criteria: the restoration of self-sufficiency and dignity, the acquisition of new skills, and improvements in health and education. These would stay with the nomads whether or not they chose to remain settled.²¹

A similar concern is expressed in an early report on the project to resettle members of the Hmong mountain tribe in Laos:

At every possible opportunity we asked Hmong what they perceived to be their development needs. Did they really want to come down from the mountains to grow wet rice thus abandoning their traditional life style? Was there any hint of coercion behind their interest?²²

At this writing, the tentative finding is that those Hmong who were resettling were doing so voluntarily, recognizing the limited economic potential of the mountains and hoping that rice cultivation would be more rewarding in the valleys.

As earlier in El Salvador, the AFSC in Mali, the Horn of Africa, and Indochina shows little concern about the finality of land tenure. It even notes that in Tin Aicha, "the ownership of land was never clearly defined."²³ The village was constituted as a legal entity in charge of land, which was allocated to families for their use. Land may not be sold, mortgaged, or otherwise alienated, and if abandoned it will be reallocated to other farmers.

Advising and Literature: The Land Tenure Center

Probably the greatest concentration of information and expertise on twentieth-century agrarian reform lies in the Land Tenure Center (LTC) and its faculty and library at the University of Wisconsin.²⁴ The idea for such a center had originated in a conference in 1962 called for by the head of the foreign aid program of the U.S. government. The conference saw value in an independent organization of scholars both to create a fund of general exper-

tise in issues of agrarian reform, which would be available to the public, and to provide specific advice to government and international agencies. A number of international conferences on agrarian reform were initiated by the Wisconsin faculty during the 1950s. With the swing of official opinion in favor of agrarian reform during the early Kennedy administration, the Center was finally established with U.S. government assistance in 1962.

The initial contract permitted the University of Wisconsin to establish a Land Tenure Center and library in Madison and two centers in Latin America, all focusing on research and training. The LTC was to adopt a multidisciplinary perspective and would publish all research findings. At first limited to Latin America because of the needs of the Alliance for Progress, the LTC did not take a world perspective until the late 1970s. Since then, its newsletters, research reports, bibliographies, and books have been an invaluable resource for scholars in agriculture and land tenure. Unfortunately, with a cutback in government assistance, this flow of information significantly dried up in the early 1980s.

The history of the LTC demonstrates that agrarian reform can be a political issue even in the United States. The Center has been attacked from both left and right. During the student rebellions of the late 1960s, its headquarters were physically violated on the ground that the LTC was helping promote United States imperialism in Latin America. In 1982, it was verbally attacked by the Heritage Foundation for alleged sympathy with the Sandinista movement in Nicaragua.²⁵ However, the independent team appointed by the Agency for International Development to evaluate the LTC in 1982 (of which this author was a member) found it to be institutionally non-ideological, although it could not help that ideologies—both to the right and to the left—might be reflected in the writings of its students, researchers, and advisors.

El Salvador and the Politics of Private Agencies

Ideologies do figure, however, in the private agencies that have suddenly become "experts" in agrarian reform with the current crisis in El Salvador. When a group of younger officers overthrew the military government near the end of 1980, the new junta declared agrarian reform to be the cornerstone of its policy. It appointed Rodolfo Viera, the Secretary

General of the Salvadoran peasant union, to be president of the agrarian reform institute. Viera asked for the advice of the American Institute of Free Labor Development (AIFLD), with which he was familiar in his earlier capacity; the AIFLD appointed Roy Prosterman, law professor at the University of Washington, as its principal advisor. The AIFLD therefore became a principal designer of the Salvadoran government's agrarian reform.

The AIFLD had had no particular experience in agrarian reform. An agency of the AFL-CIO, it has provided training and research on the organization of "free" (that is, non-communist) labor unions in less developed countries, particularly in Latin America. Most of its work has been financed by U.S. government contract. Prosterman, however, was one of the principal authors of the land reform program mandated by the United States government in South Vietnam during the war there.

Two other non-government agencies — Oxfam America and the Ecumenical Program for Inter-American Communication (EPICA) have issued reports critical of the Salvadoran reform. Oxfam has had active experience in fighting famine throughout the world, while EPICA's activities have been mainly literary; it is an unflagging critic of whatever policy the United States might be following in Latin America. Like AIFLD, neither of these agencies has had any prior experience in land reform.

In order to contrast the ideologies of AIFLD on the one hand and Oxfam and EPICA on the other (I do not imply that Oxfam and EPICA share the same ideology. Oxfam is far more circumspect than EPICA in revealing its ideology. However, the two tend toward similar positions.), I will first outline my own ideology, which may then serve as a measuring stick for those of the groups in question. It comprises the following principles:

1. Lasting agrarian reform occurs only when peasants obtain a vested share of social decisions with respect to land. Vested implies a set of cultural and political circumstances that combine to guarantee the peasants this share. For example, farmers in more developed countries cannot be deprived of their land except for a small number of purposes serving the general welfare. Peasants must participate decisively in the formation of agrarian structures (for example, private farms versus cooperatives versus state farms; marketing procedures and pricing; and credit institutions), and not just in the day-to-day operation of structures imposed on them.

2. No agrarian reform that has ever taken place in the Third World has provided peasants with vested shares in social decisions

comparable to what peasants achieved in Europe and Japan. The achievements of these latter required bargaining through institutions that they themselves formed, such as village councils in Europe and *ikkū* in Japan.

3. Lasting agrarian reform occurs only when vigorous economic development provides employment in other sectors such as industry and trade. This outlet is essential because the marginal productivity of agricultural labor in the Third World will rise substantially only when large numbers of laborers are drained off into occupations other than farming. The goal for social reformers should be an increase in and a redistribution of wealth, regardless of whether wealth lies in land or in industry. Agrarian reform is rarely achieved when it is an object in itself.

4. Peasant protests and rebellions have historically been directed not towards overall agrarian reform but towards more specific goals – better prices for their products, lower rents, security of tenure, and freedom from government and feudal restrictions. If peasants in El Salvador favor any agrarian reform imposed on them by any government, they are strange exceptions in history. Since neither the present government nor its guerrilla challengers has any intention of giving the peasants a chance to express themselves on this matter, history in other parts of the world can be our only guide.

In the presentation of their ideologies on agrarian reform, none of the international and private agencies involved in El Salvador shows any comprehension of the historic nature of agrarian reform; nor does the U.S. government. All their reasoning depends on the immediate exigencies of U.S. foreign policy, whether they themselves favor it or oppose it in general. Only Oxfam has spoken up in favor of allowing the peasants to choose their own structures, and Oxfam's statements appear in a context of criticism of the Salvadoran government's reform (as if the peasants *of course* would not choose that reform!).

The Salvadoran agrarian reform was intended to occur in three stages. First, all landholdings in excess of 500 hectares would be expropriated and converted into cooperatives owned by the peasantry; next, farms of 100 to 500 hectares would follow suit; and finally, tenants on all farms less than 100 hectares would become owners of the land they tilled. The first phase has been completed; the second was postponed; and the third was suddenly implemented by Decree 207 of 28 April 1980, when tenants were told they might immediately stop paying rent, for the land was theirs. Prosterman, Reidinger, and Temple announced that within the first few months of the

first stage, 263 large estates comprising 250,000 hectares, including 22 percent of the coffee land, 28 percent of the cotton land, and 50 percent of the sugar cane, had been converted into peasant cooperatives worked by 62,000 families, including 40 percent of landless farm laborers.²⁶ With regard to this decree they wrote:

Almost overnight, more than two-thirds of the landless peasants received the land they were tilling — 44 percent of the nation's cropland. Over one million acres, previously owned by 7,000 mostly absentee families, are now owned and operated by those farms' 210,000 peasant families — one and a quarter million peasants. . . . All of the country's 150,000 farm tenant and sharecropper families, on whatever size farm, are now legally the owners of their previously rented land. They have eaten or sold their first harvest and are growing their second.²⁷

Oxfam, on the other hand, points to government paternalism, in that the peasants did not participate in structuring the reform, as well as the number of landless laborers who have been omitted because they did not rent land in the first place. Its general findings are that:

1. Over 60 percent of El Salvador's rural population are not potential beneficiaries for the current land reform program.
2. The current land reform program excludes the poorest and largest section of the rural population — landless rural laborers.
3. The land reform program is a "top-down" model solution imposed on the government and people of El Salvador by agencies and advisors under contract to the U.S. government.
4. The peasantry, Church, academics, and agrarian experts of El Salvador have been excluded from the design, planning, and implementation of the current agrarian reform.
5. The entire program suffers from a critical lack of planning and development of implementing regulations.
6. The land reform program has been implemented in the context of increasing²⁸ and unrelenting levels of violence against the rural population.

Oxfam's ideology appears obliquely. "Prosterman's model for non-marxist social change is based on his belief that humanitarian concerns and long-term U.S. interests require support for land reform through *existing* regimes."²⁹ The statement is tantalizing; it leads the reader to wonder whether Oxfam,

by hinting that existing regimes cannot implement reforms, would favor violent revolution; whether by criticizing non-marxist reforms, Oxfam would favor marxist ones. Oxfam would have served its readers better if it had clarified that point.

Unlike Oxfam, EPICA openly espouses an ideology in favor of state farms.

On April 29, the junta announced that Phase III of the reform would *not* include any effort to collectivize farms but would institutionalize the minifundia system by converting all peasant farmers into owners of those plots they were farming. . . . However this law does not affect those who already own their own lands and it places a ceiling of ³⁰7 hectares on the size of plot that an individual can claim.

Like Oxfam, it points to the difficulties in implementing the law because of violence practiced by landlords against farmers. Wheaton writes, ". . . the polarization quickly transformed the previous protests and acts of individual violence into open urban warfare by the army and indiscriminate assassinations in the countryside by para-military forces."³¹

All three of these sets of writers reflect a certain ingenuousness about what is required to undertake an agrarian reform. Prosterman, Reidinger, and Temple would do well to reflect on the problems encountered by the British in India and Burma, the Dutch in Indonesia, and the French in Indochina when they tried to mandate land tenure systems. The supposition that Decree 207 could suddenly create landed smallholders, operating peacefully on their own, is anti-historic. The colonial powers in Asia attempted that — with all good intent, historians generally agree — but found that feudal ties were culturally ingrained on both sides and could not be broken down by fiat. Without reflecting on history, EPICA nevertheless perceives this problem, although its perception appears in the context of suggesting that only cooperatives — whose prior history EPICA neglects to analyze — will resolve the situation.

Implementation of decree 207 has been minimal because renters are reluctant to claim their land under the law. Many small farmers rent land from relatives or neighbors who are almost as poor as they are, and so they are not inclined to dispossess these acquaintances. In addition, the reaction of landowners of larger tracts to Land-to-the-Tiller has generally been hostile.³²

I do not have first-hand information on how many smallholding farmers actually refused to pay rent and declared the land to be their own. Historically, however, paternalistic relationships between tenants and their patrons have been far closer than simply renting land. These relationships die hard; certainly a decree pronounced over the radio in the midst of a civil war cannot break them.

If Prosterman, Reidinger, and Temple are flawed in their optimism, so also Oxfam and EPICA, by calling the agrarian reform a failure for not being instantly successful, reveal either their political ideologies or their ignorance of historic reforms. EPICA bluntly states that "the U.S. agrarian reform program in El Salvador . . . is a failure."³³ In fact, however, the Salvadoran agrarian reform had distributed more land in its first three months than Mao's China, Castro's Cuba, or Allende's Chile in *their* respective first three months. Both Oxfam and EPICA go to tortuous lengths to blame the war upon the government. EPICA's report, quoted above, of "polarization . . . quickly transformed into . . . urban violence" fails to reflect that the guerrillas began the war, and that it is difficult to undertake an agrarian reform on a battlefield.

Singer comes much closer to the mark, criticizing those who would justify the civil war in El Salvador by the government's failures:

. . . but they fail absolutely and utterly [to justify the war] because the violent counterrevolution of the Left began before the [government of the junta] was three months old. No one can justify starting a brutal and destructive war, resulting in thousands and thousands of deaths, and increasing the possibility of an eventual victory by the extreme Right, on the suspicion of what the revolutionary junta might do despite its promises. A minimum respect for human life would have given the new revolutionary government at least six months to see whether it could deliver on its promises of reform and democracy.³⁴

Curiously, while voicing extreme opposites, the three reports possess several common attributes. First, they are all polarized. Each views the Salvadoran agrarian reform as totally right (Prosterman, et al.) or totally wrong (Oxfam and EPICA). None attempts to conciliate or compromise; none concedes anything correct about the opposition. None accepts that agrarian reform is a bundle of ideas, procedures, laws, and political positions that must be tried, found workable in some places and wanting in others, and

revised in a continuous process. None recognizes that some political pressures will be overcome in time while others must be circumvented. But it is in this complex manner that every successful agrarian reform of the past has been achieved. Second, they are all views from the outside. While each has its outsider's prescription of what is right and what is wrong, none suggests any feasible way for peasant participation in determining the structures. Prosterman believes the peasants are participating because the peasant union helped decide on the reform structure and because peasants run the cooperatives. But who can tell, after only three months or in the midst of a battlefield, whether the peasants are really in control, or if they will stay there? Oxfam is correct in pointing to government paternalism, but it errs by failing to note that every agrarian reform of the twentieth century has been paternalistic, that the guerrilla warfare is not run by peasants but by intellectuals of other cultural origin, or that most guerrillas favor state farms which are always paternalistic. Third, each claims the support of the peasants for the side it represents. Yet who knows what the peasants want, since nobody has asked them? In fact, there is much evidence that the peasants want above all for the war to end, regardless of who might win. Fourth, each blames the other side for the violence. Oxfam and EPICA point out (correctly, I believe) that the government commits more wanton killing than the guerrillas. Prosterman points out (correctly also) that the guerrillas started the war. Fifth, they all bend data to their favor. Oxfam's statement that 60 percent of Salvadoran peasants are not potential beneficiaries is probably an exaggeration, and Prosterman, Reidlinger, and Temple have not told us how landless peasants were incorporated into cooperatives. When account is taken of all these points, it is easy to conclude that all outside intervention by private agencies—regardless of for which side and regardless of how well intended—has exacerbated an already explosive situation and has done more harm than good.

THE ROLE OF PRIVATE AGENCIES

How, then, can an outside agency assist in an agrarian reform? It cannot do so at all unless it recognizes that reform will not come immediately no matter which side undertakes it, and that social justice in a country such as El Salvador is unlikely to triumph soon. Any agrarian

structure imposed on peasants from above (whether by self-seeking aristocrats or well-meaning socialists or by an outside government) will break down over time. The only structures that have been stable and just in the past have been fashioned by decades-long negotiations between peasants and their lords, the latter being forced to negotiate because of the economic and political power which the peasants imposed upon them. All of that is another story, to be found in the economic histories of Europe and Japan.

Outside agencies can help by increasing the economic and political power of the peasantry. They can provide access to improved agricultural technology, aiding peasants to gain skills to produce what the rest of the economy needs, so that the rest of the economy comes to depend on them. Political power may be enhanced through political organization on a village level, such as peasant unions or the hacienda council in Vicos or the village government of Tin Añcha. The Cornell project at Vicos may appear to have been a failure in the short run, for it did not and could not provide the Vicosinos with enough political power in such a short time. But it may not have failed in the long run, for it was on the right track. The American Friends Service Committee is also on the right track, for its total effort is directed towards increasing productivity and dignity in a non-patronizing way. Each of these agencies (Cornell and AFSC) was more concerned with an experiment in agrarian reform in a specific locale, rather than with the politics of an overall reform on a national level.

Both economic and political power for the peasantry require time; those who discourage easily had better not try. In this long run, outsiders can help by refraining from suggesting or criticizing *any* type of indigenous agrarian reform: state farms, private farms, cooperatives, or anything else. The peasants are not ignorant; they do not need to be patronized. With increasing political and economic capacities, they will bargain for the structures that *they* want, which just might be the same ones that most benefit the overall national welfare. The motto for this modest proposal might be: "Empower the poor, but beware the champion."

CONCLUSION

It is perhaps just as well that the international agencies have been feckless in their support for agrarian reform. They share with some private

agencies (the Cornell anthropologists and the AFSC are exceptions) the belief that improved land tenure can be awarded to the peasantry by an enlightened government. How much more overbearing the agrarian reforms of this century would have been if there were two superior levels instead of one — international agencies to oversee national governments! While agrarian reform is right and good in concept, twentieth-century reforms have not in general improved the welfare of the peasants or benefited any nation. The reforms have been laden with restrictions: on methods of production to be followed; on where money will be borrowed and at what rate; on where inputs will be purchased and at what price; on where products will be sold and at what price. The supposition that peasants know little and that the governments know much lies behind most reforms. To have governmental powers reinforced by an international mandate might be the final straw for the peasant. If one believes Sir Edward Coke's remark in the seventeenth century,

. . . if a man seised of land in fee by his deed granteth to another the profits of those lands, to have and to hold to him and his heirs, and maketh livery secundam formam chartae, the whole land itself doth pass. For what is land but the profits thereof?³⁵

None of the twentieth-century reforms has given the peasants a vested share in social decisions. Where vested peasant shares have been acquired (possibly in Japan or Taiwan) in national reforms, this has occurred because of the skills of the peasants and not because the state has provided it. The only cases I have found of international intervention leading to true peasant participation in agrarian reform are those of Cornell in Vicos, Peru and the American Friends Service Committee in a number of countries. The AFSC example suggests that an agency that is truly self-disinterested must be religiously motivated. But of course the AFSC alone is too small a sample for such a generalization.

Those who believe that agrarian reforms can be fashioned by enlightened governments in capital cities, or by international agencies, or by foreign governments, or by well-meaning private agencies abroad, would do well to reread the stories of the enlightened despots of Europe in the eighteenth century, who professed to love "their" peasants but despised their capabilities and knowledge. They ended up giving the peasants nothing at all.

NOTES

1. United Nations, Sixth Report (1976), p. 1.
2. See, e.g., Paul Cox, Venezuela's Agrarian Reform at mid-1977, Research Paper no. 71 (Madison: University of Wisconsin Land Tenure Center, 1978); Grace Goodell, After Land Reform, in Policy Review, no. 24 (Spring 1983); Harold Lemel, Examination of the 1973 Turkish Land and Agrarian Reform and Its Implementation: Observations in the Pilot Province of Urfa, in Land Tenure Center Newsletter, no. 58 (October-December 1977).
3. Charter of Punta del Este, Title I, para. 6, cited in Solon Barraclough, Agrarian Structure in Latin America (Lexington, Mass.: LexingtonBooks, 1973), p. xv.
4. Tenencia de la Tierra y Reforma Agraria en América Latina: Informe Regional y Resúmenes de los Estados por Países (Washington: Organization of American States, 1971).
5. Barraclough, *supra* note 3.
6. *Ibid.*, p. 41.
7. *Ibid.*, p. 46.
8. Address to the Board of Governors by Robert A. McNamara (Washington: World Bank, 1971).
9. Address to the Board of Governors by Robert A. McNamara (Washington: World Bank, 1973), p. 19.
10. Land Reform, a policy paper (Washington: World Bank, 1975), pp. 13-14.
11. *Ibid.*, p. 39.
12. *Ibid.*, p. 40.
13. Social Progress Trust Fund, First Annual Report (Washington: Inter-American Development Bank, 1961), p. 3.
14. U Tun Wai, A Revisit to Interest Rates Outside the Organized Money Markets of Underdeveloped Countries, in Banca Nazionale del Lavoro Quarterly Review, no. 122 (Rome 1977).
15. See Lloyd Reynolds, ed., Agriculture in Development Theory (New Haven: Yale University Press, 1975).
16. Allan R. Holmberg, Changing Community Attitudes and Values in Peru, Chapter 2 of Richard N. Adams, et al., Social Change in Latin America Today (New York: Harper Bros. for the Council on Foreign Relations, 1960),

pp. 78-107.

17. Paul L. Doughty, *What Has Become of Vicos? The Aftermath of a Classic Program*, mimeo paper, portions of which were presented at the 1982 meetings of the Society of Applied Anthropology, cited by permission.

18. See R. Albert Berry, *Land Reform and the Agricultural Income Distribution*, Center Paper no. 184 (New Haven: Yale University Economic Growth Center, 1972); also William Loehr and John P. Powelson, *The Economics of Development and Distribution* (New York: Harcourt Brace Jovanovich, 1981) at p. 249.

19. Oscar Nuñez del Prado, *Kuyo Chico: Applied Anthropology in an Indian Community* (Chicago: University of Chicago Press, 1973).

20. Tin Aicha, *Nomad Village* (Philadelphia: American Friends Service Committee, 1982).

21. *Ibid.*, p. 42.

22. Jill Arace, *Pha Hoi Trip Report, 27 to 28 April 1983* (Philadelphia: American Friends Service Committee, 1983), p. 10.

23. AFSC, *supra* note 20 at p. 72.

24. As part of its contract with the Agency for International Development, the Land Tenure Center was routinely evaluated in 1982 by an independent team headed by John D. Montgomery and consisting also of Edward Shuh and John P. Powelson. Much of the present section of this chapter draws on Appendix II of that evaluation report, written by Carlos Pascual.

25. *Spotlighting Federal Grants #4, The Wisconsin Land Tenure Center, in Institutional Analysis*, an occasional publication of the Heritage Foundation (Washington 1982).

26. Roy L. Prosterman, Jeffrey M. Reidinger, and Mary M. Temple, *Land Reform in El Salvador: the Democratic Alternative*, in *World Affairs*, vol. 144, no. 1 (Summer 1981), p. 38.

27. *Ibid.*, p. 37.

28. Laurence R. Simon and James C. Stephens, Jr., *El Salvador Land Reform 1980-1981: Impact Audit* (Boston: Oxfam America, 1981), p. 70.

29. *Ibid.*, p.48.

30. Philip Wheaton, *Agrarian Reform in El Salvador: A Program of Rural Pacification* (Washington: EPICA Task Force, 1981), p. 16.

31. *Ibid.*, p. 10.

32. *Ibid.*, p. 16.

33. *Id.*

34. Max Singer, Can El Salvador Be Saved? in *Commentary* (December 1981), p. 32.

35. 1 Co. Litt. 45.

6

United States Advocacy of International Land Reform

John D. Montgomery

Notwithstanding any other provision of the law, no assistance shall be furnished to the government of El Salvador if it modifies, alters, suspends or terminates any provision of the land reform program . . . in a manner detrimental to the right of the beneficiaries or potential beneficiaries. . . .¹

Official United States advocacy of land reform did not begin in El Salvador. Land reform as a goal of U.S. foreign policy is as old as the occupations of Germany and Japan. It reappeared as part of the reconstruction of the Nationalist Chinese government on the mainland and in Taiwan; in the civil affairs of Korea as envisaged under occupation and in liberation; in foreign aid to the Philippines; and in the early Vietnam years, when it was near the center of official hopes for a moderate and responsive government there. By the time land reform had become a key element in the aspirations of Kennedy's Alliance for Progress, many political leaders of both parties believed that the United States had a special obligation to help political leaders in other countries redistribute land.² These aspirations have not been universal, but they certainly have been recurrent. One might wonder where such ideas originated.³ Why is land reform in other countries perceived as a legitimate goal of U.S. foreign policy? Under what conditions has it been possible to use diplomacy, foreign aid, and other kinds of international leverage to encourage it? What risks does the U.S. government run, and what benefits can it achieve, in advocating land reform as a means of improving the world order?

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In the push for land reform in El Salvador the stakes became, for a country that size, substantial — \$243 million in U.S. aid for 1983 alone.⁴ On 27 July 1982, President Reagan justified further aid by certifying to Congress⁵ that under the first phase of land reform, 329 private farms occupied by 70,000 peasants had been handed over to production cooperatives.⁶ There were doubts that cooperatives were the best way to introduce land reform;⁷ and critics objected that land reform was being shelved because the second phase of the Salvadoran program (covering properties of between 100 and 500 hectares) had been abandoned and that the provisional titles issued under Phase Three to tenants on farms of 17 acres (7 hectares) or less had been voided.⁸ But no serious challenge was raised in Congress about the wisdom of treating land reform as an index of a government's worthiness to receive foreign aid or about the propriety of using foreign aid to induce land redistribution.⁹

El Salvador's land reform was not "made in the USA," to be sure. Domestic forces had introduced it before the Washington influence was felt,¹⁰ although right-wing and landlord opposition was strong enough to stave off implementation except when an occasional congressional speech, ambassadorial comment, or presidential press conference served to remind the government of its "duty."¹¹ The role of the United States was one of encouragement and an occasional nudge.

But those earlier land reforms, especially the ones in Asia, had been essentially American products. The most important case was the occupation of Japan, where successful outcome of the land reform fostered unrealistic expectations of what could be achieved elsewhere.

UNITED STATES INITIATIVES IN LAND REFORM

Postwar planners from the United States did not originally envision land reform as a condition of the Japanese surrender. It was the decision to decartelize the industrial oligarchy (Zaibatsu) that led to speculation about possible parallel measures in the rural sector. General MacArthur, Supreme Commander of Allied Powers, was convinced by his personal experience in the Philippines that land reform was essential to political stability in much of Asia, including Japan.¹² When he appealed for help to Washington, brain-truster Rexford Tugwell, a close friend of President Roosevelt, recommended

that Wolf Ladejinsky, one of his most brilliant students at Columbia University and then a Department of Agriculture economist, be invited to serve him as an agricultural advisor.¹³ Ladejinsky thus became principal author of a memorandum on agrarian reform in Japan¹⁴ that set the stage for MacArthur's directive¹⁵ to the Imperial Japanese government to develop plans for a redistribution of land to tenants, with Allied headquarters supervising both the planning and the execution of the reform. There were, of course, domestic forces in Japan that might well have produced a land redistribution within about a decade, but the timing and thoroughness of the occupation's reforms gave it a peculiarly American quality.¹⁶ It was Ladejinsky who devised the use of local committees made up of both peasants and landlords as implementing agencies for the Japanese land reform, a technique thereafter transferred without modification to Taiwan.¹⁷ This "devolved" style of administration is associated with successful outcomes in most countries where it has been employed.¹⁸

American influence on land reform in China started slowly in 1943, only after the communists had demonstrated its appeal to the peasants,¹⁹ and although the Joint Sino-American Commission on Rural Reconstruction (JCRR) included American as well as Chinese members, the initiative and momentum for the land reform were largely Chinese. Still, the United States' commitment to land reform on the mainland was demonstrated as early as 1945 by the establishment of a joint Chinese-U.S. Agricultural Mission; it was Secretary of State George Marshall who asked Y. C. James Yen, a Chinese official with thirty years' experience in mass education, for recommendations. Yen's advice led to the creation of the JCRR in 1947. The next year, the U.S. Aid to China Act earmarked ten percent of all U.S. assistance to China for rural reconstruction.²⁰ Ladejinsky visited Szechuan and Taiwan as land consultant to the USDA in August and September 1949, just as the program was getting under way on the mainland, and he spent the next five years as a part-time consultant to the JCRR in Taiwan from his post as agricultural attaché in Tokyo. The Sino-American connection was never closer than in the execution of the vast land reform that preceded one of the most rapid and dramatic agrarian advances in modern history.

U.S. responsibility for the Korean land reform was much more direct. In October 1945, MacArthur's military government in Seoul, following policies similar to Tokyo's, issued a series of ordinances equivalent to a "homestead

act" for Korea, fixing rents and setting up a "land-to-the-tiller" program.²¹ The U.S. Army itself distributed land to 29 percent of the farm households in South Korea, and another 44 percent were thus benefited during the Korean War.²² One source reported that peasant satisfaction with the program was so great that guerrillas from the North were unable to gain a foothold;²³ land reform might thus be said to have indirectly provoked the 1950 invasion!

In the wake of French withdrawal and the removal of Vietminh forces to the North, the land reforms in Vietnam under President Ngo Dinh Diem in the 1950s, such as they were,²⁴ resulted from pressures exerted by the United States Embassy, the aid mission, and visiting American politicians.²⁵ Even the ubiquitous Ladejinsky saw service, becoming Diem's consultant on land reform in 1956 after several months as advisor to the aid mission. Large-scale land distribution began in earnest in the South after the promulgation of Ordinance 57 in October 1956, evidently on Ladejinsky's advice.²⁶ As in Korea and Japan, most of the lands available for redistribution in Vietnam belonged to foreign owners (in this case the French); and even before it was all distributed, the government began to turn its attention to settlement of undeveloped lands, a less threatening program than redistribution of farms. Ladejinsky urged Diem in vain to devolve operations to the kinds of village commissions that had been introduced in Japan and Taiwan and that had been identified with previous U.S. contributions to land reform in Asia.²⁷

American efforts to introduce land reform to the Philippines brought the problem to the attention of Ramón Magsaysay, who used rural development as a major issue in his successful 1953 presidential campaign.²⁸ The Philippine government did pass a land reform bill after the United States had indicated its intention to offer aid for this purpose.²⁹ Later, the United States sent Robert S. Hardie, a veteran of the Japanese reform, to help implement the Philippine venture. But Magsaysay's untimely death reduced American influence and Philippine interest in land reform, and further action was delayed for about two decades.³⁰

The last great U.S. thrust in land reform was the most ambitious one of all — the Alliance for Progress that the idealists in the Kennedy administration hoped would convert a whole continent to an ideology favoring independent smallholders like those fondly remembered as the stalwart heroes of the American Revolution.

THE ALLIANCE FOR PROGRESS

By the time John F. Kennedy was ready to propose an Alliance for Progress, land reform was near the center of his aspirations for Latin America. The New Frontier may have reflected the cynical motive of winning votes (a characteristic of the political game as played in America), but it also revealed a belief that the public could be swayed by the familiar idealistic formulas drawn from the national heritage and enlarged by fears of communist expansion into the Western hemisphere.

It is not easy to reconstruct twenty-odd years later the mood of the Kennedy presidential campaign in 1960. The recent cynicism of the American voter was not then a dominant fact of political life.³¹ Liberal idealism was considered good politics; candidates could appeal to altruistic aspirations without sounding hypocritical. The New Frontier was a rare expression of humanitarianism, just as the rejection of ideals in the wake of the Vietnam experience was a rare ascription of whatever is noble in public life to the lowest of motives. Whereas today foreign aid is often explained as a form of imperialism, that interpretation did not even occur to foreign policy makers in the 1960s. If Americans were still imperialists after Philippine independence, they were not proud of the fact. In the case of the Alliance for Progress and especially its land reform component, the predominant motive was political, not geopolitical, at least in the early months; it was to win an election by appealing to the idealism of the voting public. What was impressive then, and remains surprising, is how strong were popular instincts in America for reform abroad. Yet cold war rhetoric was inextricably entwined with the idealistic plans of the 1960s. In their consultations with Latin American economists and statesmen,³² Kennedy and his advisors expressed personal convictions about the prospects for development of a democratic Latin America, though the communism issue was latent.³³ The Alliance for Progress began as a liberal reform with a handful of intense believers, and once its aspirations were articulated, it entered the public consciousness as an appropriate expression of the national mission. Many of today's critics of its naïveté once considered the Alliance a "bold and imaginative program."³⁴ Only time, recent disappointment with land reform in Latin America, and a general disenchantment with idealism in government

have dimmed the glow that agrarian reform once cast on United States foreign policy.

By the 1960s there was already legislation requiring the foreign aid program to support the ideals of Jeffersonian democracy (and midwestern populism) by encouraging the cooperative movement in friendly countries.³⁵ The American ideal of small independent farms was still considered a viable expression of those ideals (land ownership in the United States still being far more equitably distributed than in Latin America).³⁶ So strong was the popular will that private institutions got in the act. For example, in 1962, the AFL-CIO founded the American Institute for Free Labor Development (AIFLD), which took as one of its major goals the promotion of land reform and voluntary cooperation in Latin America.³⁷ Planners called attention to the practical benefits of reform; some economists believed that it would contribute to overall productivity by providing incentive for intensive farming³⁸ (empirical evidence for that position remained unclear until some years after the Alliance had been launched).³⁹ Beyond economics lay the pragmatic view that land reform could strengthen a faltering regime's popularity and thus contribute to stability, a justification for U.S. support even where powerful elements in a friendly government might oppose reform. United States foreign policy could thus serve the long-term self-interest even of regimes too weak to undertake such initiatives themselves.⁴⁰ When the Cuban revolution sharpened the perception that such regimes might be saved by liberal reforms, anticipatory or preemptive action by the United States was considered a way to neutralize the appeal of communism.⁴¹

The relative weights that Kennedy might have assigned among such purposes are, of course, speculative. He certainly perceived a weakness in the Republican Party's position on Latin America after the 1958 Nixon "crisis" in Caracas and the Eisenhower administration's slowness to respond to Latin American requests for aid; and his personal interest in Latin America was well known to his campaign staff. Richard Goodwin, a close friend of Kennedy's and a speech writer for the campaign, is generally credited with the idea of announcing an Alliance for Progress to express how the new administration would improve relations with Latin America.⁴² Both he and Schlesinger, another Kennedy intimate, believed that the United States could use foreign aid as leverage for social reforms.⁴³

On 13 March 1961 Kennedy described his plans for the Alliance, stating

that "[u]nless social reforms, including land and tax reforms, are freely made, . . . then our Alliance, our revolution, and our dream will have failed."⁴⁴ In the message to Congress requesting the appropriation of \$500,000,000 to carry out U.S. commitments to Latin America, he said: "The uneven distribution of land is one of the gravest social problems in many Latin American countries. . . . Thus if the funds for improving land usage are to be used effectively, they should go only to those nations in which the benefits will accrue to the great mass of rural workers."⁴⁵ Venezuela, led by Betancourt's Acción Democrática party, was treated by Kennedy's advisors as a prototype regime for the Alliance to support.

Those charged with actually implementing the Alliance for Progress did not always share Kennedy's sentiments. The United States delegates at Punta del Este, where the Alliance was launched, had in mind a tidier program of credit and technical assistance.⁴⁶ And after the Kennedy administration reorganized its foreign aid program, the new agency responsible for the Alliance was dominated more by economists than by the technicians who had carried Truman's Point Four program into the 1950s, with the result that social reforms and institutional changes receded further into the background of program planning. Nor in practice was aid actually used as leverage for land reform. Unlike other objectives of the Alliance, such as education and housing, for each of which administrative targets were specified, progress in land reform was never quantified as a goal at Punta del Este, nor were changes in agrarian institutions made a condition of aid. Indeed, some economists and technicians in the field had their private doubts that land redistribution was the most effective way of increasing agricultural productivity⁴⁷ or that equitable tenure relationships constituted an appropriate arena for diplomatic action. Thus the language for the Alliance for Progress remained faithful to the vision of the U.S. public, but in practice land reform never became the guiding principle of U.S. foreign aid in Latin America.

Evaluation of the Alliance for Progress

Probably not since the geological drift of continents has Latin America moved uniformly in a single direction, but when the land reform aspirations appeared in the Alliance for Progress, there was a near-common response to the U.S. initiative. Venezuela was the prototype, and Chile, Brazil, and

Colombia pressed the United States to mount in the Western Hemisphere something approaching the Marshall Plan in Europe. Domestic politics in perhaps half a dozen other Latin American countries favored reforms along lines somewhat similar to those Kennedy had envisaged.⁴⁸ Gaining agreement to the Alliance charter at Punta del Este did not require the exertion of diplomatic pressures. It was a rare moment—the United States was perceived as a friend of progress.

In countries where the political circumstances were favorable, the possibility of U.S. intervention helped mobilize domestic support for land reform. Chile's agrarian program immediately benefited from a U.S. pledge to assist governments that showed serious socioeconomic commitments to change. There was both Marxist and conservative criticism of U.S. foreign intervention,⁴⁹ but Punta del Este reflected in the main a convergence of political interests. There was for once an atmosphere of collaboration that extended beyond the diplomatic courtesies.

Cuba was the only big cloud on the reformists' horizon. Spokesmen for the Kennedy administration used the example of the Cuban revolution to try to mobilize support for the Alliance, but not many Latin Americans shared U.S. fears (a Mexican diplomat said that 40 million of his compatriots would die of laughter if they were told that Castro threatened their security).⁵⁰ Other problems were minor. Argentina and Brazil saw themselves as industrializing countries in need of trade agreements and export advantages, not agrarian reform. They succeeded in rewording the Declaration to the People of America so that the governments agreed to work together "to encourage in accordance with the characteristics of each country, programs of comprehensive agrarian reform leading to the effective transformation, *where required*, of unjust structures and systems of land tenure." (Emphasis added.)

The Alliance was not able to maintain its reformist zeal for long. Some countries that began land reforms suffered a change of heart after legislation was passed. Elsewhere, political upheavals often made reform impossible—in the Alliance's first year, governments in Brazil, Argentina, and Peru fell, and sixteen military coup attempts took place in Latin America (some with tacit U.S. support). Slowly even the reformers began to lose faith. By the time of Kennedy's assassination in November 1963, the U.S. government seemed reluctantly to accept Ambassador Edwin A. Martin's

somewhat supercilious conclusion that democracy itself was "premature" in Latin America. Even the former idealists found themselves agreeing that the United States should sometimes work with the military leaders in power and seek reform only later, when conditions were favorable. President Johnson's appointment of Thomas Mann to succeed Martin and Moscoso in leading the Alliance signaled a new policy: the United States would now press for opportunities for private investment rather than social reform. In retrospect, the decreasing enthusiasm and funds for both foreign and domestic social programs as the United States became involved in Vietnam presaged such a policy shift. But the originators of the Alliance for Progress were dismayed at the fact that countries that were opposed to land reform could still count on U.S. support so long as their economic style followed the IMF approaches to development planning.⁵¹ Land reform seemed to have lost much of its savor by the late 1960s.

A somewhat more optimistic view of the value of land reform appeared in the 1970 Spring Review of the Agency for International Development (AID), the most comprehensive analysis of land reform supported by the U.S. government. It concluded unequivocally that land redistribution is an act that requires a dominant political will, but it can further the social and political goals of wider distribution of opportunity, power, and employment; other programs such as colonization, resettlement, and provision of complementary inputs (improved tenant security and access to supplies, credit, extension services, and marketing) are not substitutes for these objectives of land reform, however desirable they may be in their own right;⁵² in countries where colonization programs have been introduced as a substitute for redistribution, the results can actually impede land reform; U.S. aid cannot provide much leverage to induce reform in the absence of a dominant political will; and the use of collective farms is not a substitute for or improvement on schemes for private holdings.

All of these ideas are still warmly debated.⁵³ True believers continue to argue that it was indecision and inconsistency, not weakness in the theory of land reform, that compromised the U.S. effort in Latin America; one study concludes, "[n]owhere did AID make progress in agrarian or educational reform a condition of its major lending."⁵⁴ And even apart from the growing intrusion of military and security considerations in the aid programs, according to these defenders of land reform, the U.S. position was already

diluted by 1961 or so, when AID itself was taken over by conservative economic planners with little interest in social issues.

Congressional supporters of land reform continued to sound hopeful calls to action. While they had little else to cheer about, the reformers still touted resettlement (or colonization) as an achievement of which the Alliance could be proud. "Almost a million Latin American families were settled or resettled during the period of 1960-67," claimed one Congressional report, adding, however, that ten to fourteen times that many families remained to be settled. Families awaiting resettlement were in fact growing in number faster than the colonization rate, adding support to the belief of land reformers that resettlement was not cost-effective in terms of agricultural productivity, to say nothing of its shortcomings as an act of social equity. At an average cost of \$1000 per family, the report concluded that close to fifteen billion dollars of agricultural aid would be needed for agrarian reform purposes—a sum approaching the total annual investment for the entire region.⁵⁵

In 1967 Representative Henry Reuss and the House Subcommittee on International Finance conducted a survey of the experience, asking twenty AID missions to report on the progress of land reform under the Alliance for Progress. They found that in five countries, no action at all had been taken in support of land reform; seven had undertaken programs aimed at improving land titles or clarifying the rights they represented; eleven had begun distribution of public lands under resettlement or colonization schemes; only three had in fact redistributed private land holdings. See Table 6.1.⁵⁶

United States country missions administering aid considered land reform under the Alliance for Progress to be, on the whole, a disappointment. But reading between the lines of the reports, one can detect ambivalence on the part of missions themselves. The AID mission in Buenos Aires stated that Argentina is "scarcely classifiable as a less developed country" and concluded (somewhat mysteriously) that therefore "land reform in the sense of forcible redistribution of the land has no place in Argentina." Colombia's report was extremely harsh in describing the outcome, perhaps because such high expectations had been aroused in earlier years; even so, the country's redistributive efforts were probably above the Latin American average. The El Salvador mission report criticized as generally false the understanding of some reformers under the Alliance: "Agrarian reform here could not take the

TABLE 6.1

Progress in Land Reform in Latin America, 1960-1967,
as Reported by USAID Missions

| | No Action Reported | Titling | Distribution or Development of Public Lands Colonization | Land Redistribution Reported |
|--------------------|--------------------------|---------|---|------------------------------------|
| Argentina | x | | | |
| Bolivia | | x | | x |
| Brazil | | | x | |
| Chile | | | x | x |
| Colombia | | x | x | x |
| Costa Rica | | x | x | x |
| Dominican Republic | | | a | |
| Ecuador | | | x | |
| El Salvador | | | x | |
| Guatemala | | | x | |
| Guyana | x | | | |
| Honduras | x | | | |
| Jamaica | x | | | |
| Mexico | | | x | |
| Nicaragua | | x | a | a |
| Panama | | x | x | |
| Paraguay | | x | x | |
| Peru | | x | x | |
| Uruguay | x | | | |
| Venezuela | | | | x |

"a" indicates preliminary actions under way.

Source: Compiled from Reuss (see note 56).

TABLE 6.2

Reported Political Status of Land Reform as of 1967

| | | | |
|--------------------|---|-------------|---|
| Argentina | 0 | Honduras | + |
| Bolivia | d | Mexico | + |
| Brazil | + | Nicaragua | + |
| Chile | + | Panama | + |
| Colombia | d | Paraguay | + |
| Costa Rica | + | Peru | + |
| Dominican Republic | + | El Salvador | + |
| Ecuador | d | Uruguay | 0 |
| Guatemala | - | Venezuela | + |

KEY

0 : Never intended a land reform.

- : Reform efforts ideologically unacceptable to the U.S.

d : Reform efforts decaying.

+ : Continued support for reform, based on percent of the government budget dedicated to agricultural development, adequacy of agricultural plans, and progress of land reform. A cross indicates that a country continues to provide funds for agrarian reform activities, although in some cases (Brazil, Nicaragua) activity has been limited to surveys in preparation for future redistribution or colonization.

Source: Reuss (see note 56). Coded by Ana Teresa Gutierrez, Kennedy School of Government.

relatively easy path of mere redistribution of idle government-owned land."⁵⁷ Thus the 1967 reports on the current status of land reforms revealed different standards of comparison as well as different levels of support.

The same survey permits us to classify the political context of land reform. As Table 6.2 shows, twelve governments continued support for reform during the 1960-1967 period, and six never intended it, found it ideologically unacceptable, or were waning in their support for it. Political support is not the same as policy action; it is, apparently, a necessary but not a sufficient condition for it.

If action were taken as the ultimate index of commitment to reform, the United States itself would have to be classified as "policy decaying." Kennedy and his immediate associates had a strong commitment to the Alliance for Progress and the reforms it espoused, but other parts of the Executive branch had different priorities. The fact that Kennedy himself had already singled out Africa as the continent most neglected by U.S. foreign policy (which indeed it was) made it difficult for him to give the Alliance the special position in the State Department that Adolf Berle and other administrators considered necessary to overcome bureaucratic inertia.⁵⁸ The New Frontier's Agency for International Development was itself organized around macroeconomic theories of modernization rather than institutional considerations. Schlesinger, reviewing the prospects of the Alliance, concluded that bureaucrats in the State Department and economists in AID were patiently out-waiting the reformists, offering no support or attack in the expectation that the reform agenda would simply go away, allowing them to continue with their preferred approaches of protecting U.S. commercial interests and carrying out economic planning, respectively.⁵⁹

ORIGINS OF UNITED STATES LAND POLICY

The Alliance for Progress had embodied two major but counteractive elements that have characterized U.S. foreign policy since World War II: the American dream of a good society worldwide, supported and strengthened by foreign aid, and the fear that a Soviet version of that dream might dominate in its place. If the American dream of a better world projected a self-image, it was a view of the national ideal not always shared by the rest of the world, and it has been somewhat inconstant even in U.S. foreign policy. But

it was as a product of its own history that Ladejinsky, the "architect of the Japanese land reform," interpreted the U.S. role in the land reforms of Korea, Taiwan, Vietnam, the Philippines, India, Indonesia, and Nepal. He had once described his conception of democracy by quoting Senator Thomas Hart Benton: "[T]he freeholder . . . is a natural supporter of a free government, and it should be the policy of republics to multiply their freeholders, as it is the policy of monarchies to multiply tenants. . . ." ⁶⁰ Some revisionists argue incorrectly that this definition of American democracy is now obsolete, the small farm having been replaced by corporate agriculture. And it is true that the proportion of farms smaller than 100 acres has dropped 50 percent below that of the nineteenth century, while larger farms have multiplied by ten or twelve times (see Table 6.3). But the freeholder still dominates U.S. agriculture, though he is no longer a "small" farmer in classical terms. Farm corporations that have emerged in recent decades are, for the most part, family property, organized in response to tax and inheritance laws. ⁶¹ Government policy now favors those large farms for reasons of both politics and productivity. Thus in 1969 the largest and most valuable 19 percent of America's farms received 62.8 percent of the commodity benefits distributed by the government, while the smallest half of farms received only 9.1 percent. The gap between large and small farms is still widening, ⁶² as changing factor proportions are making large-scale units an economic near-necessity in this country. But the American dream still projects owner-operated farms as the dominant factor in the agricultural sector. The scale of the operations has changed and the role of the individual entrepreneurial farmer has declined, but the myth survives.

At the beginning of the federal system, the U.S. land policy was to favor small over large holders. As early as 1804, national development planners rejected proposals to sell public lands to the highest bidders on the ground that it would create a landed aristocracy. The United States instead adopted a settlement policy that would favor owner-operated farms. The policy was reaffirmed by the Homestead Act of 1862, which provided 160 acres of free land to any farmer who, after improving it, lived on it for five years, and the Carey Act of 1894, which granted one million acres of arid land to each state that contained such holdings, for development through reclamation programs. ⁶³ The reclamation acts created opportunities for settlement with assistance, which later evolved into the present pattern of a

TABLE 6.3

Proportion of Farms by Size (United States, 1880-1974)

| | <100 acres | >1000 acres | Average farm size |
|------|------------|-------------|-------------------|
| 1880 | 55.1 | 0.7 | 134 |
| 1900 | 57.5 | 0.8 | 147 |
| 1920 | 58.6 | 1.0 | 149 |
| 1940 | 58.7 | 1.6 | 175 |
| 1950 | 56.0 | 2.3 | 216 |
| 1959 | 46.2 | 3.7 | 303 |
| 1964 | 43.1 | 4.6 | 352 |
| 1969 | 40.1 | 5.5 | 389 |
| 1974 | 38.5 | 7.7 | 440 |

Sources: For 1880-1964, Charles L. Schultze, *The Distribution of Farm Subsidies: Who Gets the Benefits* (Washington: Brookings Institution, 1971), p. 10.

For 1969-1974, Max Schnepf, *Farmland Food and the Future* (Arkeny, Iowa: Soil Conservation Society of America, 1979), p. 24.

large-scale, industrialized agriculture that is highly productive but heavily dependent on public subsidies. Thus the days of the small farmer now seem part of the distant past, except for those who can supplement their agricultural income with other earnings; but the principle of owner-operated farming is still very much a part of the present.

Nor has the agrarian myth passed from the national political consciousness. Eighteenth-century America, lacking a feudal class structure—among other reasons because land was not a scarce commodity—had developed a liberal ideology that still flourishes.⁶⁴ An expansible frontier, the safety valve that made protest and revolt unnecessary,⁶⁵ symbolized a

freedom that has survived the Westward movement. Respect for institutions that could so readily tolerate dissent produced a sense of pride in small freeholdings; expanding that respect across the continent and then across the seas became a kind of divine mission.⁶⁶ Small farms and small towns are cited as causes and explanations of American freedom, since they produced a people beholden to no landlords and regulated by as little government as possible. If those agrarian institutions have changed in size as technology and the economy gave large-scale operations an advantage they had not previously enjoyed, they have continued to serve the nation well, providing a surplus of food even after there was no longer a surplus of land. Farms do not seem less free for their wealth. The United States is no longer a nation of small farmers, but its agriculture is still individualized and highly productive, and its people and its politicians find no contradiction in exporting traditional institutional ideologies to other countries where small-scale, labor-intensive agriculture is still viable.⁶⁷

LAND REFORM IN UNITED STATES FOREIGN POLICY

A succession of presidents and secretaries of state has declared the ideal in the contexts of both Democratic and Republican foreign policy:⁶⁸

We believe in the family-sized farm. That is the basis of our agriculture and has strongly influenced our form of government.

—Harry S Truman, 1950

[Ownership of land] is an example of the kind of need to which we much put our efforts. . . .

—Secretary of State Dean Acheson, 1950

[T]he U.S. has given evidence over a period of years of its interest in and support for agrarian reform movements.

—Dwight D. Eisenhower, 1960

If we support the premise that the dignity of the individual in a free society is strengthened when he acquires his own home, so must we also recognize the importance of land ownership to the man who owns the land.

—Secretary of State Christian Herter, 1960

Agrarian reform was declared to be an "important part of U.S. foreign policy" by a presidential inter-agency committee on land reform problems in 1951,⁶⁹ and Dean Acheson stated at that time that "land reform is absolutely

foremost in our whole international policy."⁷⁰ When in 1950 Poland presented the UN General Assembly with a draft resolution on agrarian reform, the United States offered amendments favoring family-sized holdings, rural cooperatives, and small-scale agribusiness ventures.⁷¹ The resolution urged that "governments institute appropriate land reform in the interests of landless, small, and medium farmers." Isidore Lubin, as the United States Representative to the Economic and Social Council of the UN, cited earlier U.S. activities on behalf of land reform, adding: "What is new is our determination to place increasing emphasis upon international programs which are designed . . . to give effect to such principles as weapons of peace. . . . We in the U.S. recognize that the attainment of peace and stability depends to a considerable degree on immediate and positive steps to correct systems of land tenure which exploit the workers of the land."⁷² In pressing FAO to provide explicit support for land tenure programs, Lubin argued that "the greatest objective of FAO cannot be achieved unless a high percentage of the world's farmers . . . owned their own land."⁷³ By encouraging land reform programs in the liberal mode, American policy makers were responding both to their hopes for democracy and their fears of communism.

United States Motives for Land Reform

Bilateral programs in support of agrarian reform in Latin America began to reach impressive dimensions and resemble those of the Far East even before the Alliance for Progress was conceived. By FY 1959, land reform programs in Latin America had received a cumulative total of \$18,125,000,⁷⁴ although official policy also attempted to discourage action against landlord rights (especially when U.S. property was involved, as in Guatemala).⁷⁵ In Latin America, as in Asia, the United States was not above insisting on land reform as part of a larger approach to development (except where U.S. property might be sacrificed) or making aid conditional on reform where it thought such tactics might tip the scales away from communism. The use of aid as leverage to reform was not yet explicitly a matter of policy in Latin America, but the makings were there.⁷⁶

The current international reputation of the United States vis-à-vis land reform is not very positive. History mistrusts declared motives, especially altruistic claims. In the case of the Alliance for Progress, once the reform

ideals were smothered in anti-communist language, their origins in the North American freeholding tradition were forgotten. The successes in Asia are explained away today as nontransferable. And the waning of the reformist aspirations of the Alliance for Progress makes it seem as though the aspirations themselves had never existed. Cynical interpretations of U.S. foreign policy have replaced the euphoria of postwar memories of the reconstructions of Germany and Japan under military government, the renaissance of Europe through the Marshall Plan, the Point Four offers to the Third World, and the short-lived New Frontier.⁷⁷ Since Vietnam, the United States seems (as one Frenchman put it to the author) not to have done anything right. Not enough remains of earlier accomplishments to give them much more than nostalgic value.

The fact is that land reform has not been a constant so much as a recurrent element in U.S. policy. The theme has reappeared during crisis periods, but it has rarely been central to the purposes of U.S. presidents. The State Department and the foreign aid agencies have perceived it differently, too, from diplomatic as well as technical standpoints; and each ambassador and aid mission director has assigned it a different role, often quite at variance with unofficial preferences in Washington. Even so, there have been periods when prevailing policy has strongly favored land reform. From Truman to Johnson there was a general hope that it might advance the prospects of an international order based on democracy and economic progress. Then came an overlapping period of concern with bipolar diplomacy, with mutual security slogans dominating the aid program and reducing the emphasis on social reform. Quite recently there was a renewed search for development programs focusing on the very poor, as heralded by "New Directions" in foreign aid in the mid-1970s. The current wave of retreat from foreign aid is a result of the economic distress of the Reagan period. But throughout these policy vagaries, a belief in private land holdings remains an article of faith. The litanies of development theory repeat the formula of U.S. successes in Asia, the hopes for South America, and the needs of Central America and Africa, where the search for appropriate agrarian institutions challenges traditional land reform practices.

LESSONS FROM UNITED STATES EXPERIENCE

Land reform has not disappeared from U.S. foreign policy even now, though its applicability to Central America is challenged by the severity of the political crisis there. Nor has it departed from the consciousness of international groups and organizations concerned with human rights, the global food problem, or the promotion of political stability among allied countries. In serving these objectives, the experience of transnationally-supported land reform, especially that of the United States in Latin America, has much to teach this generation.

First of all, even failure (like success) is almost never total. The case of Colombia is an instructive example. In 1967, the USAID mission in Bogotá rated the country's land reform a failure,⁷⁸ largely because performance did not match expectations. Even before the Alliance, Colombia had begun to respond to agrarian demands. The legislative and the administrative arrangements that came after the internationalization of land reform under the Alliance contributed to unrealistic hopes for the outcome; and the two political parties that alternated in power agreed upon land reform as a symbol of the national commitment to rural development. The U.S. role seemed benevolent to both; indeed, it probably contributed more political support to land reform than did Colombia's peasant organizations.⁷⁹ Moreover, in addition to AID, the OAS and the "Nine Wise Men" (the group responsible for coordinating international Alliance activities) were expected to improve the government's own capacity to implement social programs like land reform, especially by "forming new, more responsible, and technocratically oriented institutions to carry [them] out."⁸⁰ With so many hopeful signs, the political leadership in Colombia relaxed its own efforts to enforce land reform laws.

By 1970 the climate had changed again, and the AID mission's sharp criticism of Colombian land reform began to soften. The mission showed greater appreciation than before for the political and administrative realities that constrained early success. Commenting on previous criticism of the agrarian reform program, the AID mission stated that "progress under exis-

ting law and policy has been adequate to justify the interest and increasing financial support of the international agencies."⁸¹ The land reform agency INCORA had performed below expectations — only ten percent of land available under the law had been acquired and redistributed — but still it had reached 24,511 farm families by 1978.⁸² Apart from the benefits to those immediately affected, the experience led INCORA to improve its other agrarian services, such as land tilling and contract protection and the delivery of credit and physical inputs to other farmers. The first lesson of Colombia, and of the Alliance for Progress, is to temper expectations to reality even when large promises are necessary to get any results at all. Like revolution, reform is invariably compromised as programs begin to involve lesser actors than the original leaders and as new interests emerge to take advantage of early successes.

The land reform experience of the 1960s also demonstrated the superiority of participatory over bureaucratic and legal mechanisms for distributing and redistributing land and other benefits directly to farmers.⁸³ Not all agrarian services are improved by such administrative devolution, of course; those involving complex technology or requiring large-scale operations are better performed by government actors than through public participation; and even under the best of circumstances local organizations need some supervision and the availability of reviews or appeals to avert petty tyrannies and injustices. But the Colombian case, like that of Japan and other twentieth-century land reforms, underscores the merit of using local knowledge, local commitment, and local resources to extend the reach and to speed the execution of national programs.

United States experiences have helped define the most productive ways to introduce international actors into the politics of land reform. International conferences and multilateral organizations can reinforce political leaders in their own struggles against domestic opposition to reform, but they are no substitute for internal commitment. Embassies can occasionally prod national leaders to make symbolic gestures to meet their international obligations, but they cannot supply the political will necessary to carry them out. Links between a transnational organization and a domestic land reform agency — the Sino-U.S. Joint Commission on Rural Reconstruction and the aid mission in Taiwan provide a good example — are important ingredients of continuity and reinforcement. Like many politically appealing but contro-

versial programs that need a national commitment over a long period over time, land reform requires institutional, technological, and administrative resources that politicians, diplomats, and even international loans and grants cannot provide.⁸⁴ The Alliance for Progress displayed a wide range of financial and technical links with specialized agencies. It demonstrated the potential of international influence even on local levels of government.

Some lessons can be learned about the appropriateness of land reform as an issue in American diplomacy. To the extent that its foreign policy is aimed at achieving a favorable opinion abroad, a nation's policy of support for land reform or free elections is probably a stronger asset than the respect its weapons or economy inspires.⁸⁵ But foreign policy is not often directed primarily at the foreign public — a more common goal is to impress foreign élites, either to gain immediate concessions of some kind or to discourage actions perceived as hostile to national interests. A land reform policy could serve the first objective in countries where the national leadership uses social change to strengthen its political position, but it is rarely applicable to the second except in hopes of preempting revolution or disorder in a country in which such instability would threaten United States interests.

In addition to these two facets of U.S. foreign policy — that aimed at a general public abroad and that intended to influence political élites in friendly countries — there is the one aimed at a third constituency, the domestic public in the United States itself.

Appeal to the American heritage might inspire domestic support for a foreign policy incorporating land reform,⁸⁶ but such an appeal is likely to be transient and to arouse cynical responses from those aware of inconsistencies and tensions between promoting such reforms in some countries while resisting them in others. Given the public memories of the Alliance for Progress and the declining profitability of small family farms in the American west, land reform issues are unlikely to provide strong domestic support for a reformist U.S. foreign policy. The diplomacy of land reform is best employed, therefore, at technical levels, in friendly countries whose leadership perceives political advantage in restructuring tenurial institutions, and at times when a U.S. presence can legitimately contribute capital or technical assistance and provide political support.

If a friendly regime reluctantly agrees to land reform in order to preempt an opposition group, its resolve can easily weaken unless the

program is successfully implemented. The wisest U.S. position on land reform in such cases, too, would be to concentrate on procedures and structures. In Nationalist China, for example, land reform was introduced by technicians, not politicians;⁸⁷ yet its subsequent successes in mobilizing peasant support in the small areas where it was introduced on the Mainland led the Nationalist leaders to give high priority to the effort after the flight to Taiwan. A prospect like that of Taiwan, with a tolerant regime accepting land reform as part of an American aid package, offers a basis for optimism only where a successful outcome converts shaky domestic support to constituency backing. But for the United States, providing such support requires a style of diplomatic action that has been followed only rarely of late. Not many technicians would find land reform a feasible object of U.S. foreign policy in El Salvador in the 1980s after the disappointing results of the Alliance for Progress reforms in calmer and more idealistic days.

The primary instruments of an international diplomacy of land reform include: 1. policy declarations at the highest levels (presidential statements and Congressional resolutions in the United States, for example); 2. expressions of interest and support at international conferences, including those open to a variety of countries and not just those considered allied, dependent, or friendly (land reform offered in international conferences as a weapon in bipolar competition ignores the possibility that it can either support or threaten any regime, regardless of ideology); 3. diplomatic representations at the ambassadorial level, including offers of official support to the political leadership if it desires it (land reform is a political as well as technical undertaking); and 4. the offer of technical resources where needed to supplement local capacity to analyze land economies and institutional dimensions like marketing, credit, and provision of farm services (what land distribution did take place in Vietnam in the 1950s and the Philippines in the 1960s was heavily dependent on American technical assistance to supplement limited staff resources.).

The risks that the United States takes in advocating land reform abroad are considerable. No foreign policy is completely safe, of course, but in the case of land reform, where little benefit accrues to the United States even if it succeeds, statesmen must be keenly aware of the risk of exposing the country of charges of hypocrisy in urging it. By associating its call for land reform with an anticommunist crusade, the United States has injected polarity

into an issue that is often essentially domestic in the Third World. The American preference for independent small freeholdings does not always correspond to traditions and opportunities abroad; a policy intended to strengthen or establish cordial relations with friendly governments can instead lead to friction. Moreover, land reform sometimes encourages violence and "the eviction of tenants by landlords in the early stages of reforms to prevent expropriation, . . . [as] has happened in a large number of countries where reforms were announced but not carried through."⁸⁸ Finally, there are circumstances in which the "hard sell" itself is unwelcome, even if the policy might be acceptable. In such cases, the merest suggestion is interpreted as interference.

The U.S. desire to influence other countries is, in the last analysis, probably incurable. So long as resources exist, it will try to use them to advance its idea of a proper world order in friendly countries. Why, indeed, should it not? Both superpowers, most great powers, and even a large majority of lesser powers do the same. All countries export ideas as well as goods, and many of them support movements intended to change the structure or climate of domestic politics in other countries, through private as well as public channels. Sovereignty is not impermeable. Few countries in Latin America or Africa have been above judging their neighbors and using their good offices to "improve" the status of friendly societies. If the urge to intervene in other nations' affairs is irresistible, the proper course is not to try to refrain from advocacy, but rather to become an effective advocate.

Why is there such vigorous criticism of the U.S. effort to promote land reform, free elections, or human rights?⁸⁹ Is it because its high ideals expose the United States to the challenge of its own shortcomings? Or because it sometimes ignores these ideals when friendly powers vigorously oppose them? Or because of the simplistic nature of its efforts to promote its own political theory of democracy, or because it is feared by those it seeks to preempt? Above all, is it because United States action is so often threatening to élites or aspirants to power in other nations? No doubt all of these factors are at work. One task of diplomacy, given the near inevitability of an interfering tendency on the part of any great national foreign policy, is to neutralize these objections. The United States has taken the risk of being "a city on a hill that cannot be hid."⁹⁰ If the city itself is viable both as a symbol and as a place to live, there is no reason for it to hide.

NOTES

1. Amendment offered by Sen. Christopher J. Dodd to the fiscal 1983 foreign aid authorization request (S.2227), in *Congressional Quarterly*, vol. 40, no. 22 (29 May 1982), p. 1257.

2. Among the U.S. leaders who publicly advocated support for land reform before the Alliance for Progress are Isidore Lubin (see text at notes 72ff), President Dwight Eisenhower, Secretary of State Christian Herter, and John F. Kennedy.

3. In fact, land reform antedates the Christian era by 900 years. Plutarch writes that after Lycurgus "created" thirty senators, "his next task, and, indeed, the most hazardous he ever undertook, was the making a new division of their lands. For there was an extreme inequality amongst them, and their state was overloaded with a multitude of indigent and necessitous persons, while its whole wealth had centered upon a very few. To the end therefore, that he might expel from the state arrogance and envy, luxury and crime, and those yet more inveterate diseases of want and superfluity, he obtained of them to renounce their properties, and to consent to a new division of land, and that they should live all together on an equal footing; merit to be their only road to eminence, and the disgrace of evil and credit of worthy acts, their one measure of difference between man and man." Plutarch, *The Lives of the Noble Grecians and Romans*, translated by John Dryden and revised by Arthur Hugh Clough (New York: Modern Library, n.d.), p. 155.

4. The total amount at stake can only be estimated. The *New York Times* noted (30 January 1983) that the aid level was not clear in the language of the continuing resolution.

5. President Reagan had been required to make a similar certification on 28 January 1982 in order to release 25 million dollars in military aid and 40 million dollars in economic assistance for that year. U.S. Department of State, *Democracy and Security in the Caribbean Region*, in *Current Policy*, no. 364 (Washington: Bureau of Public Affairs, February 1982), p. 4; Carmen Diano Deere, *Agrarian Reform in Central America and U.S. Foreign Policy: El Salvador, Nicaragua*, paper prepared for Latin American Studies Association meeting, 3-6 March 1982, and to be published in Roger Burbach, ed., *Central America and U.S. Foreign Policy* (New York: Monthly Review Press, forthcoming), pp. 15, 28. Section 728 of the International Security and Development Cooperation Act requires the President to certify that the government of El Salvador is implementing essential political and economic reforms, including land reform, before U.S. aid can be appropriated.

6. *Christian Science Monitor* (28 July 1982), p. 6.

7. Collective farms, whatever their claims to equity of land holdings, are not so productive as private farms. Lester R. Brown, *U.S. and Soviet Agriculture: The Shifting Balance of Power*, *World Watch Paper* no. 51 (Washington: Worldwatch Institute, October 1982); D. Gale Johnson, *Agriculture in the Centrally Planned Economies*, *American Society of Agriculture Economics* (December 1982).

8. Don Paarlberg, Peter M. Cody, and Ronald J. Ivey, *Agrarian Reform in El Salvador*, report no. PN-AAJ-886 by Checci and Co. (Washington: presented to the Agency for International Development, December 1982); Laurence R. Simon and James C. Stephens, Jr., *El Salvador Land Reform 1980-81, Impact Audit* (Boston: Oxfam America, 1981); Deere, *supra* note 5; Roy L. Prosterman, *The Unmaking of a Land Reform*, in *The New Republic*, August 1982.

9. Deere, *supra* note 5 at p. 23, reported that the United States expected to provide 425 million dollars for the land reform program over the next five years and hoped that the international banks would help with the rest — an estimated one billion dollars, including 800 million dollars to compensate landlords. The Paarlberg (*supra* note 8 at p. 131) figures cite a May 1980 estimate by the Salvadoran government of 1.2 billion dollars of which 500 million was for compensation.

10. Deere, *supra* note 5 at p. 4; Simon and Stephens, *supra* note 8, pp. 11-16; Paarlberg, *supra* note 8, pp. 11-18.

11. Prosterman, *supra* note 8 at p. 23; Deere, *supra* note 5 at p. 10.

12. Ladejinsky gave MacArthur credit for originating the land reform on the basis of his own experience, though he himself is generally considered its principal author. Compare *From a Landlord to a Land Reformer and The Plow Outbids the Sword in Asia* (both June 1951), reprinted in Louis J. Walinsky, *Agrarian Reform as Unfinished Business* (New York: Oxford University Press for World Bank, 1977). His references to MacArthur's role appear on pp. 149 and 152. Walinsky notes (p. 5) that Ladejinsky is often described as the "chief architect" of the Japanese land reform. It is often overlooked that planning for land reform in Germany as a means of reducing Junker influence had already begun. Philip M. Raup, *Issues in the Background of the Conference*, in Kenneth H. Parsons, Raymond J. Penn, and Philip M. Raup, eds., *Land Tenure, Proceedings of the International Conference on Land Tenure and Related Problems in World Agriculture Held at Madison, Wisconsin, 1951* (Madison: University of Wisconsin Press, 1956), p. 50.

13. Source: telephone conversation with Abraham Weisblat, Agricultural Development Council, July 1982.

14. The "Acheson-Feary Memorandum" appears in full in Walinsky, *supra* note 12, pp. 569-578; it was transmitted to MacArthur as Supreme Commander and to the Secretary of State on 26 October 1945. It recommended "expropriation of all rented farmland for the benefit of the tenants, compensation to be provided to the landlords in an amount equal to the productive value of the land expropriated. (Original in all capital letters, p. 575).

15. SCAP Directive 411, *Memorandum for Imperial Japanese Government on Rural Land Reforms*, 9 December 1945, reprinted in Walinsky, *supra* note 12 at pp. 579-580. Specifically, "the Japanese Imperial Government is directed to take measures to ensure that those who till the soil shall have more equal opportunity to enjoy the fruits of their labor." It was to submit plans for transfer of ownership from absentee landlords to land operators. *Ibid.*

16. R. P. Dore, *Land Reform in Japan* (London: Oxford University Press, 1959), p. 129.
17. Both T. H. Shen and Raymond Moyer, former commissioners on the JCRR, credited Ladejinsky with this contribution and regarded it as a major element in the success of the program. See Walinsky, *supra* note 12 at p. 95.
18. John D. Montgomery, *The Populist Front in Rural Development: Or, Shall We Eliminate the Bureaucrats and Get on with the Job?*, in *Public Administration Review*, vol. 39, no. 1 (January-February 1979); and his *Allocation of Authority in Land Reform Programs: A Comparative Study of Administrative Processes and Outputs*, in *Administrative Science Quarterly*, vol. 17, no. 1 (March 1972).
19. JCRR General Report no. 1 (Taipei, May 1950), especially pp. 62-66.
20. Section 407 of PL 472; the provision was enacted on 31 March 1948.
21. Military Government Ord. no. 9, 5 October 1945, fixed rents. Ord. 52, 21 February 1946, created the "New Korea Co." to manage all rural lands. Ords. 173 and 174, 22 March 1948, initiated the "Land to the Tiller" program under the National Land Administration.
22. Albert Ravenholt, *Rural Mobilization for Modernization in South Korea*, in Howard Handelman, ed., *The Politics of Agrarian Change in Asia and Latin America* (Bloomington: Indiana University Press, 1981), p. 53.
23. Ravenholt, *supra* note 22 at p. 52; Handelman, *supra* note 22, considered the U.S. presence a substitute for peasant organizations (which did not exist) in that it freed the government from contrary pressure from landholding elites. See *ibid.*, pp. 5-7.
24. See J. P. Gittinger, *United States Policy toward Agrarian Reform in Underdeveloped Nations*, in *Land Economics*, vol. 37, no. 3 (August 1961), pp. 195-206. He considers Diem's agrarian reform "among the most important and effective measures carried out by the government in the countryside." See also his *Progress in South Viet Nam's Agrarian Reform, I and II*, in *Far Eastern Survey* (January and February 1960), pp. 1-5 and 17-21.
25. Ladejinsky's field reports in early 1955 did not treat land reform as a pressing problem. The Diem "land reforms" of January and February 1955, mostly various forms of rent control, were considered an improvement from the landlords' viewpoint, since they collected little or no rent during the war and under the Vietminh, although of course levels were well below those prevailing before the war. Ladejinsky, *Field Trip Observations in Central Viet Nam*, 2 April 1955 (Dispatch 410 of 23 May 1955), in Walinsky, *supra* note 12, at pp. 217-229. President Diem, whatever his virtues, was no land reform enthusiast in 1955. See Ladejinsky, *A Visit with President Ngo Dinh Diem*, 7 June 1955 (Dispatch 453, 15 June 1955), in Walinsky, *supra*, pp. 239-243. By 1956, Diem was "thoroughly convinced of the urgency of a measure" bringing "Land to the Tillers." Ladejinsky, *U.S. Aid for Land Reform in Viet Nam*, letter to Raymond Moyer, reprinted in Walinsky, *supra*, pp. 268-270. The U.S. foreign aid agency under John B. Hollister declined to offer financial support to land reform in Vietnam in 1956 despite urging from

Raymond Moyer of JCRR. Letter to the author from Milton J. Esman, September 1982.

26. Walinsky, *supra* note 12, p. 216. Ladejinsky did some prodding on his own. Ladejinsky, *Field Trip*, *supra* note 25, pp. 226 and 227, and *Trip in Southern Viet Nam* (Dispatch 366, 29 April 1955), in Walinsky, *supra*, pp. 229-238. See pp. 230, 234-235.

27. Ladejinsky, *Making the Pending Land Redistribution Program More Practicable*, 9 October 1956, in Walinsky, *supra* note 12, pp. 271-275.

28. Gittinger (1961), *supra* note 24 at p. 200.

29. Daniel Bell, et al., *Report of the President of the United States by the Economic Survey Mission to the Philippines* (Washington, 9 October 1950).

30. David Wurfel, *Foreign Aid and Social Reform in Economic Development, A Case Study*, in *American Political Science Review*, June 1959.

31. "Ten years ago few observers could have doubted that the American political system was legitimate and stable. Although one encountered the familiar cynicism about 'politicians' and 'politics' most Americans expressed great confidence in their political institutions and leaders. The vast majority could be described as allegiant: they felt strong attachment to their country and to its political order. In the late 1960s, however, protest, violence, disillusionment, estrangement, disloyalty, and rebellion became major themes in American politics. . . ." Jack Citrin, Herbert McClosky, J. Merrill Shanks, and Paul M. Sniderman, *Personal and Political Sources of Political Alienation*, in *British Journal of Political Science*, vol. 5 (June 1975), pp. 1-31. See also Paul M. Sniderman, *A Question of Loyalty* (Berkeley: University of California Press, 1981) and Seymour M. Lipset and William Schneider, *The Confidence Gap, Business, Labor, and Government in the Public Mind* (New York: The Free Press, 1983), especially pp. 3-7 and 13-29.

32. Jerome Levinson and Juan de Onis, *Alliance That Failed, A Critical Report on the Alliance for Progress* (Chicago: Quadrangle, 1970), pp. 56-57. President Kennedy personally telephoned José Antonio Mayobre, then the Venezuelan Ambassador to the United States, to ask for his recommendations on the Alliance. He told Mayobre that Latin American views were essential to what would be a major initiative in U.S. relations with Latin America. Mayobre then asked nine prominent Latin American economists to join him in drafting a set of recommendations. Kennedy later accepted each of the Mayobre group's main points.

33. Plans for an invasion of Cuba by exiles from Castro's revolution were a legacy from the Eisenhower administration. Kennedy probably did not know about them at the time of his famous campaign debate with Nixon (who did); when Kennedy proposed to unleash the "fighters for freedom," Nixon chided him for recklessness. One reason for the instant failure at the Bay of Pigs was Kennedy's reluctance to permit American air and naval forces to join the action. Peter Wyden, *Bay of Pigs: The Untold Story* (New York: Simon and Schuster, 1979), pp. 65-68, 193-206, 308-309, 321-322; interview with Richard Goodwin (June 1983). Kennedy did not share the later view that the best antidote to Castro was to link U.S. interests to right-wing generals in

Latin America.

34. Thomas F. Carroll, *Land Reform as an Explosive Force in Latin America*, in John J. TePaske and Sidney N. Fisher, *Explosive Forces in Latin America* (Columbus: Ohio State University Press, 1964), p. 117.

35. Daniel Green, in *To Colonize Eden: Land and Jeffersonian Democracy* (London: Gordon and Cremonesi, 1977), p. 51, writes that "what is interesting in the American situation is the way in which Jefferson's concept of an agrarian democracy based on the family farm has prevailed in American politics. This is not merely a question of farming politics being permanently tailored to suit the family farmer, though this also happened. It is a question of the influence Jeffersonian democracy has had on the whole of American democracy right up to today. In a very much larger and urbanized society the political ideal for the ordinary American is still that of 'property owning democracy.'"

36. Although the Lorenz curve is the standard measure for cross-country comparisons of land concentration, it makes no allowance for land quality or degree of landlessness. By some criteria, land ownership in the United States is only slightly less concentrated than in some Latin American countries, but the pattern of agrarian structure and land use is drastically different.

37. Simon and Stephens, *supra* note 8 at p. 50 n18, observe that the organization received financial support from AID, the State Department, ITT, Shell, Exxon, W. R. Grace, ITT, Kennecott, Anaconda, American Smelting and Refining, IBM, Koppers, Gillette, and 85 other multinational corporations.

38. Carroll, *supra* note 34, pp. 87-91.

39. Although some countries (India, 1950s; Hungary, 1930s; Colombia, 1950; Mexico, 1960; Guatemala, 1950; Japan, 1960) had data on output per unit of land on small and large farms before the Alliance for Progress, few if any such comparisons of productivity were made until the mid-1960s and early 1970s. Many of these studies are summarized in Peter Dorner, *Land Reform and Economic Development*. See also Dorner and Kanel, *The Economic Case for Land Reform: Employment, Income Distribution, and Productivity*, in Peter Dorner, ed., *Land Reform in Latin America: Issues and Cases*, Land Economics Monograph no. 3, 1971.

40. Levinson and de Onis, *supra* note 32 at pp. 32-33: "The Kennedy administration sought to place inter-American relations on a new footing and identify the United States with the forces of democratic change and social integration. The old ruling circles in Latin American countries, the five percent who owned property, and the military, on whose collaboration the United States had depended for years, could no longer be counted upon to maintain political stability and provide the conditions for inter-American amity. Only governments congenial to change could accommodate the political dissent of middle-class social revolutionaries and respond to the pressing demands of the have-nots. The old guard would have to be induced, by persuasion and the carrot-and-stick management of U.S. aid, to make room for new progressive forces."

41. Levinson and de Onis, *supra* note 32 at p. 60, suggest that the Alliance

was thought of as a way to preempt Cuban terrorism and guerrilla activity. It also notes that planners who pursued that road to stability, incidentally, were completely unaware of the "separate track" of planners working on the Bay of Pigs invasion. Evidently, communist planners have been fully aware of the risk of being preempted by land reformers, though this perception is still to be documented in the case of Cuba. It was known, for example, that when the Kuomintang began its experimental land reforms in three Chinese provinces just before the fall of the Mainland, the communists attempted to discourage the activity, warning that "whoever tries to carry out land reform outside our ranks shall be killed," JCR, supra note 19, p. 66. Similarly, the Vietminh assassinations of local officials in Vietnam in the 1950s concentrated on those who were most active in the pursuit of land reforms and other social goals (personal recollection of the author).

42. Arthur M. Schlesinger, *A Thousand Days: John F. Kennedy in the White House* (Boston: Houghton Mifflin, 1965), p. 193, suggests that Goodwin himself may have derived the idea from Latin American sources. Goodwin confirms that "the approach was in the air." Interview, June 1983.

43. Levinson and de Onis, supra note 32, pp. 50-58.

44. Quoted *ibid.*, p. 34.

45. *Ibid.*, pp. 344-345. Of the 500 million dollars, 394 million were to go to the Social Progress Trust Fund of the Inter-American Development Bank, to be used for a wide range of social programs including a few agrarian reform-based projects. SPTF, *First Annual Report, Annex 2* (Washington: IADB, 1961), p. 235, quoted *ibid.*, p. 229. But 100 million dollars were to go to the U.S. foreign aid agency for grants, and 6 million to the OAS.

46. *Ibid.*, p. 228.

47. T. W. Schultz, *Transforming Traditional Agriculture* (Chicago: University of Chicago Press, 1964), p. 111, acknowledges that farm size can affect productivity, but argues that differences in the capabilities of farmers best explain variations in the amount and rate of increase of agricultural production. *Ibid.*, pp. 16, 112.

48. Many of the ideas for the Alliance for Progress were first set forth by Latin Americans at Quitandinha in 1954; see Levinson and de Onis, supra note 32, pp. 38-42. By the end of the Punta del Este conference, where the charter for the Alliance was signed, there was strong enthusiasm and widespread agreement on the need for social reforms. *Ibid.*, p. 73.

49. Constantine Menges, *Political and Agrarian Reform in Chile, 1958-1964*, processed (Palo Alto: RAND, 1967), Chapter III, pp. 13-16; Chapter V, pp. 32-33; and Chapter VI, pp. 1-2.

50. *Ibid.*, p. 65. It should be noted that Mexico never joined the Alliance for Progress.

51. *Ibid.*, Chapter VIII.

52. Elizabeth Carter, *Findings and Implications for AID*, in *Spring Review of*

Land Reform (2-4 June 1970) (Washington: AID, 1970), pp. 2, 9, 13, 14, 16, and 26.

53. See also Hung-Chao Tai, *Land Reform and Politics, A Comparative Analysis* (Berkeley: University of California Press, 1974) and Doreen Warriner, *Land Reform in Principle and Practice* (Oxford: Clarendon Press, 1969) for further argumentation on these points.

54. Levinson and de Onis, note 32 *supra* at p. 205.

55. U.S. House of Representatives, Subcommittee on Inter-American Affairs of the Committee on Foreign Affairs, *New Directions for the 1970s: Toward a Strategy of Inter-American Development Hearings*, 91st Cong., 1st sess. (Washington: Government Printing Office, 1969), p. 699.

56. See Henry S. Reuss, *Food for Progress in Latin America*, Subcommittee on International Finance, Committee on Banking and Currency, U.S. House of Representatives (Washington: GPO, 8 February 1967), *passim*. This coding is based on AID mission reports submitted directly to the Congressional subcommittee. It is obvious on inspection that the authors entertained different beliefs about the value of land reform, its definition and the legitimacy of the Congressional request. Independent analysis shows that some countries - Colombia, for example - did redistribute some private land, though the mission report did not so indicate. On the other hand, one country (Nicaragua) had by then passed a law and even amended its constitution and undertaken cadastral surveys preparatory to distribution, but is still not listed as having redistributed land.

57. *Ibid.*

58. Levinson and de Onis, *supra* note 32, pp. 10-11; Schlesinger, *supra* note 42, pp. 764-765.

59. Schlesinger, *supra* note 42, p. 761.

60. Quoted in Ladejinsky, *Agrarian Revolution in Japan*, in *Foreign Affairs* (October 1959), quoted in Walinsky, *supra* note 12 at pp. 280-288.

61. Peter Dorner, *Technology and U.S. Agriculture*, processed (Madison: University of Wisconsin Land Tenure Conference, June 1982). See also *What's a Family Farm . . . and Who Says It's Dying*, in *Fortune* (August 1974), p. 134. Big corporations still produce less than five percent of the total output, notably in poultry, seeds, and some vegetables. John Walsh, *U.S. Agribusiness and Agricultural Trends*, in *Science*, vol. 188, no. 4188 (9 May 1975), p. 531, suggests that the figure is more like three percent. The decline of the small farmer is documented and lamented in Ingolf Vogeler, *The Myth of the Family Farm: Agribusiness Dominance of U.S. Agriculture* (Boulder: Westview Press, 1981), especially Chapters 2 and 14.

62. Schultz, note 47 *supra* at Chapter 3.

63. Harry A. Steele, *A Review of United States Policy on Agrarian Reform*, processed (Washington: USDA, Agricultural Research Service, Farm and Research Division, 1961), p. 6.

64. Louis Hartz, *The Liberal Tradition in America* (New York: Harcourt, Brace, 1955). The British entertained similar expectations for their land reform in nineteenth-century Ireland. They acquired land belonging to their own Protestant supporters and distributed it to Catholic freeholders with the expectation of converting the latter into supporters of home rule. The strategy did not work. Francis S. L. Lyons, *Ireland Since the Famine* (London: Weidenfeld and Nicolson, 1971), p. 198. Land reform enthusiasts on the continent also expected small freeholders to become political supporters. "La petite propriétaire est plus intéressée que le grand à prévenir la désordre." Benjamin Constant, *Commentaire sur l'Ouvrage de Filangieri*, vol. II (Paris, DuFart, 1824), p. 63. I am indebted to my colleague Professor Stephen T. Holmes for these comparative insights.

65. Frederick Jackson Turner, *The Significance of the Frontier in American History* (New York: Ungar, reprinted 1963): "Whenever social conditions tended to crystallize in the East, whenever capital tended to press upon labor or political restraints to impede the freedom of the mass, there was this gate of escape to the free conditions of the frontier" (p. 28). Turner also acknowledges that this Western safety valve promoted an individualistic contentious spirit that was a source of revolution. He notes that the British tried to limit the growth of the expanding frontier in order to minimize the rebellious spirit of the colonies (p. 16).

66. For prewar formulations of the "mission" as an element in U.S. foreign policy see Ralph Henry Gabriel, *The Course of American Democratic Thought* (New York: The Ronald Press Company, 2nd ed. 1956), pp. 387, 396-399, 451-452, and Vernon Louis Parrington, *Main Currents in American Thought*, Vol. 3, 1860-1920: *The Beginnings of Critical Realism in America* (New York: Harcourt, Brace, 1930), pp. 404-411. For a review of the ambivalent American role see Robert Endicott Osgood, *Ideals and Self-Interest in America's Foreign Relations* (Chicago: University of Chicago Press, 1953).

67. Samuel P. Huntington, *American Politics: The Promise of Disharmony* (Cambridge: Harvard University Press, 1981).

68. Steele, *supra* note 63, pp. 15-18.

69. Gittinger (1961), *supra* note 24, p. 196.

70. Department of State Bulletin (11 February 1952), p. 202.

71. UN General Assembly Economic and Finance Committee, 5th sess., Official Records, p. 116. See also Gittinger (1961), *supra* note 24 at p. 196.

72. U.S. Department of State, *Land Reform: A World Challenge*, Publication 4445, Economic Cooperation Services 29 (Washington: Division of Publications, Office of Public Affairs, February 1952).

73. Department of State Bulletin (17 December 1951), p. 999; Gittinger (1961), *supra* note 24 at p. 197. Probably the total claimed for land reform aid includes non-reform assistance and exaggerates the U.S. commitment, but what is significant is that American policymakers found it useful to claim massive support for Latin American reforms.

74. Steele, *supra* note 63, p. 18.

75. John Strasma, *The United States and Agrarian Reform in Peru*, in Daniel A. Sharp, ed., *U.S. Foreign Policy and Peru* (Austin: University of Texas Press, 1961), pp. 157-162.

76. Sweden, too, has attempted to use aid as a leverage on behalf of land reform without much success. It told Ethiopia it would discontinue all aid unless the government passed a land reform law; but it had to back down when the proposal encountered political resistance, no other donor supported Sweden, and even the experts were sure that land reform would benefit the public. See John M. Cohen, Chapter Eight of this book; Princeton Lyman, *The Use of Analysis at the Project Level*, in Amy G. Mann and Jan Miracle, eds., *Rural Development, The Interplay of Analysis and Action* (Bloomington: PASIRAM of University of Indiana Press, 1975), p. 48. On foreign pressures in Colombia, see Tai, *supra* note 53, pp.73-75; in the Philippines, *ibid.*, pp. 146-147.

77. See Lipset, *supra* note 31.

78. Reuss, *supra* note 56, pp. 79-90, especially pp. 81 and 82.

79. Handelman, *supra* note 22 at p. 1.

80. Thomas G. Sanders, *Food Policy and Decisionmaking in Colombia*, in Handelman, *supra* note 22 at p. 100.

81. Critique by USAID/Colombia of Herman Felstenhausen, *Agrarian Reform and Development in Colombia*, paper prepared for AID, Spring Review on Land Reform (Madison: University of Wisconsin Land Tenure Center, June 1970).

82. Gloria Ospina, *Policy Implementation in Developing Countries: The Colombian Agrarian Reform Law of 1961, a Case Study in the Politics of Reform*, unpublished Ph.D. thesis (Washington: Georgetown University, 1981).

83. Montgomery (1972) and (1979), *supra* note 18.

84. In a letter (23 September 1982) to the author, Thomas F. Carroll notes that while national commitment is necessary for reform, it is important to "consider that true reform may be delayed by the external legitimacy conferred on governments for undertaking token measures."

85. Theodore Paul Wright, Jr., *U.S. Support to Free Elections Abroad* (New York: Public Affairs Press, 1964).

86. Steele, *supra* note 63 at p. 6.

87. John W. Brewster, *Traditional Social Structures as Barriers*, in Herman South and Bruce Johnston, eds., *Agricultural Development and Economic Growth* (Ithaca: Cornell University Press, 1967). On p. 31, he notes that the Nationalist Chinese leaders perceived a need for social reform in Taiwan, particularly after the loss of the Mainland to the communists. Those who ac-

tually introduced the reforms, however, were technicians and civil servants, 100,000 of whom had emigrated from the mainland and considered themselves able "to perceive the felt wants of peasants and others on Taiwan."

88. Thomas F. Carroll, *supra* note 84.

89. A Wall Street Journal editorial (6 February 1981, p. 20), for example, indicates that there are both liberal and conservative critics of land reform in El Salvador. Liberals, such as Lawrence Simon of Oxfam America, argue that the reform has been imposed too quickly and that 55 to 60 percent of the rural poor will remain landless. More conservative critics claim that the program will hurt productivity as well as being a dangerous precedent for U.S. intervention in other troubled countries. Few avowed opponents of the reform, however, are to be found in the U.S. Congress.

90. Matthew 5:14.

7

International Influences on Land Reform in Africa

John W. Harbeson

International actors have played an important, sometimes decisive role in African land reforms. They have exerted influence at different periods in the modern history of the continent: during the late colonial years following World War II, during decolonization and transfers of power, and after independence. Recently international donors have sought to persuade African governments to modify land reforms that have been in place for some years.

The character of international participation in African land reform processes has varied substantially from case to case, from direct involvement in design and implementation to more indirect ideological influences. Sometimes international actors have focused on land reform as a means of affecting the whole course of development in a state, while in other cases donor agencies have sought redirection of land reform processes ostensibly in the country's interest by bringing its agrarian policies into line with approaches considered orthodox in international development circles. While donors often have relied on persuasion to achieve their ends, at times they have come close to making continued financial assistance contingent on reform.

After preliminary and general comments on the African agrarian context, this chapter examines the course and reflects on the consequences of international participation in African land reform in five south and east African cases: land consolidation and registration in pre-independence Kenya; land transfer and resettlement in Kenya after independence; land reform in revolutionary Ethiopia; Ujamaa villagization in Tanzania; and land transfer and resettlement in Zimbabwe. The circumstances and goals of land reform have differed in each case, as have the objectives, means, and consequences of international influence.

Analyses of rural Africa continue frequently to begin with the misleading generalization that traditional African land tenure systems are "communal." In reality, African land tenure patterns and practices vary greatly and seldom fall at either end of the communal-individualistic spectrum; all one can say is that in many cases peasant households have control short of ownership over the land they work; their obligations to the community are considerable but do not interfere materially with their own quest for survival and economic advancement. Moreover, as Paul Bohannon cautioned over twenty years ago, Africans – even those who seem to have responded most positively to Western influences, like the Ibo of Nigeria and the Kikuyu of Kenya – often have different views of land tenure relations than do Europeans.¹ It is therefore wrong to think of all land reforms as accepting or rejecting the ideological predilections of one side or another in the cold war. An assessment of international influence on land reform in Africa must take into account the imposition of alien agrarian forms both during and after colonial rule.

Many of the major African land reforms have occurred in eastern and southern Africa, where the influence of European colonists has been important. With the exception of the Ethiopian reform, the cases studied here have involved African governments coming to terms not only with secular processes of development that have affected traditional societies but also with the issue of continued European occupation of rural land. The international influences on land reform have therefore emanated not only from donor agencies and governments but from economically significant non-African communities.

Both the continued importance and the persistent weakness of agriculture in Africa are important to an analysis of agrarian reforms. While diminishing as a component of the continent's gross product from nearly 50 percent in 1960 to about 32 percent in 1980, agriculture still provides employment for over 70 percent of the workforce.² Agricultural exports have declined, as has per capita food production (-1.4 percent in the 1970s). Yields of most crops have grown more slowly than in other developing areas or have even declined; the major exception is tea. Conversely, agricultural

imports have increased more rapidly or declined more slowly than elsewhere. Increased acreages have not compensated for inefficient production. A consequence is that caloric intake in Africa remains substandard and below that of other groups of LDCs.

The weakness of agriculture in recent years has coincided with continent- and world-wide economic stagnation. Reflecting in part strong population growth rates, per capita GNPs of African nations increased by only 1.6 percent during the 1960s.³ These countries have incurred a relatively small portion of the total LDC indebtedness, but debt ratios in many small have increased rapidly. International interest in agrarian reforms in Africa today derives from a larger concern that African economies must survive in a less-than-buoyant international economy. The course of agrarian reforms may thus be strongly influenced by differences between African governments and donor agencies over what macro-level adjustments are appropriate to improve economic performance. A commonly investigated issue is the desirability of investing more heavily in small producers, who are theoretically the beneficiaries of most land reforms, and who are moreover among the most efficient and productive users of resources. The implicit issue is which policies – those of African governments or those advocated by international agencies – best serve the interests of smallholders and the economies that depend on them.

There are six issues crucial to analysis of international influence on land reform:

1. Timing of the reform, i.e., whether it occurred during the colonial period, transition of power, or post-colonial period;
2. Whom the reform best served – the supposed beneficiaries, local élites, expatriate communities, or overseas investors;
3. The concept of development governing actions of international actors;
4. The institutional focus of international influence, for example, whether foreign actors worked with the specific agencies charged with undertaking reform on a national or local level, or whether their emphasis was on the political and legal framework itself;
5. How influence was exerted, e.g., through technical assistance or supply of resources, pressure on local élites, or direct participation in the formulation and execution of the reform; and

6. The impact of influence – whether, to what extent, and how the direction of reform was affected by international participation.

International influence in the land reform programs considered here represent many different alternatives. Initial influence on consolidation and registration in Kenya occurred prior to independence, during the transfer of power in resettlement efforts in Zimbabwe and Kenya, and after independence in the cases of villagization in Tanzania and post-revolutionary reform in Ethiopia. The interests of European settlers were very important in the design of both Kenyan land reforms and in the Zimbabwe resettlement program. European settlers and the colonial administration in Kenya sought land reforms to deflect the advance of nationalism, while the apparent motives of international donors have varied. The channels through which outside actors have worked have differed, too – regular government ministries in the cases of Kenya's consolidation and registration and Zimbabwean resettlement, quasi-autonomous agencies in Kenya's land resettlement, a department of the Ministry of Agriculture in Ethiopia, and policy making élites in Tanzania. Expatriate officials participated directly in the implementation of both Kenyan reforms and in the early stages of the Zimbabwe resettlement but were much less crucial in Ethiopia and Tanzania. Finally, the character and timing of land reform might well have been much different in Kenya had European interests been less influential; agricultural reform in Tanzania may well change course because of international pressure for structural adjustment; in Zimbabwe, the peaceful transfer of economic and political power depended largely on international participation; and the pace if not the direction of reforms in Ethiopia may be affected by the exertions of international donors.

Confirmation of Freehold: Land Consolidation and Registration in Kenya

Denied early in the colonial era of their objective of political preeminence, European settlers set about with considerable success to demonstrate their indispensability to Kenya's economic development.⁴ Not until the Emergency in 1952 did moderate settlers and the colonial administration consider long-standing recommendations by agriculturalists to

stabilize land tenure in the areas then reserved for African cultivators.⁵ At that time the authorities took advantage of nationalist leaders' preoccupation with the insurgency to introduce land consolidation and registration in the Kikuyu districts.⁶

Traditional Kikuyu land tenure rules allowed individuals to inherit a number of often widely separated fragments, none of which individually was a viable property. In the consolidation campaign, farmers exchanged parcels of comparable worth in order to create profitable smallholdings. It was assumed that plots of about four hectares were the smallest compatible with efficient production. The process was carried out through elaborate and prolonged consultation with individuals and communities. After consolidation, farmers were offered freehold title to their new holdings.⁷ New legislation limited the subdivision of land, undertook to promote security and regulate rents, established boards to review sales of land in the interests of the poorer farmers, and established decentralized procedures to regulate and adjudicate land matters.

A premise of the consolidation movement was that the traditional system had evolved to the point that traditional land rights were very similar to those embodied in the English freehold system. Care was taken not to force an alien set of rules upon the Kikuyu.⁸ Despite this caution, one of the three principal districts had to be redone in 1961. Participation was open to everyone in the Kikuyu districts, the expectation being that without the interference of nationalist politicians, people would not resist such an attractive reform proposition. But although a major purpose may have been to isolate nationalist politicians, no specific political obligations attached to the award of freehold tenure.

The freehold titles did not restrict sale, though some effort was made to restrict future subdivision by inheritance. Individuals were free to use the land as they chose. They were encouraged to grow cash crops, to follow prescribed land use rules for the sake of productivity and soil conservation, and to participate in cooperatives but were not required to do so. Some have argued that it was the lifting of restrictions on African growth of coffee, not the reform per se, that resulted in increased production. Leys⁹ argues that freehold tenure was less sought by the Kikuyu and more imposed by the colonial administration to further its overall political strategy – to create a conservative native smallholder class supportive of a majority-rule alterna-

tive to independence.¹⁰ One might consider the alternative argument that security of tenure was the primary issue for most native cultivators, the legal form of that security being only of secondary concern.

Though the basis for establishing secure individual tenure as the foundation of rural development continued to be the policy of the Kenyatta and Moi governments, the original model has been much altered by political and economic developments after independence. The political élites against whom the land reform was directed acquired large rural land holdings, thus consolidating their political and economic power once again, and lands remaining in the possession of small producers were further subdivided; so within a few years after independence the government abolished legislation calling for consolidation and no longer seeks to maintain minimum size requirements. Successions to and transfers of lands often remain unrecorded.¹¹ Meanwhile, Kenya's population growth rate has approached 4.8 percent per year, further encouraging subdivision of high-potential lands, unregulated intrarural migration, and overcultivation of ecologically fragile holdings.

While consolidation and registration may have provided a basis for post-independence economic development, the reforms were built on shifting political sands. Since the program had been conceived and begun when African political activities were formally suspended, the framers underestimated the strength of nationalist leaders. If Kikuyu land tenure had come in fact to resemble the English system, the reforms presumed greater Kikuyu acceptance of "modern" statutory law and bureaucratic regulation than was really the case. Despite Kenya's openness to Western investment and concepts of political economy, the post-independence experience illustrates how limited are powers of foreign interests to remake in their own image the fundamental contours of a native society.

Land Resettlement in Kenya: From Landlessness to Eventual Freehold

The 1960 decision by the British to grant Kenya independence under majority rule within three to four years surprised Africans and Europeans alike, coming as it did just as the Emergency was about to end. At that time, European parties were at their zenith in organization and influence, and African parties, banned from national politics during the Emergency, had barely begun to reorganize. The colonial secretary, Iain MacLeod, stated his

belief that cooperation of moderate European parties was essential to a smooth transfer of power.¹² The moderates used their influence to obtain a resettlement program as a price for their acquiescence. More conservative European parties expressed their views through the actions of the European farmers upon whom the rural economy still was thought to depend and who threatened to abandon their farms immediately unless more comprehensive resettlement schemes were enacted.¹³ The schemes were initiated over African objections while the colonial government still held sway. The British denied leadership roles to individuals such as Oginga Odinga who did not accept the terms of resettlement, e.g., individual tenure and payment by Africans for the land as well as for the means to develop it. Land prices were set at 1959 levels, to the considerable advantage of the departing Europeans. Initially, the farms were to be transferred in large blocks to experienced African cultivators, but under the European threats of abandonment, farms were divided into much smaller units, with the landless and the unemployed as the principal beneficiaries. Though recovery of these lands, which the Africans felt had been stolen from them, was one of the central objectives of African nationalism in Kenya, the issue of land transfer finally became a European one. Resettlement, like the earlier consolidation and registration, served to preempt issues of nationalism.

Post-independence implementation of development programs reflected international influence on the preceding transfer of land and political power. While the government still undertakes resettlement efforts on a smaller scale whenever pressures from the landless begin to build, it considered the substantial debt incurred under the initial million-acre scheme to be an unwanted and anomalous legacy of the colonial era. Kenya undertook to get rid of this debt as quickly as possible so that resources could be freed for rural programs of its own devising—which turned out to be the resumption of consolidation and registration, just as the colonial administration and the moderate European settlers had hoped.

The new government's wish to liquidate the debt was a prime factor underlying its heavy regulation of the programs, the general effect of which was to slow the progress towards freehold tenure among the new settlers. The 330,000 families settling on small plots became in effect tenants of the state, receiving letters of allotment that made freehold status contingent on repayment of land and development loans and observance of recommended

farming procedures and government regulations. The plots could not be subdivided, transferred, or encumbered without consent of the government. Settlers were required to be domiciliaries of their plots, though it appears that many held land or jobs elsewhere — freedom fighters, the landless, and the unemployed participated in the program but were by no means the only beneficiaries. The poor had difficulty repaying the loans, whose terms largely ignored the possibility of natural disasters, payment delays, excessive plowing charges by private firms, and participation through cooperatives in purchasing capital equipment left behind by the colonials. Settlers had only limited due process in adjudication of disputes concerning the terms of loans.

Cooperatives were established to give a semblance of local autonomy to the settlers, but membership became compulsory. These organizations were obligated to purchase the equipment left behind by the Europeans, despite objections of the Department of Cooperative Development, which objected to the magnitude of the obligations. There was little room for real self-government under the increasingly strict cooperative legislation; the government was eager to protect its financial position, and it also pointed to the prevalence of "corruption"—a term that included not only criminal misbehavior, but also protests against the terms of tenure and against the inability of settlers to emphasize their own perceived development priorities, such as schools and clinics. Settlers held cooperative leaders responsible for marketing and payment delays (which were often beyond their control), motivating them to sell outside the cooperatives and thus escape deductions for outstanding land and development loans. Heavy regulation without a corresponding efficiency of administration diminished the settlers' participation in developing schemes nominally created for their benefit.

The politics of the transfer of power was the focus of international attention to the development process, and the new government began soon after independence to Kenyanize the program. Elaborate arrangements were made during the actual transition to give control of land transfers, the settlement program, and the land itself to quasi-autonomous bodies outside the direct control of the Kenyatta government; these restrictions were constitutionally dismantled along with the whole structure of federalism and separation of powers left by the colonial administration. The politics of the new government may well have surprised the departees; rather than nationalizing land and evicting remaining Europeans, the leaders of the Kenyatta

regime proceeded to buy land with some gusto. Western investment was still welcomed, especially that in which political leaders and civil servants participated. Members of the new élite used their political and economic power to solidify large private holdings; they invested in urban-based companies that bought land in areas adjacent to regions of high population density. Meanwhile, settlers themselves illegally sold land, often to the politically powerful, to escape debt burdens. As pressures of landlessness have arisen, the government has instituted further schemes often designed to provide bare subsistence needs rather than to increase standards of living.

International participation may have encouraged the government to return to consolidation and registration as a basis for development, but it also seems to have prolonged the process of decolonization of the Kenyan economy. The settlement schemes preempted anticipated land nationalization and temporarily removed the worst pressures of landlessness. The issue before the new government was whether to undo the resettlement and consolidation programs or else to participate in them. It chose the latter course, but land redistribution since independence has been private and individual rather than public and collective, and the relation between land possession and political power has become closer. Creation of a public agenda for rural development has been jeopardized by this reverse land reform; and it is possible though not provable that international participation in Kenyan land reform before independence is an important cause for the prolonged post-independence decolonization and consequent delay in the addressing of crucial rural development issues.

Land Redistribution in Zimbabwe: Transition to Rural Socialism?

As in Kenya, resettlement was a crucial ingredient in the transfer of power in 1980 from the white minority government to the independent regime. The new government has undertaken a vast program to transfer several million acres to more than 160,000 rural families, a scheme much larger than its Kenyan counterpart. The Mugabe administration has made clear that some form of socialism is its ultimate objective, but the definition of Zimbabwean socialism has not been clearly formulated, and the government has indicated that it will not institute such socialism until the people are ready for it.¹⁴ Meanwhile, settlers hold permits to occupy their plots

that convey even less security than those awarded the Kenyan smallholders.

The similarities in the nature and circumstances of the Zimbabwe and Kenyan resettlement schemes allow for a comparison of the international participations in them. The element of surprise in Kenya's propulsion to independence was absent in the case of Zimbabwe, where independence was achieved on the basis of lengthy negotiations in London. As in Kenya, settlement schemes were a price for European acquiescence in the transition to majority rule. Whereas the African political parties in Kenya were weak at the time of independence, those in Zimbabwe had become seasoned after long years of military struggle for independence; however, within a year, the fragile alliance between the two main Zimbabwean parties broke down. There was no moderate European party in Zimbabwe as there had been in Kenya that would be a buffer between African and European agrarian and political interests. Many Europeans had abandoned their farms well before independence because of the fighting, and no official resettlement took place in anticipation of the change; in fact, three years afterwards, resettlement is occurring primarily on land abandoned before independence.

In Zimbabwe, therefore, resettlement of Africans on land formerly held by Europeans has been on African terms. Noteworthy is the fact that settlers have not been obligated to pay for the land, for British funding for the program included the cost of land purchase (at war-depressed 1976 prices) as well as many of the development costs for which Kenyan settlers had been responsible. Plots have been allocated on the basis of what would be required for a farmer to earn the minimum wage, well above the allotment of the Kenyan farmers. Settlers are to be given access to schools, clinics, roads, and water supplies and thus will not be subject to many of the concerns that beset their Kenyan counterparts. Cooperatives have been formed, but there is little or no pressure on them to acquire any capital equipment abandoned by European farmers.

Initially planned for 18,000 families on about 1.1 million hectares, the program has been expanded to accommodate nearly nine times the original number of families. Where Kenya followed the million-acre scheme with quick piecemeal resettlement efforts, Zimbabwe has planned for a large program from the outset, and resettlement appears likely to be at the heart of Zimbabwe's development effort for the foreseeable future. The Mugabe government, unlike that of post-independence Kenya, seems to have resisted

a notion put forth by at least one prominent external donor that resettlement is a costly political necessity but inappropriate as the centerpiece of a rural development strategy.¹⁵

The subjects of the reform were chosen from overcrowded communal areas (formerly called "tribal trust lands"). Though they were not required to be landless or unemployed at the time of settlement, they were expected to surrender any interests in land they enjoyed in their former communal areas. The first schemes have been concentrated in the eastern portion of the country, including most of the Shona communities, partly because of the pressure of landless former freedom fighters surging across the border from exile in Mozambique, but also due to the refusal of people in the west, many of them Matabele, to participate in the program, perhaps as a manifestation of the continuing power struggle between Joshua Nkomo's party, strong in the west, and the Mugabe government.

As in Kenya, the settlers are tenants of the state; they have been granted permits to reside on, cultivate, and graze livestock on the lands. They are obligated to abide by all government regulations on the threat of dismissal without recourse from the program. There is no security of tenure, but settlers are liable for taxes, adherence to destocking orders, and other costs of participation. Women seem not to have the right to acquire these tenancies in their own name; the settlers have no guaranteed right to sell or encumber the land or to bequeath it to their offspring; even the dimensions of the plots may be changed without the settlers' consent if the government feels this becomes necessary.

The immediate governance of the schemes has rested with settlement officers. The settlers have elected committees to serve as an advisory board for each of the settlement officers—more democracy than was ever proposed for the Kenya program. Real authority rests with the Ministry, which has to date relied on pre-independence legislation vesting the state with control of all African land; thus, lands "purchased" by the government are not transferred but rather revert to it. As of mid-1983, the basic institutional framework for rural development has been the same as the pre-independence one, though working control over land allocation and adjudication of disputes at the local level has been given to elected local councils. The Mugabe government has only recently begun to restructure the old legislation and institutions. Because Kenya had been absorbed with dismantling traditional

constitutional measures, and Zimbabwe's focus has been on a systematic overhaul of the bureaucratic structure, Mugabe's efforts may result in a more radical institutional restructuring.

Not only do the terms of tenure and the importance assigned the entire effort in the Zimbabwe and Kenyan cases differ, but also the goals of the rural development both inside and outside the schemes. The Mugabe regime has stated its socialist intent, and one early manifestation is the insistence that settlers live in villages for administrative efficiency and economies in delivery of services, as well as to establish a basis for a rural structure compatible with socialism. Although Kenya had also proclaimed a form of African socialism, there were few manifestations in the structure of its rural economy.

Despite similarities in the timing and structure of the Kenyan and Zimbabwe resettlement programs, differences in the form and purposes of international participation may have had a bearing on the two programs. The Mugabe government had a greater opportunity to shape the original form of the Zimbabwe post-independence program than had the Kenyatta regime in Kenya. While the program's existence was necessary for agreement on the transfer of power at Lancaster House, international participation did not extend to drafting a rural development strategy that assumed resettlement to be a temporary measure. The terms and conditions of transfer were less favorable to European settlers than had been the case in Kenya; and post-independence land control by outside forces was minimized in Zimbabwe. While international involvement in programs in both countries addressed the politics of decolonization, it jeopardized the future far less in Zimbabwe.

Smallholder Villagization in Tanzania

Villagization in Tanzania embodied Julius Nyerere's concepts of African socialism and self-reliance. The government confirmed its colonial predecessor's policy of preventing the evolution of private freehold tenure.¹⁶ To foster Ujamaa ("unity" in Swahili), Nyerere sought to relocate dispersed households into villages where "traditional" patterns of cooperation could flourish as he believed they had in pre-colonial times, and where rural class stratification could be prevented. Villagization was seen as a means to introduce economies of scale in the use of skilled personnel and in dispensa-

tion of social services as well as to facilitate political mobilization. There was in fact a conflict at the local level between the self-reliance advocated by Nyerere and the government and party regulation that ensued.¹⁷ Poorer areas responded more positively to the campaign than did wealthier ones, and there was local variation in the level of acceptance.

The process took place in phases: first, movement to villages, after which settlers were permitted private cultivation; next, the creation of collective plots within the villages, to which all were expected to devote a certain attention. The second phase proved time-consuming and difficult to administer, in part because of settler reluctance, so that by the early 1970s, several years after the Arusha declaration proclaiming the policy, only about ten percent of the villages and fifteen percent of the rural areas were collectivized.¹⁸ Those who had acquired private land had to be won over and not forced into the new system.¹⁹ Like Mugabe, Nyerere pledged not to achieve socialism by compulsion; but there was indeed considerable compulsory villagization in the early 1970s when the government became impatient with the slow pace of progress.

Tanzania enjoyed considerable international donor support for its rural development experiment, partly because of the new emphasis in international development circles on extending economic opportunity to the poor majority, something that Nyerere manifestly sought to do through the Ujamaa programs. During the 1980s Tanzania has been subjected to intense pressure from the World Bank, the International Monetary Fund, and some bilateral donors to restructure its rural development strategy. Like other African countries, it has shown slow progress, notably in agriculture and in both exports and per capita food production. Public enterprises, or parastatals, created to provide agricultural services to villages, have fallen into precarious financial circumstances because of undercapitalization, transport costs, and non-competitive producer prices. Unofficial trading outside parastatal channels has reached large proportions. Domestic food distribution has suffered because of inadequate investment in roads and vehicles. Diminished exports have produced a serious foreign exchange imbalance, resulting in an inability to acquire spare parts for machinery.

The most important international participation in Tanzanian land reform occurred well after the inception of villagization and the other policies articulated in the Arusha declaration of 1967. The World Bank and the IMF

have come close to making further assistance contingent on structural adjustments – higher prices for smallholder agricultural producers, reduced roles or winding up of agricultural parastatals and increased reliance on the private sector, terminated or reduced food subsidies for urban areas, and sharp devaluation of the shilling. The government itself has recognized the need for such structural adjustment. After nearly two years of consideration, it adopted a new agricultural policy in April 1983 that re-established cooperative unions, thereby severely reducing the role of the parastatals, raised producer prices, loosened restrictions on local commodities trading, and recognized the need to restrict food subsidies; it also proposed to strengthen land tenure security and to establish a system whereby public and private enterprises would bid for export crops. Furthermore, the shilling has been devalued to approximately 50 percent of its 1980 rate.

Perhaps more significant than the new policy itself is the emergence of an important policy debate in the upper levels of the Tanzanian government. Senior civil servants and some ministers have now become convinced that Ujamaa should be put on a more scientific and effective footing. The impact on these deliberations of international pressure for structural readjustment cannot yet be assessed, but two major questions have emerged: To what degree will intervention by international donors based on general rather than country-specific economic tenets disrupt rather than strengthen development processes by undermining projects already under way? Will dialogue under compulsion with international donors short-circuit the procedures for policy review and amendment, leaving little maneuvering room for those who advocate change?

Revolutionary Land Reform in Ethiopia

Land reform has been central to the Ethiopian revolution since its beginning in 1974. The Mengistu government sought to politicize the peasantry and to acquire the political legitimacy it needed in its struggle with separatist groups bent on terminating the expanded empire established in the late nineteenth and early twentieth centuries.²⁰ The generally warm welcome given at the grass roots level for the reform has not automatically lent legitimacy to the regime or produced support for government-sponsored marketing programs or fully collectivized producer cooperatives.

In prerevolutionary Ethiopia, land tenure patterns were exceedingly complex and varied but may be categorized roughly into kinship, village, private, or government tenure. Much of the private ownership occurred in the southern portions of the country, brought into the empire by Haile Selassie's predecessor Menelik II; it originated as gifts to conquering soldiers and collaborating élites. Kinship tenure, known as *rist* in Ethiopia, is characteristic of the northwestern quarter of the country, the original pre-expansion nation. The *rist* areas were divided into many units, each originally established by a founding settler. The Amhara ambilineal inheritance system enables claims of land through both maternal and paternal family lines.²¹ The welter of complex and competing claims to land were resolved by well-established local processes that measured both the strength of the claims and the status of the claimants. Generally *ristegna* (*rist* holders) enjoyed usufructuary claims to land, but a system of *gult* holders, who had been given sometimes hereditary grants by the crown to receive tribute from *rist* lands, was superimposed. Village tenure, characteristic of parts of Tigre and Eritrea in the north, was based on residence rather than kinship. Land was periodically redistributed by village elders to correct for migration. Holders in village tenure enjoyed usufruct and were not able to transfer or bequeath their holdings. Government land, on much of which pastoral communities roamed, made up the remainder. In cases in which this land was awarded to individuals, usually soldiers or government employees in lieu of salary, the government retained the residual right to dispose of the land.

On the eve of the revolution, Ethiopian land tenure was characterized by inequalities such as both hyperconcentration and fragmentation of holdings, absentee ownership, and insecurity of tenancy. Over much of the realm land tenure systems reflected the alienation of traditional patrimonies as a result of imperial conquests.

One of the principal objectives of the military regime has been rural land reform. Proclamation 31 of 1975 abolished all private ownership, without compensation. Peasant associations were to be created, with the responsibility of distributing land on a usufructuary basis to communities of about 100 families. None but the old and infirm were to be permitted to hire farm workers; and no plot was to exceed ten hectares, though in practice considerable inequalities have arisen because of differences in peasant associations and in family size. The proclamation established priorities for

the distribution of land (and curiously enough, former landlords were to share first priority along with their former tenants, and ahead of those whom they may have evicted!); organizations such as religious groups were authorized to receive land, but were given the last priority. All payments to former landlords were to cease immediately, and landlords were expected to parcel out some of their oxen to the former tenants.

Under the reform, peasant associations assumed great responsibilities. In addition to allocating land, they were obligated to help establish cooperative societies for development, implement government directives and literacy campaigns, organize local militias, and adjudicate local land disputes. Subsequent proclamations endowed the associations with legal responsibility for such activities as education. Ministry of Land Reform officials were to assist local peasant associations in their adjudication work as well as in other areas, but the land reform ordinances clearly implied that local knowledge would be the basis for decisions on such matters as boundaries. After confirming the legal status of associations, the regime acted to qualify the delegation of responsibility by acting through the hierarchy of district and regional peasant associations to impose responsibility for the recruitment of militia and implementing plans for accelerated agricultural production.²²

The rist areas of the north were treated somewhat differently from the other regions. Peasant associations in these areas were to perform the same functions as they would elsewhere, except that they were not to redistribute land. The Amhara rist system was implicitly allowed to function as it had in the past, perhaps it appeared to be relatively egalitarian or because the new regime, drawing a lesson from the experience of the former emperor, did not feel strong enough to challenge the system here.²³ However, the government has sought to restrain the use of the ambilineal inheritance system.

Other exceptions to the sweep of the proclamation included government land, where the proclamation purported to strengthen the security of tenure of the pastoralists who had used this land, and the large commercial estates, which were turned into state farms. The government needed the productive capacity of the large farms to maintain food supplies in the face of continued opposition from separatist movements in the Ogaden, Eritrea, and Tigre and earlier urban resistance to a military-led socialist government.²⁴

International donors had long called for land reform during the reign of Haile Selassie, and the World Bank and the Swedish International Develop-

ment Authority (SIDA) have continued to provide support throughout the post-revolutionary period.²⁵ As in Tanzania, international influence has become significant in the assessment of progress and practices in rural development after nearly a decade of reform. In contrast to Tanzania, the emphasis of the donors in Ethiopia has been on rephrasing rather than redirecting the reforms. There is concern over the efficiency of the state marketing agency, though the government has not attempted to monopolize produce marketing; but the main thrust of policy dialogue is on the relative importance of peasant associations, producer cooperatives, and state farms. The World Bank and the Ethiopian government have engaged in joint reviews of rural progress, and the result may not be agreement by the government to abolish state farms or to give up the goal of fully collectivized producer cooperatives, but rather a commitment to devote more resources to improving the position of the peasant associations. The state farms have almost all lost money and have absorbed a disproportionate share of resources, but they may be less necessary for meeting urban food needs as the government becomes more stable. Service cooperatives established to provide agricultural inputs and marketing for the peasant associations have been popular and show growth potential. Slowing the movement from peasant associations to producer cooperatives may give the latter time to organize while enabling the peasant associations and service cooperatives to realize their potential. The irony of revolutionary rural development supported largely by western capital may be deepened insofar as the government and the international donors can reach agreement on the needed mid-course structural adjustments.

CONCLUSION

From the foregoing cases these generalizations may be made. First, where intervention has been part of general strategies for altering or establishing a general development policy of a country, the results may in fact be counterproductive, as in the resettlement effort in Kenya. Second, where it has focused on the financing of land reforms, as in Zimbabwe and Ethiopia, intervention has contributed to progress without undermining the host governments' control of the reforms. Third, ideological differences between host countries and international donors may (Tanzania) or may not (Ethiopia) be an obstacle to cooperation in financing and implementing rural

land reforms. Finally, it is important that intervention in the later stages of reform programs (for example, those in Tanzania and Ethiopia) occur in such a fashion that processes of institution-building and rural development that are already under way will be strengthened rather than undermined by the policy inputs of international donors.

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8

Foreign Involvement in Land Tenure Reform: The Case of Ethiopia

John M. Cohen

ETHIOPIA AS A CASE STUDY

Over the past two decades there has been extensive foreign involvement in the formulation of Ethiopia's land tenure policies and in the drafting of reform legislation. It has occurred through a complex combination of direct and indirect processes involving a wide range of forces and channels, both in Ethiopia and abroad. Specifically, foreign influence has occurred through embassy discussions, aid mission programs, technical assistance, commercial investments, university training and research, foundation grants, interventions of voluntary organizations and religious institutions, and international labor union activity. These actors worked to shape land tenure policy through many channels, including provision of experts and technical information, funding of education and specialized training programs, research support, insistence on conditions precedent to foreign aid, bribery by agribusiness firms, media statements, and support of subversion by radical reform movements.

The purpose of this chapter is to describe and analyze these actors and channels, particularly because there has not been a detailed case study in the comparative literature on land tenure that documents such a wide range of foreign interventions. But first we must take a brief look at Ethiopia's development history and its complexities.

In 1960 Ethiopia was one of Africa's most underdeveloped countries, despite adequate land mass, generally fertile soils, sufficient rainfall, variety in climate and elevation, and a hardworking peasantry.¹ Following the attempted coup in that year, the government proclaimed its commitment to

economic development and progressive institutional change.²

Initial efforts were aimed at stimulating large commercial farms and export crops. However, a policy argument that the key to agricultural progress lay in stimulating the vast peasant sector gradually emerged. It was also recognized that efforts to promote peasant production would have great difficulty overcoming constraints generated by the complex interrelationship of land tenure, economic interest, and political power.³ In particular, smallholder strategies were unlikely to succeed without land reform, and such reforms would constitute a substantial threat to the élites who dominated Ethiopian society.

This view should have developed earlier in formal policy papers, for it was clear at the time of the 1960 coup attempt that land reform was essential to the nation's development. Indeed, shortly after the coup, Emperor Haile Selassie's principal foreign advisor Donald E. Paradis urged him to promote land reform and economic development, to delegate authority, and to permit ministers to originate and execute programs.⁴ At this time, however, Paradis did not make clear what he meant by land reform or whether the aims of such reform included the promotion of social equity or merely involved increasing production. The absence of explicit goals led both to unrealistic expectations and to fears in different sectors of society, all of which hampered moderate efforts.

By 1973, the government officially acknowledged that it must promote smallholder agriculture. Early drafts of the fourth Five Year Plan had focused on the peasant sector for stimulating production and growth.⁵ Such a strategy was possible because an increasingly competent network of development-oriented ministries was established, many of which were expanding their provincial and district field offices with technical staff.⁶ However, during the twelve years it took to accept the draft plan strategy and to build the development capacity of the government, no real progress was made in land tenure reform; the agricultural sector continued largely stagnant; economic conditions generally worsened; and opposition to imperial policies grew stronger.⁷ Hence, when the revolution began, the relationship among agriculture, land tenure, and development remained much the same as it had been in 1961.

It is odd that this should have been true, for during the 1961-1974 period much knowledge about the rural sector was generated.⁸ Special

missions and consultants provided by international donors and agencies offered strategies for increasing agricultural production, promoting progressive land tenure reform, and stimulating rural development. In addition, donors called—at times strongly—upon the government to undertake reform; but the donors appear not to have offered the government sufficient financial backing to carry them out. Why the work product of missions, consultancies, and technical advisors and the pressures of the donors themselves had so little influence, and why the donors did not back their calls for reform with serious offers of financial aid, is the focus of the first part of the chapter.

The second part studies foreign influence on land reform policies since the revolution. It argues that the 1975 law represents a substantial break from the reform strategies that Western advisors and academics had hoped to formulate with the help of the Emperor's civil service, but that Ethiopia's new leaders have not consistently followed the advice of the Eastern bloc either; they may be following a Soviet political line, but they have charted their own land reform course.

The lack of sustained Western influence before the revolution and Eastern influence afterwards raises questions about the efficacy of international involvement, particularly in a country with the self-confidence to resist the blandishments of foreign analysis and models. Building on this point, this chapter suggests that indirect foreign influence through funding of research and education was more significant than were direct efforts to implement reform.

The chapter concludes with an analysis of the lessons about international involvement in land reform that can be drawn from the last twenty years of Ethiopian development.

Three important caveats underlie this case study. First, the description is tentative. It is extremely difficult to describe foreign involvement in the formulation of land tenure policy or implementation of the 1975 reform. International efforts to shape land tenure policy has not yet been researched carefully, and government and donor records are inaccessible or hard to find. Likewise, no research has been done on the drafting of the 1975 land tenure reform or on foreign influence on its implementation. Second, the purpose here is to describe the role of foreign involvement in Ethiopian policymaking. The emphasis is inevitably on donors and non-Ethiopian nationals, but one should never forget that land tenure policy formulation and implementation

were in the hands of senior Ethiopian officers, professionals, and middle-level civil servants. Third, until Ethiopians who were involved in the pre-1974 Ministry of Land Reform and Administration or in the drafting and implementation of the 1975 land reforms write their memoirs, a more accurate and thorough presentation of the themes of this chapter cannot emerge. There have been some small studies of land reform in certain areas, but no one has added an insider's view of the unfolding revolution to Ethiopia's historical record. It is hoped that this study will encourage such publications.

LAND REFORM FROM 1960 TO 1974⁹

The failed coup of 1960 and the publication of a FAO-funded land policy study led to an abortive tenant protection bill in 1964 and the creation of a Ministry of Land Reform and Administration in 1966.¹⁰ By 1970 three pieces of legislation had been proposed that involved regulation of agricultural tenancy relationships, registration of immovables, and taxation of underutilized land. In 1971, under a new minister, Belai Abbai, a sustained effort was made to prepare and gain approval for land reform legislation.

A committed advocate of land reform, Belai established task forces charged with reviewing policy, analyzing data, and preparing legislation on tenancy, land taxation, adjudication and registration, government holdings, patronage grants, and land settlement. He also created a confidential committee charged with drafting legislation for expropriation with compensation of large land holdings.

At this time, concern over the lack of progress in land reform mounted, and it was felt that the rejection of a detailed and workable plan of action might bring matters to a head. Aid donors felt some reluctance to shoulder the responsibility lest an effort fail but were still committed to exerting some meaningful pressure in the direction of reform. There was a surge in effort at the MLRA that was largely based on a belief that the Emperor supported reform and that a reform bill would pass the Parliament. Belai actively lobbied MPs for those votes and charged his staff with the responsibility for monitoring the deputies and explaining the legislation in the provinces. During the 1972-73 session the Council of Ministers forwarded a single landlord-tenant bill to Parliament.¹¹ It is reported that opponents, knowing themselves to be in the minority, stalled the vote by walking out of

the chambers. Observers believe that compromises were made in order to win over enough opponents to make a quorum. After all this, on the day of the scheduled vote the speaker announced that it would not be held; the politics behind this remain a secret held only by those who were involved.

The election of the fifth Ethiopian Parliament in 1973 led to the defeat of incumbents who had supported land reform bills and the election of outspoken opponents of such legislation. As of late that year there was nothing on the horizon but a weak and unpracticable tenancy bill. The events of 1974 led to abolition of the Parliament, the rejection of the agenda of the MLRA, and the end of an era of land reform history.

FOREIGN INVOLVEMENT IN IMPERIAL LAND TENURE POLICIES

International agencies, foreign government aid missions, and non-Ethiopian advisors, researchers, and educators were involved in Ethiopian land tenure policies since the early 1960s.¹² Foreign involvement began with the first indication of government interest in land reform and intensified as donors recognized the importance of agriculture to Ethiopia's growth. Western governments began to see that the political stability of their staunch African ally depended on progressive and equitable agrarian reforms.

FAO Land Policy Project

The first substantial donor involvement was the establishment of a UNDP-funded FAO mission whose "Land Policy Project" made rapid progress in reviewing data on land tenure, identifying major constraints on policy, and recommending a course of action for the government. The mission's initial report was issued in August 1963 and served, until the fall of Haile Selassie, as a basis for land tenure discussions within the government and between it and the international donors. It recommended the establishment of an autonomous government agency responsible for land reform policy; execution of a cadastral survey and establishment of a land registration system; formulation of tenancy reform based on written leases and fair fixed rent payments; drafting of legislation and procedures for converting communal land rights to individual freehold rights; and introduction of a progressive taxation system based on size of holdings and classification of land.¹³

FAO influence increased with the formal establishment in 1966 of the MLRA. Shortly after becoming the first minister, Belletue Gabre Tsadik invited E. H. Jacoby, the chief of the FAO Land Tenure and Settlement Branch, to Addis Ababa for a discussion of increased FAO assistance to his new ministry. Jacoby's report illustrates the extent to which FAO was willing to influence Ethiopian land policies.¹⁴

As a result of Jacoby's visit the activities of the FAO mission were expanded. The activities of one advisor, H. Wetterhall, illustrate the kinds of assignments FAO advisors undertook.¹⁵ Wetterhall, formerly Deputy Director General of the Swedish National Board of Agriculture, joined the MLRA in May 1967 as FAO Senior Rural Institutions Officer and Advisor. He worked in Ethiopia until the end of 1972; during his tenure he drafted a proposal for a Land Reform and Administration Research and Training Institute to be funded by UNDP; revised legislation on tenancy, land registration, and progressive taxation of underutilized land; formulated administrative procedures for implementing proposed land reforms; studied government land resources and its distribution; participated in land tenure studies undertaken in all provinces; and prepared a comprehensive review of land settlement policy and administration. Clearly, both senior FAO officers in Rome and members of the mission were given a broad mandate from the Ethiopian government to influence land tenure issues.

Foreign Advisors in the Ministry of Land Reform and Administration

The FAO mission was complemented by advisors from the U.S.-funded Peace Corps lawyer program, USAID, and the UNDP-funded Harvard Development Advisory Service. In support of their work, a number of special consultants funded by various donors moved through the MLRA.¹⁶ In general, these foreign advisors collaborated well with the FAO team and with other visiting missions and consultants. They also worked with MLRA officials and in general complemented overall government efforts to forge a coherent set of land tenure studies and policies.

The first Peace Corps representative, L. Marsh, served in 1967 and 1968 and was replaced by J. Bruce, who was a Corps volunteer until 1970 and a USAID-funded advisor until 1974. In retrospect it seems remarkable that the Corps, with its purported independence from United States foreign

policy objectives, risked its position by placing volunteers in such a politically sensitive ministry.

Marsh unknowingly played a major role in the land reform. He convinced USAID to improve the MLRA's legal services by training Ethiopian staff at U.S. law schools. Three Ethiopian participants – Zegeye Asfaw, Alemante Gebre Selassie, and Teame Beyene – in the program were later deeply involved in promoting reforms in the last years of the Emperor's reign, drafting the 1975 land tenure law and serving as the senior Ministry officials in the initial implementation period of the revolutionary land reforms.¹⁷ The importance of their role in the land reform movement will be discussed later.

Like Marsh, Bruce spent much of his time working on technical aspects of proposed reform legislation. Besides, he drafted the multitude of forms that would have been required by the Land Registration Bill and participated in land tenure surveys in Begemdir and Tigre Provinces. At the end of his Peace Corps assignment, he remained with the MLRA under contract to USAID.¹⁸ Bruce's activities again indicate how donor-funded foreign advisors with both professional knowledge and interpersonal skills could become involved in major land tenure issues. Both Marsh and Bruce made solid contributions. However, in 1974 the MLRA declined a USAID offer to provide a team of advisors to assist a cadastral survey. Increased political instability contributed to a growing reluctance to use bilateral advisors, although FAO, an international agency, still seemed welcome.

The role of the UNDP-funded Harvard Development Advisory Service in the MLRA began with the appointment of Belai Abbai in August 1971. He charged several task forces with reviewing economic and social effects of proposed land reform and with writing or amending legislation dealing with reform. These task forces prepared a major government policy paper on land tenure; worked to develop a set of title registration procedures, a land settlement authority, and a land ceilings policy; and advocated abolition of government patronage land grants.

While head of the Planning Commission, Belai had benefited from a team of advisors from Harvard University's Development Advisory Service (DAS) and was responsible for bringing them to Ethiopia.¹⁹ DAS worked in many sectors from industry and trade to agriculture, human resources, education, and transport. When he was assigned to the MLRA he requested the services of the senior Harvard advisor, C. S. Gray, as he sought to

consolidate the findings of the task forces and draft legislation by April 1972 to be presented to Parliament.

By March 1972 Belai's policies had been distilled by Gray in a 62-page draft review of Ethiopian land tenure systems, taking into account effects of population pressure, tenancy, mechanization, tenant eviction, employment absorption, taxation, and settlement.²⁰ It made specific recommendations for tenancy reform, allocation of government land, land registration, and limitation of ownership.²¹ Earlier, Gray had assisted in formulating a proposal for establishing a national land settlement policy.²² Part of that policy involved abolishing most forms of patronage grants of government land and reserving it for landless cultivators. Disposition of government land was one of the most politically sensitive areas of land policy.²³ Only slightly less touchy was the issue of underutilized land. Gray was instrumental in formulating an economic rationale for taxing such land into production or sale.²⁴ Even more significantly, he was part of a confidential working group charged with drafting a plan to expropriate (with compensation) excessively large holdings.

That foreign advisors were engaged in these highly sensitive matters when the government could not obtain passage even of a moderate tenancy reform bill illustrates the degree of penetration possible even in a land as distrustful of aliens as Ethiopia. In fact, a number of foreigners played interesting roles in sensitive positions from 1942 until the revolution. Some of them even became identified by Ethiopian élites as genuine civil servants of the Emperor and not merely representatives of a foreign government; they were often given latitude to express ideas for reform to senior policy makers, including the Emperor, and they were often involved in preparing programs, laws, and speeches on sensitive topics. This phenomenon merits further research and analysis, given the social distrust reputed to be a part of Ethiopian culture.²⁵

A deep analysis of the role of foreign advisors in Ethiopia must consider their perceptions of the political economy of the land reform movement, their professional obligations to the parties who brought them there, and the constraints under which they worked. This has not been done here; however, discussions with two former advisors suggest that they relied on the political knowledge of senior Ethiopians and accepted their belief that some reform was possible. Despite misgivings, they usually allowed the Ethiopians to determine what was politically feasible and merely provided

technical support for courses of action already charted. They also felt that rejection of the proposed moderate reforms would ultimately increase pressures for reform by causing a showdown with major donors.

Critics have raised the question of whether advisors were sufficiently knowledgeable about the policy setting to accomplish their sensitive tasks. Based on advice related to northern tenures, Alan Hoben has noted:

During the past three decades the Ethiopian Government, urged on by foreign advisers, has tried to introduce a series of apparently minor changes in land taxation – changes intended as a first step towards a major land reform programme designed to enable rural Ethiopians to increase their productivity and achieve a higher standard of living. In Gojjam province, where I conducted much of my fieldwork, each of these changes in land taxation was opposed by armed resistance by the peasants they were intended to help. . . . Many factors, including administrative errors and peasant mistrust of the Government, contributed to these outbreaks of violence. The underlying source of the conflict, however, is that *official policy has been predicated on an inaccurate set of assumptions* about the nature of land rights, the processes through which people acquire land, and the value peasants place on their land-tenure system in its present form [emphasis added].²⁶

Admittedly, Hoben's work dates from the 1960s, and by the 1970s the data base had greatly improved. Whether his generalization can be applied to many advisors cannot be determined without extensive analysis and documenting interviews. However, in reviewing the agricultural tenancy bill, a major piece of legislation produced by the MLRA, Gene Ellis concludes that

. . . there is strong reason for believing that the reform proposed and backed by donors and foreign experts, were it to have been enacted, could not have been enforced. In the short run, the needed skills, funds, and institutions were not available. In the long run, the reform set up incentives for the major participants in tenancy reform to evade the conditions of the reform. Further, if the reform had been enforced, it might have worked counter to its own ends. It is notable that the potential effects of the reforms were not rigorously studied and that most effort was expended in the analysis of the defects of the then-prevailing system of tenure. An analysis of the probable impact of the tenancy reforms leads to a highly unfavorable prognosis, but there was a general failure of academics, consultants, and Ethiopian bureaucrats to consider them.²⁷

It is likewise difficult to evaluate Ellis's criticism because those who drafted the legislation have not responded to it. It seems that Ethiopians and

advisors were aware of the issues Ellis raises but pushed the legislation for political reasons. It could be argued that the strategy of MLRA officials was that passage of any progressive tenancy reform bill would have been a conclusive defeat for the landlord faction; moreover, its implementation would have been likely to put new university graduates in the field and encourage formation of tenant associations. These would accelerate political pressures for reform and allow the ministry to propose more far-reaching legislation. In particular it was anticipated that the reform would pave the way for passage of the land ceiling and expropriation law that MLRA officials were secretly drafting. Thus, MLRA officials were willing to propose weak legislation to start a process leading to more important reforms.

Nonetheless, it remains true that much of the donor-funded, non-academic foreign research and policy work on land tenure involved experts who had not been students of Ethiopia, who did not speak Amharic, and who had done little preparation.²⁸ Besides, most advice was offered in a top-down, élitist manner. Rarely if ever did advisors consult with rural people to obtain their views on the recommendations made in Addis Ababa offices; instead, discussions included only the Ethiopian élites and other foreigners.

Donor Influence and Pressures for Reform

From the end of the Italian occupation until the early 1960s, Ethiopian development policy emphasized large-scale commercial farming of export crops and largely ignored the large subsistence sector. It was not until projects began to focus on smallholders that the development and equity constraints in then nation's patterns of land tenure became fully apparent. This was especially true with donor-assisted projects in the south. As these efforts unfolded, a small group of provincial élites became the principal beneficiaries of grants, loans, inputs, and infrastructure development. Absentee landlords and local progressive farmers gained favored access to credit, fertilizer, high-yielding varieties, mechanization technology, and extension services, all of which led to expanded commercial production of food grains. The development of larger operations required land consolidation and tenant eviction, a shift in land holding practices that could come only at the expense of those the donor-funded projects were seeking to benefit.²⁹

Throughout the late 1960s and early 1970s heads of donor missions

placed increasing pressure on the government for some progress toward land tenure reform. In particular, donors embraced the conclusion of one influential foreign advisor that land reform was "the virtual sine qua non of broadly based employment and output gains in the highlands of Ethiopia. . ." ³⁰ and held the common view that "the Ethiopian government should either be urged, encouraged, or supported in its efforts to adopt new and more liberal landlord-tenant relationships, in order to provide greater tenant security on the land." ³¹ By 1973 nearly every agricultural sector report by a major donor reflected this position. ³²

Without access to their documents, it is hard to know how far embassies were willing to let their aid units push reform. Ambassadors knew that if strong pressure led to reform, their countries would bear a heavy financial and technical assistance burden. It is certain that this consideration kept the American mission from pressing hard for reform. Moreover, Western donors were eager not to embarrass their strong African supporter with overzealous public pressure. This stance is well illustrated by the donors' failure to blow the whistle on the Emperor in 1973-1974 when it was clear that the government was ignoring severe famine conditions in its northern provinces. ³³

Still, donor pressures did not move the government far. This is partially because Ethiopians have never been very responsive to overt political pressures. Besides, bureaucratic practices of frequent reassignment kept ministers so insecure that only self-assured progressives with solid political strength could consider donor recommendations. Western pressure was likely to be effective at times when the government was politically vulnerable, a condition that did not arise until early 1974. However, had such a situation emerged earlier, it is unlikely that donors could have taken advantage of it. While the Emperor welcomed aid from most nations, he played embassies off against one another to keep any bloc from having too much influence. Coordinated pressure was difficult, for donors vied to gain this influence. Further, the internal policy processes and aid control systems of most donors made it extremely difficult for them to seize an opportunity to exert leverage for reform.

Despite the rhetoric, senior aid officials in most missions recognized that even if land reforms were enacted, implementation would be difficult. An influential World Bank study noted that "the present staff of manpower, plus planned output levels, are too low to meet the requirements of a

meaningful development program for agriculture,"³⁴ a view supported by USAID, which stated that "the effective capacity for rural change at the local level in Ethiopia is extremely low, not above 5-10 on a scale of 1 to 100."³⁵ Indeed, the USAID report concluded that "even if national land reforms are enacted, they are not likely to achieve the desired effect in the short run,"³⁶ for there was little manpower or institutional capacity to carry out surveying, registration, and other implementation tasks. It is true that the MLRA was trying to recruit and train personnel for these purposes.

Donors still pressed for reform, often because their own programs were compromised by land tenure constraints. Lack of access to confidential donor archives makes it difficult to document the extent to which donors were willing to encourage reforms, but the Swedish government's refusal to finance the second phase of the Chilalo Agricultural Development Project (CADU) until enactment of progressive land reforms well illustrates the existence of such pressures. The Swedish case is particularly important, especially given that nation's reputation for cooperative relations with recipient countries and limited requirements of conditions precedent for aid negotiations; it indicates how frustrated foreign donors were with the lack of progress in promoting land tenure — and their inability to accelerate such progress through financial pressure.

The Swedish-funded CADU was Ethiopia's major showcase project in the early 1970s.³⁷ Begun in an area dominated by high tenancy levels, it promoted production increases by providing research, extension, credit, green revolution inputs, marketing facilities, cooperatives, and roads to smallholders. By 1971, it had reached about 25 percent of the target population, and it is estimated that participating farmers and households increased their real incomes by 50 to 100 percent. However, it appears that the major benefits generated by the project accrued to local élites, leading to serious detrimental consequences for many of the region's tenants and small landowners.³⁸

Major and middle-sized landowners alike came to realize that agriculture could be very lucrative; they bought green revolution inputs elsewhere or brought in machinery, practices stimulated by government tax and credit incentives. The increase in mechanization led to large-scale tenant evictions. By 1974 an estimated 2500 to 5000 tenant households had been displaced, and many observers predicted that 90,000 rural people would eventually be evicted to make way for commercialized farming on larger holdings. As a

result of increased profitability of agriculture, the price of land nearly doubled, and rents increased.

T. James Goering had made an analysis during his tenure at the Planning Commission Office (PCO) of government policies to stimulate mechanized commercial farming through duty-free importation of machines and parts, credit and exchange funds for buying such equipment at a subsidized rate of 7 percent, and fuel tax waivers.³⁹ He pointed out how the combination of green revolution technology with these inducements fostered a very profitable agriculture; this eventually led to stiff donor pressure to terminate government subsidies promoting mechanization. By 1973 the fuel tax benefits were abolished, but credit and import advantages remained.

These unintended consequences were highly embarrassing to the Swedish government, though their possibility had been anticipated when the project was designed. During negotiations in 1966, both sides were aware that the land tenure patterns in the area might affect the effort to bring economic and social improvements to smallholders. Neither the Swedes nor the Ethiopian government realized what a significant problem the land tenure system would be, however. The Ethiopians perceived that political difficulties were sure to arise with the introduction of concentrated resources for social as well as economic change; the Swedes noted the oppressive effects of the land tenure system; but both put aside their initial concerns. The Ethiopian government believed it could confine the project's impact to economic growth and agrarian reforms compatible with the system, and the Swedes believed that conditions in Chilalo posed no insurmountable land tenure problem, accepting Ethiopian assurances that a land reform bill would be submitted in Parliament during the first contract period and implemented in the project area within two years of the beginning of the project. With these assumptions, a \$25.3 million, 13-year agreement was signed.

Throughout the early 1970s CADU officials tried to limit the adverse consequences of the project and to alter the forces behind them. The Swedish International Development Agency (SIDA) pushed hard for land reform and encouraged landlords to sign leases with their tenants. Project staff studied tenure and eviction patterns and provided data on which to base a Swedish call for protective reforms. As the first phase ended in 1970, SIDA demanded substantial reforms before it would finance the second phase.

In the negotiations that followed, the governments gave considerable

attention to the land tenure problem. A six-month project extension was signed, but SIDA discussed the question further in Sweden;⁴⁰ the issue was debated in Parliament and by the press. When Haile Selassie resubmitted the agricultural tenancy proclamation to his Parliament in late 1970, however, it was taken as an act of good faith, and a second agreement covering January 1971 to July 1975 was signed. The degree of donor influence is reflected in the agreement, which stated:

Implementation of legislation on agricultural tenancy relationships shall start throughout the project area not later than one year after the promulgation of such legislation. Proposals on nationwide legislation on cadastral survey, land registration and measures aiming at optimal utilization of land shall be submitted to Parliament not later than two years after the signature of the agreement. The CADU area shall have priority in the implementation of such legislation.⁴¹

The Emperor's government resisted similar pressure from the World Bank. Ethiopia had received the Bank's first Africa loan in 1950. By 1976, disbursements by the Bank accounted for over a third of the total disbursements of medium- and long-term debt to Ethiopia.⁴² Over the decade preceding the revolution, the Bank had increasingly invested in smallholder development projects, an emphasis that led to open criticism in Bank documents of Ethiopia's slow progress in land tenure reform. The Bank's influential agricultural sector study (1972) stated that land reform was a prerequisite for development activity seeking to improve the productivity and well-being of the peasantry. Yet despite this strong position and the size of its investment portfolio, the Bank was unable to push effectively for passage and implementation of the proposed land tenure reform.

American policy since the early 1960s had centered on stopping Soviet penetration, promoting development to achieve stability, and building institutions that would foster the emergence of progressive future leaders. The embassy supported the Emperor's foreign policy and regional security positions, but tried to distance itself from the regime's conservative domestic policies. In the process of discussing with moderate élites the need for agricultural development, the Americans clearly signalled their support for land reform; but they were never willing to risk Ethiopia's territorial integrity to get reforms. An important reason, too, for not pushing Ethiopia towards reform was the realization that the United States could not deliver

the foreign aid increases that would be needed to assist the implementation of reforms if they were decreed in response to American pressure.

In the early 1970s USAID did consider taking a forceful position on reform; for example in 1973 mission officers reviewed a recommendation that land reform be the primary focus of mission policy.⁴³ While such a stance was rejected, the USAID director closely monitored the reform package, considering it his business to judge whether the land reform measures submitted to Parliament provided a sufficient offset to landlords to enjoy a reasonable chance of adoption. Despite such close attention,⁴⁴ the Americans followed a wait-and-see policy, confining their efforts to obtaining narrow technical concessions that would protect USAID development projects and saving their political capital for such time as the government would be more responsive to foreign pressure for reform.

The mission's most direct pressures came through its efforts to obtain agreement from the Ethiopian government that it would promote land tenure reforms. The only success here was the "qualitative undertaking" received on the signing of the second and third Agricultural Sector Loans. Here jointly signed ancillary letters stated that the government would, among other things, strive to make progress on the land tenancy reform act.⁴⁵ Otherwise the mission acted indirectly, most notably in its model lease program undertaken as part of the ADA project. In that integrated rural development project USAID did not follow the SIDA strategy of making national or regional tenancy reform a necessary condition for funding the project. Rather, it sought to protect tenants through voluntary lease agreements that were conditions precedent to the obtaining of project credit.

Only two serious efforts by donors to assist the building of Ethiopian administrative and technical manpower to implement the proposed reforms have been documented. First, in 1969, the FAO attempted to mobilize funds to assist the MLRA in establishing training and research facilities. This failed to bear fruit because of the unsupportive position of the UNDP regional representative. The second effort was far more interesting; it involved the ILO, the International Federation of Plantation, Agricultural and Allied Workers (IFPAAW) of Geneva, and the Swedish Agricultural Workers Union (SLF).

During a 1971 consulting visit, Peter Dorner of the University of Wisconsin's Land Tenure Center noted that strong peasant organizations

were needed to protect tenants benefiting from land reform against the greater power of landlords. Recognizing the validity of this point, the emerging Draft Policy on Agricultural Land Tenure noted that ". . . the existence of strong tenant organizations will not be realized for some time to come in Ethiopia. Therefore, the implementation of the program outlined in this paper turns on the effectiveness of the administrative resources which the Government invests in it."⁴⁶ To this end, young progressive Ethiopians in the MLRA used Swedish contacts to see if the ILO or Swedish agricultural unions would design and implement a project to build tenant unions. The appearance of peasant associations as a critical element in the 1975 land tenure reform legislation stems in large part from this effort.⁴⁷

FAO published a special report in 1971 that, among other things, advocated the formation of peasant and rural worker unions and found "that agrarian reform in Ethiopia had not yet been the subject of a clear decision to create socially just structures."⁴⁸ One of the authors of the report was T. S. Bavin, Secretary-General of the IFPAAW. His union had already worked with the Confederation of Ethiopian Labour Unions (CELU) to organize the HVA Sugar Estate Workers Union. Given the two experiences, he worked with E. Colbert of IFPAAW and with CELU leaders to explore the possibility of creating a self-financed national peasant organization that would be the "recognized and effective voice of the Ethiopian peasants vis-à-vis the Ethiopian Government and Ethiopian society," organized with a base of subsistence farmers and tenants.⁴⁹ It was suggested that should the tenant legislation pass, the organization's first task might be to educate peasants on their new rights and "to investigate and report violations and to provide legal assistance to the membership as needed." Bavin naively wrote directly to the Emperor in November 1971 suggesting that a project of this sort be developed by IFPAAW, SLF, and CELU under funding from SIDA.⁵⁰ The letter was never answered.

Undaunted, the European unions sent a senior IFPAAW officer to Ethiopia in June 1972. That mission uncovered Ethiopian concern that peasant organizations did not fall within the jurisdiction of CELU and, more importantly, that efforts to organize would create difficulties in the countryside and might jeopardize passage of land reform legislation. However, the union officials concluded that they had tacit government approval, since there was no explicit opposition.⁵¹ In December, SIDA set

aside Swedish kr.510,000, and Colbert was selected to come to Ethiopia and begin a pilot project.

Colbert arrived in January 1973 and immediately had difficulty obtaining a work permit. It became clear that senior government officials did not favor the project. However, Colbert soon established his presence and began to work with CELU staff to locate a project area. In mid-1973 he acknowledged that it was unwise to organize until tenancy legislation was passed. He began instead to organizing a union of farm workers in Setit Humera, a region undergoing rapid expansion of large-scale mechanized farming. After five months the Humera Agricultural and Allied Workers Union (HAAWU) was formed and registered (7 June 1974). By then the unfolding revolution had led to conflict between CELU and the Derg. After the September imprisonment of CELU leaders, Colbert requested temporary termination of the Humera effort. As discussion ran on, the March 1975 tenancy bill with its peasant association component was passed. But by now it was clear that there was little room for European efforts to organize peasant associations, and the IFPAAW/SLF project was terminated in May 1975.

Private Sector Interventions

International agribusiness firms were not directly involved in land tenure reform. However, as with donor-funded integrated rural development projects, their activities further increased public awareness of the need for agrarian reform. During the 1960s the government promoted large-scale commercial operations as a key to rapid gains in agricultural production. A number of entrepreneurs took advantage of government tax and input exemptions and began large-scale activities. Foreign producers of mechanized equipment benefited from this situation, and they no doubt worked with the emerging agribusiness and commercial farming groups to prevent passage of land tenure laws that would lessen their investment opportunities.

Several major commercial activities were begun by international corporations. For instance, plantations were established by British, Dutch, Italian, and Israeli firms in the fertile Awash Valley.⁵² Other ventures were based on mixed financing by individual Ethiopian and foreign investors. Land for these enterprises was obtained from the government, sometimes at the expense of nomadic communities who used the area for grazing, thereby

raising complex issues of tenure security versus national productivity.⁵³ The land tenure insecurity of these pastoralists increased after 1962 when the government created a development authority charged with the promotion of commercial farming, and the second Five Year Plan (1963-1967) called for large-scale investment aimed at reclaiming lands such as the Awash Valley. These foreign influences probably damped the resolve of Western diplomats and aid directors to pressure the government for reform. However, no persuasive evidence in support of this hypothesis presently exists.

It was not until the eve of the revolution that the government attempted to balance development with opportunities for beneficiaries to participate in development activity; by then Ethiopian intellectuals and students were well aware of the problems created by capitalist expansion in the Awash Valley and elsewhere. There was therefore special consideration given by the 1975 land tenure reform to the possessory rights of pastoral peoples.

Education and Training of Ethiopian Specialists

Neither donors nor foreign advisors could force Ethiopia towards land reform. Advisors assisted progressive Ethiopians in government, but nobody could move a reluctant Emperor and Parliament. Despite the size of their investment portfolios, donors were unable to accelerate the adoption of progressive reforms. In this respect, foreign aid and political influence did not lead to reform. Moreover, the work of foreign advisors was largely abandoned by those who seized power in 1975. It still seems clear that these factors raised awareness of the need for reform; and in fact friction between government and foreign ideals contributed to the political instability that gave birth to the revolution. Donor support for the expanding education sector, especially with respect to the training of native land tenure specialists, was a link between foreign interventions and rising public awareness of the need for reform (if not for revolution).

Overseas training at the secondary level and above rapidly expanded after 1960. Foreign aid programs helped build facilities, support imported faculty, develop educational programs, and send students abroad, the policy assumptions for such aid being developed partially by foreign specialists in education and development.⁵⁴ The emphasis on education was based on the

assumption that fulfillment of Ethiopia's potential depended on a body of highly trained civil servants and technicians and on the education of a backward, illiterate population.

Idealistic young Peace Corps volunteers provided nearly half the secondary school teachers in the mid-1960s and introduced liberal values and analytical perspectives that helped lay a foundation for more critical thinking at the university level. The Ford Foundation and USAID were major donors who helped build Haile Selassie University with its law, agricultural, and health care schools into one of the best institutions of higher learning in Africa. The combination of foreign professors, young native faculty members, and increasingly critical-minded students created conditions that led to more open discussion of Ethiopia's political system and economic conditions.⁵⁵ Graduate students abroad, whose journals and pamphlets found an eager audience in Addis Ababa, fueled the debate. Recent graduates in civil service positions brought fresh evidence on development constraints to young colleagues in the student movement.

The university was an important forum for discussion of development programs. It had originally been run by Jesuit missionaries and anti-Communist Eastern European émigrés who advocated conservative policies and capitalist-led development. During the mid-1960s a more liberal, not to say radical, faculty emerged. In the Law School and the Faculty of Arts, faculty from Europe, Canada, and the United States encouraged students to write theses on development and land tenure.⁵⁶ Some of the law students must have been radicalized when they dug into archives on land and local administration. So, too, were judges, advocates, police prosecutors, and civil servants charged with law-oriented tasks who took law school extension courses and had access to the school's growing bilingual law publications.

The law school encouraged inquiry into land tenure topics by faculty and researchers. Under the leadership of its American dean, James C. N. Paul, the law school joined with the Institute of Ethiopian Studies (directed by the British Richard Pankhurst) to sponsor a research publication series on Ethiopian land tenure. Among its productions were H. S. Mann's paper *Land Tenure in Chore (Shoa)*; Pankhurst's *State and Land in Ethiopian History*; and Alan Hoben's *Land Tenure among the Amhara of Ethiopia*. Dean Paul has noted: "One of these [Mann's] was of some value in forcing the establishment of a Ministry of Land Reform which then undertook, itself (as we hoped it

would), further empirical studies in the field and went on to publish much valuable material."⁵⁷

Despite the fact that many foreign and native academics at the university were isolated from the realities of rural poverty and remarkably ignorant of the political and economic diversity of the country's regions,⁵⁸ most schools at the university organized faculty seminars for public discussion of poverty and change. Thus a way was opened for ideas from land tenure advisors to reach students; for example, in December 1971, Clive S. Gray of the Harvard group spoke on economic development at a lecture sponsored by the Faculty of Arts. Afterwards he fielded many questions on land tenure issues. While stating that he did not speak on behalf of the government, he argued that reform could come about without a revolution. To this end, he reviewed the history of reform legislation and of government policy statements on it. Students talked about the lecture for weeks; and its effects went further, because Gray wrote an account of the occasion for *The Ethiopian Herald*, the government-sponsored English-language newspaper. It ended with the statement, "During an eighty-minute question-and-answer period following his talk, Dr. Gray was repeatedly asked how the revolution in agricultural technology could benefit the mass of Ethiopia's peasantry in the absence of an effective programme of land reform." Observers informed Gray that the sentence was "one of the frankest commentaries on Ethiopian society ever to appear in the Herald."

Foreigners could say things that Ethiopians could not, and one of the places they could do so was in the classroom. Because of censorship and the presence of security officers or informants in the student body, Ethiopian faculty members were reluctant to teach courses on politically sensitive subjects. Especially wary were the younger professors who had been educated abroad and had acquired leftist perspectives. For example, Ethiopian academics taught courses on international relations and comparative political systems during the early 1970s, while two USAID-funded American faculty covered the Ethiopian political system, the national Constitution, and provincial and municipal administration. Likewise, the Ford Foundation and other donors funded law professors who sharpened their students' understanding of constitutional law, property law, and land tenure principles. British-funded lecturers taught courses in agricultural economics and the economics of development.

A number of Ethiopians pursued foreign degrees on scholarships. In the censorship-free climate of North America and Europe, they had the intellectual freedom to explore leftist political theory and to apply it to the growing literature on rural development and land tenure in Ethiopia. The result was significant political dialogue, most highly visible in articles written by Ethiopians in the journals *Challenge*, *Combat*, and *Struggle*,⁵⁹ which in turn influenced university students in Ethiopia.

Western graduate students and academics loosely affiliated with the Institute for Ethiopian Studies expanded the knowledge base on land tenure and rural development.⁶⁰ They contributed to local conferences, wrote papers, and discussed matters with members of the university.

University involvement in rural development was expanded by the establishment of the Institute of Development Research (IDR).⁶¹ USAID funds played a large part in helping establish it, and advisors from Tufts University helped in its initial undertakings. Many of IDR's research projects were funded by USAID, often through an American university. Other funding came from the Ford Foundation and from Britain and Sweden. Donor funding for 1973-1974 amounted to approximately \$225,000. Though it was charged with concentrating on rural development, IDR inevitably became involved in land tenure issues. By 1974 it had begun eight major research activities, helped coordinate two international conferences, built collaborative relationships with government ministries, and begun publishing a series of reports. At that time, 30 percent of the full-time research staff were foreigners, as were five visiting institute associates.

Particularly interesting is the IDR's baseline study of Asa district, an area where USAID was about to launch a large, integrated rural development project.⁶² Undertaken through Michigan State University, the investigation centered on "the likely effects of innovations on land use intensity and agrarian structure," or more simply, on tenant evictions. SIDA funded a study of the diffusion of agricultural innovation in Chilalo district, with particular attention on land consolidation and tenant eviction. Other studies looked at the effects of government land policy and settlement practices of nomads, and the relationship between rural employment, land tenure, and migration to urban areas.

Just as Western aid to university development and rural development research increased, a large group of students marched on Parliament under

the slogan, "Land to the Tiller." This February 1965 demonstration included a petition demanding more drastic land reform than the tenancy bill being considered and for land redistribution.⁶³ It is likely that leaders of this march had but a sketchy understanding of the issues, especially because few studies on land tenure were then available. Obviously, Western-developed research was not necessary for exploitation to be recognized, and liberal and Marxist theories were available for perceptive students who could forge them into powerful polemics. As the strength of the student movement grew, so too did the centrality of land tenure to their demands. Articles by Ethiopian students in publications like *Combat and Challenge* were probably as influential as Western writings. For example, while copies of Dessalegn Rahmato's article "Conditions of the Peasantry" in *Challenge*⁶⁴ circulated widely, it is no surprise that few students ever saw the detailed and perceptive study on land tenure by Harrison Dunning published in the 1970 *UCLA Law Review*!⁶⁵

Students' awareness was heightened by their participation in the Ethiopian University Service (EUS), a mid-university public service year created in part through pressure on the government by the U. S. ambassador. Begun in 1965, the program required university students to spend one year in the field as a prerequisite for the baccalaureate degree. Field experience put students into direct contact with rural life and increased their receptivity to ideas propagated by activist student organizations. Nowhere were graduates of this program more visible than in the MLRA and the Planning Commission, where recent graduates, especially economists, spoke openly for land reform. Many of these officials had been recruited from Haile Selassie University after 1967, and Belai Abbai chose a particularly capable group of economists for service in his ministry. The new civil servants benefited from working with foreign advisors as well as from in-service training, travel grants, and donor-provided postgraduate fellowships. Having had good connections with progressive and leftist groups, they climbed rapidly through the MLRA structure after the revolution; one eventually became Minister. Hence one significant and positive result of foreign advisory presence in the MLRA was the strengthening of the position of progressive junior officers. Indeed, between 1970 and 1974 an increasing number of civil servants were stating with conviction that land reform should be the government's first priority.

Despite the increasing number of reform-committed university graduates

in the civil service and the rising consciousness of junior military officers (in part because of evening degree programs), it was the university students who carried the slogan "Land to the Tiller" during the last decade of imperial rule. Their steady and at times tragic agitation for land reform helped create the conditions in which a shaky coup became a revolution. Further, the involvement of former student activists in policymaking led to a land tenure proclamation that bore the stamp of urban intellectuals.⁶⁶ Further research may establish that a larger role was played by the military and by "shadow advisors" from the Eastern bloc, but for now this does not seem to have been the case.

REVOLUTION AND LAND REFORM

On 12 September 1974, Emperor Haile Selassie I was arrested and a provisional military government was formed to replace his rule. It became clear that the military rebellions, strikes, and general unrest that had begun over a year earlier had given way to a broader social transformation. In late November, some 60 aristocrats, high government officials, and military officers were executed, and far-reaching rural and urban land reforms were proclaimed in March and July 1975. The new military leaders adhered to an official socialist policy, allowed the Soviet Union to gain a strong foothold, fought a bitter war against the Somali Republic, battled a separatist movement in Eritrea, and consolidated power in urban areas. Many of the skilled people who could have helped in the development process were killed or driven into exile.

The Ethiopian revolution led to an explosion of articles and books,⁶⁷ but only a few studies published since 1974 are based on new field work. This is especially the case with analyses of land reform.

The land reform laws issued by the Provisional Military Administrative Committee (PMAC) or Derg have been analyzed by specialists.⁶⁸ Briefly, the March 1975 legislation nationalized all land without compensation, established a limit on the amount of land farmers could hold, and transferred use rights to farmers up to then cultivating rented land.⁶⁹ Unlike the complex draft laws of the imperial government, this revolutionary legislation was simple and direct. In general it has been successfully implemented throughout the country, despite evidence of resistance in northern areas dominated by

village or family land tenure systems. Subsequent legislation on peasant associations and land taxation sought to ensure that after redistribution farmers could neither gain more than a usufructuary right nor reconsolidate holdings.⁷⁰ In 1979 legislation aimed at promoting collectivization was issued. However there has been little progress to date towards this end.⁷¹

No published information is available on the process by which those laws were forged, on the individuals who drafted them, or on international and domestic influences on the views of the drafters. Aside from observations by journalists, reports by Western analysts are based on brief field observations along the main roads to the south and west of the capital,⁷² while the quantitative studies produced by Ethiopian researchers are burdened by greater censorship pressure and ideological imperatives than was the case during Haile Selassie's reign.⁷³

Western analysts of the 1975 revolution have disadvantages similar to those surrounding studies of Lenin's Russia or of China in the 1950s.⁷⁴ It is nonetheless possible to sketch the limited foreign involvement in drafting and implementing the 1975 land tenure proclamation, the rise of Soviet bloc influence, recent foreign donor involvement, the role of non-native advisors since the revolution, and current external funding of Ethiopian and foreign academics.

Foreign Involvement in the 1975 Land Tenure Proclamation⁷⁵

As the Emperor's power declined in early 1974, a civilian cabinet formed on the military's advice revived some of the MLRA proposals. In an April White Paper the government stated, in vague terms, that no one should be allowed to own more land than he could develop, excess land should be expropriated with compensation and distributed to those who farmed for a living, government grants of land to absentee landlords should be abolished, and privately held forests should be ceded to the government.⁷⁶ For these purposes, a former minister of the MLRA, Belletue Gabre Tsadik, was appointed to champion the liberal policies he had favored in the late 1960s. New land reforms were promised by September, 1974 — a deadline never met.

In September, General Aman Andom, the head of state, appointed a committee to review feasible land reform options. Chaired by the moderate Minister for Communication and Transport, Tekalign Gedamu, the committee

included nine Cabinet ministers and five members of the Derg.⁷⁷ Two of the military representatives, Captain Mogus Wolde Michael⁷⁸ and Lieutenant Fikre Selassie⁷⁹, were among the most radical members of the Derg; but it was clear to all, regardless of ideology, that there was widespread demand for meaningful land reform. The question was not whether, but how much; and it was the training and theoretical perspectives of the competing decision makers that would weigh on this issue. Hence, foreign influence on education and research indirectly affected the drafting process.

The committee requested MLRA experts to brief it on land tenure constraints and approaches taken in other countries that had implemented land reform laws. These experts were all young Ethiopians trained in law and economics, and those educated at the law school or in American graduate schools were among the most militant critics of the current system.⁸⁰ Their Eastern-bloc-educated colleagues advocated caution and avoidance of reform based on expropriation (perhaps because their communist training taught them that the first task is to consolidate power). Indeed, one expert trained in Poland carefully described that country's difficult land tenure experience and urged the committee to learn from it. After reviewing the experiences of countries such as Russia, China, Egypt, Mexico, and Iran, the committee gradually adopted a left-leaning but moderate position.⁸¹

The dominant view that emerged was based on principles of private property, equity for tenants, and the building of a productive agricultural sector. The majority of the committee members favored a land ceiling of 40 hectares. All excess land would go to tenants in usufruct, owners compensated for its loss.⁸² While different from the reform proposals of the MLRA and its foreign advisors before 1974, this position reflected the moderate thrust of the earlier approaches. Opposition centered on a number of objections. The ceiling would be too high to narrow the disparity of income opportunities between large and small farmers or to stop the trend towards decapitalization of commercial farms; the government lacked trained personnel to ensure compliance; delay in implementation would allow many landowners to transfer holdings to family members; and compensation would be unfair — large holders already had profited greatly from land acquired through gift, conquest, or fraud.

Senior members of the committee disagreed with these opposition views, and a draft was issued in November. However, Captain Mogus and the more

radical MLRA officers produced an alternative draft based on recommendations reportedly developed by the American-trained personnel associated with the Swedish-funded projects, who were acutely aware of the inequities of the existing tenure system. The committee would not forward both drafts. The next day, the moderates — those who believed in private property and feared that economic chaos would follow nationalization, and who had disassociated themselves from the alternative draft — were detained. Shortly thereafter, some members of the committee were arrested by the Derg, and General Andom and a number of other major figures were killed. Only Captain Mogus's draft went forward for consideration.

There is no clear evidence of direct foreign involvement in the drafting of the revolutionary land reform legislation. However, once the radical thrust of the draft became known, Russian, Yugoslav, and Chinese embassy officials in Addis Ababa, mindful of possible repercussions and future economic obligations, officially argued against moving too far too fast, skipping steps followed in their own revolutions.⁸³ The Russian ambassador held a meeting with Mengistu Haile-Mariam and other Derg members, urging them not to nationalize land, disrupt agricultural production, or prematurely eliminate the middle class. His message was that the Ethiopians should draw from bitter Soviet experience and consolidate power as a first step. The Eastern bloc cautions had no effect, and the radical nationalization proposal prevailed. Communist diplomats seem to have been taken aback by the excessively radical character of the reform, and Pravda noted, "There is still an enormous amount of explanatory and upbringing work to be done amongst the workers, particularly the peasants who must be drawn into administrative and economic activities."⁸⁴

As the revolution progressed, the government sent missions to China, Romania, Bulgaria, Czechoslovakia, and the USSR to be trained in "Socialist philosophy." Meanwhile, the available evidence suggests that American-educated MLRA lawyers and a senior official from the Emperor's regime who had assisted in drafting the 1975 reform legislation became opponents of the government. The land reform bureaucracy gradually came to be run by strict adherents to the Marxist line, most of them European-educated.

Rise of Soviet Bloc Influence

By 1981 the PMAC had changed its title to Provisional Military Government of Socialist Ethiopia (PMGSE); and Mengistu Haile-Mariam, its chairman, was hailed by the Ethiopian press as "comrade" and "the communist leader." An abundance of socialist rhetoric over the last few years and a highly visible Eastern bloc presence has led many to conclude that the Western influence that had marked the Emperor's reign has been supplanted by an even stronger communist presence.⁸⁵ In particular, it is widely assumed that the Soviets and their allies have been deeply involved in land tenure and rural transformation policies.

The Soviet Union has long had an interest in the Horn of Africa.⁸⁶ It provided military advisors to Emperor Menelik and limited aid to Haile Selassie's regime after the Italian occupation. In the decade before the revolution it was able to assist the Somali Republic while maintaining a large embassy and cultural center in Addis Ababa, through which Ethiopian students were sent for training to the USSR and funds were provided to radical student groups.

The influence on the Derg, both direct and indirect, of foreign intervention through education shows how unpredictable its results are. It is significant that Colonel Mengistu twice visited the United States for training, where it appears he was influenced by black power and anti-Vietnam war movements.⁸⁷ He also studied Soviet government during a three-week trip to the USSR in 1975.⁸⁸ It is unclear how this education affected his rapid philosophical turn towards Marxism-Leninism in 1976, but certainly the influences, however unintended, were not negligible.

The Soviets made no clear effort to seize the Horn of Africa, though the influence of Moscow and the COMECON had increased dramatically since the fall of the Emperor; their intentions to await opportunities while destabilizing the area further are clear.

In September 1974, army officers in the Derg requested military aid from the USSR. The response from Moscow was negative. Perhaps because of Russian distrust of the instability of African military regimes, the initial Soviet response to the revolution was quite cautious, and before 1977 Ethiopia found it difficult to get aid from either China or the USSR. What aid did come was largely military and included Cuban troops. Since 1977 the

Soviets have provided about \$2 billion in equipment.⁸⁹ Development assistance is scanty – a few factories and large agricultural schemes, 2000 scholarships, and provision of low-priced petroleum.⁹⁰ Some limited technical and educational agreements have been signed with Bulgaria, Poland, Romania, and Hungary, but most non-Soviet aid has come from East Germany, Czechoslovakia, and Cuba.⁹¹ The total Eastern bloc commitment is about \$300 million, including the oil subsidy.

The price of aid has been Soviet pressure for the adoption of its development model. Though Ethiopia has resisted aspects of it (particularly the formation of a classic Soviet-type party), the Cuban and Soviet economic models have gained official support after 1976. In November 1978 a 20-year USSR-Ethiopia Friendship and Cooperation Treaty was signed.⁹² Western concern has largely been about geopolitical aspects of the revolution, and issues of land reform and rural development have been ignored.⁹³

Foreign Advisors Since 1974

After 1974, American and British influence declined rapidly. The Harvard DAS project ended in August 1975, and during the final eighteen months its staff were isolated from the drama of the revolution, focusing instead on decentralized planning, revision of national accounts, and formulation of master plans for ports and rural roads.⁹⁴

The major non-communist foreign influences for the rest of the 1970s was the FAO. Its influential initial program ended in 1972, and the following year the Ethiopian government requested UNDP funding for further FAO work on land tenure patterns, administration, and settlement and training of Ethiopians in cadastral survey work and adjudication of land rights.⁹⁵ Two advisors arrived in mid-1974 to join the MLRA. As the revolution unfolded, FAO advisors were involved in an ever-widening range of activities. Indeed, the project manager, an American with land reform experience in Bolivia, was involved in the design of structures such as peasant associations, judicial tribunals, and cooperatives, and in sensitive issues like the ten-hectare limit on usufruct rights.⁹⁶

A review in 1976 of the FAO project led to alteration of its mandate to include the development of rural institutions and provision of advice on the design and implementation of land redistribution programs. After this

date the assignments of the FAO advisors shifted to less controversial areas; during 1974 and 1975 they worked on settlement and land reform implementation; from 1976 to 1979 their tasks included establishing a Division of Land Redistribution, strengthening peasant associations, building a local infrastructure for promoting rural development, and studying the role of women in Ethiopian land reform.⁹⁷ By 1982 the FAO role was negligible.

Some Swedish influence lingered through the transfer of MLRA functions in 1977 to the Ministry of Agriculture and Settlement. The ministry delegated land reform authority to its Extension and Project Implementation Department (EPID), which had been the product of successful donor intervention in pre-revolutionary days. Swedish advisors had played an important role in building the unit and training its staff,⁹⁸ and their work was so successful that by 1973 EPID had become a de facto ministry of agriculture. Thus, when the MLRA was dissolved, EPID was one of the few organizations capable of penetrating the countryside; however, its small staff was responsible for the entire nation, and those who were in the field had heavy extension burdens. As a result, EPID officers relied on peasant association leaders to report implementation progress and to disseminate official directives.⁹⁹

Soviet involvement in agrarian reform increased to some degree as its influence on the government has grown. There is evidence that East German advisors had a say in the 1979 proclamation on collectivization. All the same, despite Eastern bloc pressure, Ethiopia has moved slowly in promoting producer cooperatives, perhaps confirming the 1975 view of a veteran observer that "the dream of most Ethiopian cultivators seems to be to become a kulak."¹⁰⁰ The agrarian resources freed by the 1975 land reform have been overlooked by communist-advised planning decisions to emphasize industrial development and investment on state farms, with the result that the large and potentially productive smallholder sector has been ignored.

Leftist elements in the government have begun to develop new tools of economic management and intervention. These include strengthened central planning, increased government role in resource allocation, and more direct state regulation of economic activity. In August 1977 a new Central Planning Commission was established,¹⁰¹ whose powers included issuance of planning directives to other bodies, determination of the annual government budget, approval of agricultural and industrial policies and programs, and the oversight of economic development on a national scale. These powers, which

exceeded those of all previous planning bodies, were further consolidated in October 1978 with the replacement of the commission by the National Revolutionary Development Campaign and Central Planning Supreme Council (CPSC).¹⁰²

A large bureaucracy has emerged to support the CPSC and its secretariat. Eastern bloc governments are training a large number of young Ethiopians to replace the development professionals who have been killed in the internecine leftist struggle or who have gone abroad to serve in Western universities or international development agencies. The education of these young people was severely disrupted by the early years of the revolution, and given the difficulties of learning a profession in a new language of instruction, it will be quite some time before they have the expertise of those whom they are being trained to replace.

Eastern advisors have helped the CPSC design a new ten year plan. Originally intended to attract funding support at a United Nations conference in Paris, it emphasizes industrialization in an effort to double per capita income over the period; however, there has been too little foreign aid available even to begin to implement the plan. Increasingly frustrated with the low level of Eastern aid¹⁰³ and conscious of its quality and exploitativeness,¹⁰⁴ Ethiopia has begun to look to the West to finance the plan.¹⁰⁵ It invited the ILO to send a team to study all aspects of the economy in the hope that a UN family report would gain the attention and support of Western donors. But the report that appeared criticizes the planning recommendations of Soviet bloc advisors to the CPSC.¹⁰⁶ It finds the present government emphasis on centralized planning, capital-intensive heavy industry, and highly mechanized state farming to be misdirected. From the ILO team perspective, the smallholder sector must be the basis for Ethiopia's economic development. The report quietly warns that it is unrealistic to count on Western or Eastern foreign aid. Instead, it advocates self-reliance and emphasis on smallholder productivity and suggests that the government aid the peasantry by promoting community cooperation in weeding and the construction of terraces and irrigation systems, if not producer cooperatives.

Unfortunately, the current government is unable to take this advice, and as of 1983 it is clear that the nation is facing a major economic crisis. Agricultural output is stagnant, and the country is not earning enough foreign exchange to repay its communist mentors for military and economic

aid. Neither the National Revolutionary Economic Plan nor the present CPSC strategies are likely to end the crisis. The Soviet and Cuban approaches¹⁰⁷ are sterile and ill-tailored to economic conditions caused by high military expenditures, exhaustion of financial reserves, high fuel costs, declining coffee export revenues, and a correspondingly large trade deficit.¹⁰⁸ None of these plans is likely to stimulate production and market sales by peasants or to relieve an urban citizenry burdened by food shortages and inflation.¹⁰⁹

Western donors — the EEC, World Bank, IMF, Italy, and Sweden¹¹⁰ — now provide some funds but little advice. Requests directed to the Arab world for assistance largely have been ignored. Without more foreign aid, Ethiopia will not reach the objectives of the new development plan, and under current circumstances a healthy increase in assistance is unlikely.

An irony has arisen — Western donors who pressed for land reform before the revolution are unable to provide foreign aid for programs to support the reforms that have occurred; and Eastern bloc countries will not give aid even for the strategies that they have advocated. In the meantime, the potential of the peasantry is neglected, severely limiting the effects of the reforms and belying their promise to make Ethiopia the bread basket of the Middle East.

External Funding of Ethiopian and Foreign Academics

Research on the effects of the land reform has suffered from a dearth of trained Ethiopian professionals willing or able to undertake studies. Those doing research have been burdened with government censorship, insufficient funding, and problems with field access. The difficulty is compounded by the inability of Western scholars to gain access to government data or permission to do field work. If the quality of current socialist-guided research is an indication, it is not an adequate substitute for Ethiopian or Western work.¹¹¹

Agricultural research in the biological and physical sciences, vitally important given the need for technical improvements in agricultural production and reformulation of rural development policies, suffers the same sorts of problems. The Ethiopian scientists who remain are inadequately funded and find Eastern bloc support substantially less helpful than the assistance formerly received through European and American institutions; the ones who have emigrated have concerns not directly related to the development needs

of their homeland, and for political or financial reasons, they may not wish or be able to return. Many exiled professionals now work for international agencies, teach in Western universities, or languish in inappropriate situations such as driving taxicabs in American cities. As a result of this "brain drain," Ethiopia's research organizations have deteriorated and cannot contribute fully to the development process.¹¹²

During the 1970s, many of the institutions connected to agriculture and rural development received substantial assistance from international donors and hosted foreign researchers.¹¹³ Donors still appear willing to provide such aid, but the lack of qualified Ethiopian personnel hampers efforts in this direction. Perhaps more important is the fact that the government does not welcome Western researchers who could fill the gap; nor can it turn for help to communist countries, for their professionals are generally inexperienced in African development problems, their social scientists weak in empirical research and applied policy analysis. There is yet very little significant Soviet scholarship on Ethiopia.

Two international foundations have contributed greatly to the knowledge about the land reforms: the Ford Foundation and the Swedish Agency for Research Cooperation with Developing Countries (SAREC) have funded social science research by Ethiopians.

The Ford Foundation made a grant of \$176,500 to the Institute for Development Research (IDR) in Addis Ababa. Signed 1 October 1977, this three-year grant enabled Tesfaye Teklu to study the effect of the land reform laws and associated policies in three areas of the country on patterns of land use, migration and labor utilization patterns, the effects on rural expenditure patterns of the redistribution of rural wealth and income, and the formation of peasant organizations.¹¹⁴

This study was attractive to Ford because it came from the IDR and had solid support from the Ministry of Agriculture and Settlement; Ford also relished the chance to be one of the few Western organizations operating in Ethiopia.¹¹⁵ The IDR wanted to do the study because, in the words of its director, Duri Mohammed, "[t]he study of land reform offers IDR its best chance to make a name for itself in Ethiopia, for the study would be a historical landmark."

The IDR is largely the product of USAID involvement prior to the revolution. Established in 1972 and barely surviving a heavy-handed effort by

Tufts University to shape its initial research program,¹¹⁶ it soon established itself as one of East Africa's best research facilities. It operates as a service agency whose governing board includes representatives from government and parastatal agencies as well as from faculties of the university. Before the revolution, many of its projects were funded by USAID, and in fact the American involvement continued after the revolution through a joint IDR-Michigan State University project in Ada district, supported by USAID.¹¹⁷ That effort was typical of the IDR-donor interaction based on a collaborative research model where the foreign institution designs the projects as well as analyzes the findings. But with increasing tension between the United States and Ethiopia, this project ended after producing some useful information on the effects of the land reform.

Later, the IDR turned increasingly to other sources of funding, such as the Ford Foundation and SAREC, augmenting this aid with meager government allocations. It has supported work of several Ethiopians studying the effects of reform,¹¹⁸ hosted a 1979 seminar entitled "Strategies for Socialist Rural Development in Ethiopia," and has published proceedings that include twenty-one papers, almost all of them written by Ethiopians.¹¹⁹

A review of the Ford-supported IDR study establishes its historical value and its contribution to the literature on the revolution and its effect on rural development. An increasing number of Western specialists are turning to it for a rare insight into the land reform's effects, though one may doubt that it has had much influence on Ethiopian policymakers. The results of the study have been published in several places.¹²⁰ For interested scholars, a broader set of politically sensitive findings than was publicized remains in the hands of the authors and in the Ford Foundation archives.

The SAREC funded a study of land nationalization by Aster Akalu;¹²¹ both this investigation and that funded by Ford illustrate how Western institutions, excluded from first-hand observation of land tenure processes, can benefit from information gathered by local academics. Funding by a politically neutral foundation supporting academic studies can be a valuable form of foreign involvement in land reform.

OBSERVATIONS ON FOREIGN INVOLVEMENT

It is not easy to trace the patterns of foreign involvement or to estab-

lish their relative effectiveness; but the Ethiopian case suggests that casting a broad, qualitative net is essential, for indirect involvement may well have played a larger role in the process of land reform than have more visible and direct interventions. It should be clear that the conventional notions about foreign involvement are too narrow.

The pre-revolution Ethiopian experience suggests that even in a reform-blocked polity it may still be possible for foreign governments and advisors to become involved in highly sensitive aspects of land policy. It illustrates also that political leaders who are unable to institute a reform program even when the potential instability of the government demands it will not likely be swayed by tempting offers from donors or by studies and policy papers from technical assistance teams in their ministries. Besides, while foreign political officers and advisors can study sensitive topics, the nature of diplomacy and bureaucratic policy formation prevents direct action or even the drafting of bluntly worded policy papers capable of shaking the vested interests and dogma of key decision makers. However, visible and genuine efforts at reform may have some utility to a reform-blocked regime by causing policy makers and intellectuals at home and abroad to become more sympathetic, and this is an advantage that foreign actors can help generate.

Ethiopia's land reform supports Hung-Chao Tai's thesis that in a government dominated by "cooperative" élites, foreign experts are likely to formulate overly complex policies and technically difficult draft legislation.¹²² This is because they must work within the system and face its constraints. They cannot consider the simpler solutions available to separate élites or revolutionaries who may seize a reform-blocked society. The search for a solution compatible with a country's existing political economy can become the swamp of complexity in which a government will bog reform down. Nowhere is this clearer than in the complex "expropriation of under-utilized land" legislation worked on by MLRA advisors in the early 1970s.

The less preexisting data there is on land tenure patterns, the more useful foreign advisors can make themselves. In fact, technical studies and position papers can provide extensive opportunities. But as evidence in favor of reform increases and the options for legislation are articulated, the need for advisors decreases; indeed, such work creates political heat that politicians are likely to find uncomfortable. This is particularly true when studies and policy papers are leaked by frustrated advisors or their young Western-

trained counterparts to donors who in turn use them to pressure the government, or else, to radical intellectuals, students, and journalists. Leaks of this sort marked most foreign involvement in Ethiopia's government processes, generating information flows that enriched international understanding of the problem and raised domestic consciousness of the need for reform. The work of foreign personnel, except for the FAO advisors who had a long-standing relationship with the government built on trust, appears to have had greater positive impact outside government channels than within them.

A major problem with foreign actors is that they tend to neglect the constraints of institutional and manpower resources when they argue for reform. Aside from the efforts of the FAO in 1969 and the Swedish Agricultural Workers Union in 1972, there is no evidence that any member of the international community offered the funds, training, or technical assistance necessary to implement land reforms and to administer land offices at local levels, despite widespread recognition of the dearth of trained technicians who could implement essential reform provisions such as land measurement and the maintenance of ownership and land use records.

Where overseas training has been given, the results have at times been surprising. It may be too simplistic to assert that Ethiopians trained in the Eastern bloc have come to favor freehold and gradualism, and those who have been exposed to Western institutions emerged with views favoring state land ownership and production cooperatives; but that is what seems to have happened.

A Final Note

The events in revolutionary Ethiopia suggest a paradox in the patterns of foreign technical and economic assistance. Before 1975, the West provided land tenure advisors and rural development aid; their work had great scholarly value but did not have much eventual political impact. Significantly, the reforms advocated by Western advisors would have been well received by the peasantry, even if they had not gone so far as those ultimately brought by the revolution. Since 1975, the Soviet bloc has advocated land tenure solutions not particularly attractive to the peasantry, namely state farms and producer cooperatives.

Foreign aid is necessary for the peasantry to capitalize on the economic potential generated by the reforms; however, this assistance has not been provided by the Eastern bloc. Furthermore, aid from the Atlantic community has declined in reaction to anti-Western rhetoric, nationalization of foreign corporations, repression of political moderates, and other actions of the revolutionary government.

In short, Ethiopia's experience suggests that when radical regimes promote sweeping equity-based reforms, they are likely to lose the aid they would need to assist them in capitalizing on the development potential created by their actions.

NOTES

1. A good introduction is Harold D. Nelson and Irving Kaplan, *Ethiopia: A Country Study* (Washington: American University Foreign Area Studies, 1981). For a portrait of Ethiopian agriculture in the 1960s, see H. Huffnagel, *Agriculture in Ethiopia* (Rome: FAO, 1961); Assefa Bequele and Eshetu Chole, *A Profile of the Ethiopian Economy* (Addis Ababa: Oxford University Press, 1969); and International Bank for Reconstruction and Development, *Agricultural Sector Survey: Ethiopia* (3 vols.), no. PA-143a, mimeographed (Washington: Agricultural Projects Department, 1973).

2. For treatments of Haile Selassie's long reign, its historical foundations, socioeconomic context, and political objectives, see John Markakis, *Ethiopia: Anatomy of a Traditional Polity* (Oxford: Oxford University Press, 1974); Robert L. Hess, *Ethiopia: The Modernization of Autocracy* (Ithaca: Cornell University Press, 1970); Christopher Clapham, *Haile Selassie's Government* (New York: Praeger, 1969); Richard D. Greenfield, *Ethiopia, A New Political History* (London: Pall Mall Press, 1965).

3. This relationship is discussed in John M. Cohen and Dov Weintraub, *Land and Peasants in Imperial Ethiopia: The Social Background to a Revolution* (Assen: Van Gorcum and Co., 1975); Michael Stahl, *Ethiopia: Political Contradictions in Agricultural Development* (Stockholm: Raben and Sjogren, 1974); I. Andemichael, *Agricultural and Economic Development: Experience, Problems, Prospects, and Policies in Ethiopia*, unpublished Ph.D. dissertation (Strathelyde, 1973); Edmond J. Keller, *Ethiopia: Revolution Class and the National Question*, in *African Affairs*, vol. 80, no. 321 (1981), pp. 519-549.

4. Personal communication from Harold Marcus based on Chapter Seven of his forthcoming book. Memorandum dated 16 January 1961.

5. Imperial Ethiopian Government, *A General Frame-Work for the Fourth Five Year Development Plan (1974/75 - 1978/79)* (Addis Ababa: Prepared for the Second Meeting of the Consultative Group for Ethiopia, June 1973).

6. See generally John M. Cohen and Peter Koehn, *Ethiopian Provincial and Municipal Government: Imperial Patterns and Postrevolutionary Changes* (East Lansing: Michigan State University, Committee on Northeast African Studies, monograph no. 9, 1980).

7. Failed land reform is described in H. C. Dunning, *Land Reform in Ethiopia: A Case Study in Non-Development*, in *U.C.L.A. Law Review*, vol. 18, no. 2 (1970), pp. 271-307. Economic conditions are reviewed in Robert S. Love, *Economic Change in Pre-Revolutionary Ethiopia*, in *African Affairs*, vol. 78, no. 312 (1979), pp. 339-355. Opposition to imperial rule and policies is discussed in Marina Ottaway, *Social Classes and Corporate Interests in the Ethiopian Revolution*, in *Journal of Modern African Studies*, vol. 16, no. 3 (1976), pp. 469-486.

8. A lengthy review of research on the rural sector since the end of the Italian occupation is John M. Cohen and Seleshi Sisaye, *Research on Socio-economic Development in Ethiopia: Past Problems and Future Issues in Rural Urban Studies* (Ithaca: Cornell University Rural Sociology Bulletin Series no. 84, 1977).

9. For a review of major writings on land tenure, see Joanna Mantei-Niecko, *The Role of Land Tenure in the System of Ethiopian Imperial Government in Modern Times* (Warsaw: Wydawnictwa Uniwersytetu Warszawskiego, 1980); Richard K. Pankhurst, *State and Land in Ethiopia* (Addis Ababa: Oxford University Press, 1966); J. C. D. Lawrence and H. S. Mann, *FAO Land Policy Project (Ethiopia)*, in *Ethiopia Observer*, vol. 9, no. 4 (1966), pp. 286-336; Mahtama S. W. Maskal, *Land Tenure and Taxation from Ancient to Modern Times*, in *Ethiopia Observer*, vol. 1 (1957), pp. 283-301; Dunning, *supra* note 7 at pp. 271-307; Cohen and Weintraub, *supra* note 3 at pp. 28-75; and also Gebre-Wold-Ingida Worg, *Ethiopia's Traditional System of Land Tenure and Taxation*, in *Ethiopia Observer*, vol. 5, no. 4 (1962), pp. 302-339.

10. Article 18 of the Minister's Definition of Powers Order, Order no. 46 of 1966, in *Negarit Gazeta*, 25th yr., no. 23 (27 July 1966), pp. 133-134. The new ministry was specifically charged with: 1. preparing, recommending, and implementing reforms related to land tenure and tenancy; 2. administering most government land holdings; 3. distributing government land under appropriate reform schemes; 4. developing resettlement programs on government land and administering the transfer of land to implementing agencies; 5. establishing and maintaining land registers; 6. conducting cadastral surveys; 7. expediting the settlement of land claims; and 8. classifying land for tax purposes and recommending land tax policies to the Ministry of Finance.

11. The specific content of the proposed tenancy regulations of 1972 was set forth in MLRA, *Agricultural Tenancy Relationship Proclamation Explanation* (with Paper Distributed for Internal Government Information, 1972). Important details were the limitations on share tenancy rates and attempts to secure tenant rights to land and improvements. The bill is described in Stahl, *supra* note 3 at pp. 159-168. In general, it provided for indefinite security of tenure so long as the tenant fulfilled his lease conditions; rent was limited to one third of the normal main crop obtained without purchased inputs; leases were to be put in writing and rent fixed in cash if either party or the Minister demanded it; and tenancy tribunals independent of the elite-dominated local court system were to be established.

12. Foreign involvement probably began with the expansion of highland Abyssinia, particularly during the major conquests by Menelik II in the late nineteenth century. These conquests led to substantial alterations in land tenure patterns. See H. G. Marcus, *Imperialism and Expansion in Ethiopia from 1865 to 1900*, in L. H. Gunn and Peter Duignan, eds., *Colonialism in Africa*, vol. 1 (Cambridge: Harvard University Press, 1969), pp. 420-461.

13. Remarkably, this politically sensitive report was published in the *Ethiopian Observer* in 1966: Lawrence and Mann, *FAO Land Policy Project*, pp. 286-336.

14. Erich H. Jacoby, *Duty Travel Report: Ethiopia 20-29 November 1966*, unpublished (Rome: FAO, 5 December 1966). He notes that during his visit he: 1. joined another officer of the MLRA in a proposal on the administrative organization of the new ministry; 2. cautioned the minister on the undesirability of establishing separate authorities for implementing land settlement programs; 3. advised the minister on the need for the government to develop procedures and mobilize resources for purchasing land offered by large landowners seeking to diversify their investment and pressured by the hoped-for reforms; 4. joined the government side in discussions with a visiting World Bank mission concerned about the content of a proposed tenancy bill, and proposed procedures for its implementation; 5. made specific technical suggestions to the minister on components of the tenancy bill concerned with tenure security, control of evictions, rent control, compensation for improvements, and mobile courts; 6. proposed to the minister and SIDA that after passage the tenancy bill be first implemented in the CADU project area of Arussi province; 7. urged the government not to make land reform wait for the results of cadastral surveys, but to follow the Kenyan example of provisional adjudication executed in close collaboration with local committees; 8. recommended that Ethiopian and FAO experts in the MLRA probe into land tenure patterns and constraints rather than simply be satisfied with surface detail; 9. met with the emperor's grandson, Commander Desta, and conveyed his concerns about political and bureaucratic issues blocking effective land tenure reform (noting on p. 5 of the report that "I have every reason to believe that this conversation will have some influence on Government policies"); and 10. worked out an expanded program of technical assistance for the FAO to provide to the MLRA.

15. He was charged with advising the government: 1. in the field of land administration (including the establishment of cadastral survey and title registration); 2. in the implementation of land reform with a view to submitting to the government detailed recommendations which could serve as a basis for the establishment of an effective system of land administration suitable for the implementation of changes in the tenure system; 3. in the various aspects of taxation affecting the income of the agricultural population; and 4. in respect to the training of staff in land adjudication. These terms of reference were expanded in mid-1979 to include: the planning of land reform programs in the national social and economic development process; the scheduling and coordination of land reform programs; the establishment of an effective system of land reform administration; the arrangement of training facilities for the staff of the MLRA; and the review of such important land tenure issues as the reform of the government land grant system, the establishment of effective title registration rights, the

formulation of land classification standards, and the development of procedures for consolidating fragmented holdings. Letter from E. H. Jacoby, Chief, Land Tenure and Settlement Branch, Rural Institutions and Services, FAO, Rome, to H. Wetterhall, dated 5 May 1967; and letter from V. Andersen, Director, Rural Institutions Division, FAO, Rome, to H. Wetterhall, dated 20 June 1969. His most important advisor paper is the widely cited Government Land in Ethiopia (Addis Ababa, June 1972).

16. We should briefly review some of the missions and consultancies that worked on land tenure issues between 1969 and 1972. Throughout 1969, the World Bank funded two experts from its Agricultural Development Services, V. Burke and F. Thornley. Charged with reviewing land settlement policy, they were to produce a comprehensive paper on land settlement that influenced further government thinking on the matter. Their study was augmented by a 1970 mission on settlement of nomads led by O. A. Sabry of the ECA/FAO Joint Agricultural Division. Both the Burke and Thornley study and the Sabry report were submitted to the Council of Ministers in October 1970 in support of the MLRA's draft proposal for a "National Policy Settlement for Ethiopia." Also in 1970, the British government funded a mission charged with examining draft legislation on land adjudication and registration. Led by J. C. D. Lawrence and S. R. Simpson, the mission recommended that high priority be given to a system based on the Kenyan experience. Again in 1970, the influential Doreen Warriner carried out a two-month consultancy funded by the ECA. Her widely circulated report helped consolidate donor thinking on land tenure issues. Doreen Warriner, A Report on Land Reform in Ethiopia, mimeographed report submitted to ECA (April 1970). By 1971 the World Bank had a large agricultural sector mission at work which, among other things, gave close attention to land tenure issues. And in the second half of 1971, J. D. MacArthur studied land registration, taxation of underutilized land and settlement scheme policies under British funding, and Peter Dorner of the University of Wisconsin Land Tenure center advised the Ministry on tenancy policy and legislation under Harvard funding. Also in that year, F. Seligson did a study of the Order to Create the National Lands Settlement Authority and James Mave did a review of the procedures for granting government land.

17. In 1973, the minister of the MLRA reorganized the Ministry to place these recently trained lawyers in senior positions. Zegeye became head of the Landlord-Tenant Division, Teame the head of the Registration Division, and Alemante head of the Legal Services Unit.

18. Bruce also worked on the MLRA task forces on tenancy reform, title registration, government land and settlement, progressive taxation of underutilized land, and general land reform policy. In early 1973 he undertook a special study of communal land tenure in three sites with law school and MLRA help. These studies gathered new information about this little-understood tenure system and provided the basis for Bruce's doctoral dissertation. Finally, in the early days of the revolutionary period, he worked on issues related to the distribution of state domain land to the landless, establishment of criteria for land holding ceilings, and rules for compensating landowners whose holdings were expropriated. John Bruce, Summary of Projects and Activities Completed Within the Contract Period (internal memorandum to the Minister, of 13 July 1972, 31 July 1973, 10 September 1974).

19. The intention was to establish a Planning Commission Office and planning units in several ministries. Interestingly, a lengthy report on the project does not refer to the DAS involvement in land tenure reform described here. Center for International Affairs, Final Report on the Operations of the Development Advisory Service: July 1, 1972 - June 30, 1974 (Cambridge: Harvard University, 1975), pp. 1-5. This is the case despite the report's noting that the project was wound down as a result of the 1974 revolution.
20. Policy on the Imperial Ethiopian Government on Agricultural Land Tenure (second draft, 24 February 1972).
21. Draft Policy of the Imperial Ethiopian Government on Agricultural Land Tenure, internal paper (Addis Ababa: MLRA, August 1972).
22. Proposal for a National Land Settlement Policy for Ethiopia, internal memorandum (Addis Ababa: PCO, 24 May 1971).
23. See John M. Cohen, Ethiopia After Haile Selassie: The Government Land Factor, African Affairs, vol. 62, no. 289 (1973), pp. 365-387.
24. Considerations Relating to the Desirability of Imposing a Tax on Underutilized Private Land as a Component of Land Reform in Ethiopia, internal memorandum (Addis Ababa: MLRA, n.d.).
25. Most notably Donald N. Levine, Wax and Gold: Tradition and Innovation in Ethiopian Culture (Chicago: University of Chicago Press, 1965).
26. Alan Hoben, Social Anthropology and Development Planning in Ethiopia, in Journal of Modern African Studies, vol. 10, no. 4 (1972), pp. 561-562.
27. Gene Ellis, Land Tenancy Reform in Ethiopia: A Retrospective Analysis, in Economic Development and Cultural Change, vol. 28, no. 3 (1980), pp. 523-545.
28. A good example that is related to the Hoben example which follows is Oliver Oldham and Emanuel G. Demos, A Preliminary and Partial Survey of the Ethiopian Tax Structure: Report Prepared after One-Week Visit to Addis Ababa in April 1966 (report for International Tax Program, Harvard Law School, 1966). See also David N. Smith and Robert F. Meagher, Ethiopia: Land Reform in Law and the Development Practitioner, final report to USAID, contract no. CSD-3977, 31 December 1974), pp. 37-60.
29. These patterns are described in Stahl, *supra* note 3, and Tesfai Teclé, An Approach to Rural Development: A Case Study of the Ethiopian Package Projects, in Rural Africana, vol. 28 (1975), pp. 87-105.
30. T. J. Goering, Some Thoughts on Future Agricultural Development Strategies in Ethiopia, in G. Gill, ed., Readings on the Ethiopian Economy (Addis Ababa: Institute of Development Research, 1974), p. 73.
31. Agency for International Development, 1974 Development Assistance Program, mimeographed program document (Washington: USAID, April 1974), p. 31.

32. For example, International Bank for Reconstruction and Development, *supra* note 1; Agency for International Development, Bennett-Clark-Pearson Economic Review of 1972, mimeographed report (Addis Ababa: USAID, 1972); Agency for International Development, Assessment of the Ethiopian Agricultural Sector, mimeographed report (Washington; USAID, 1973).
33. This case is well documented in Jack Sheperd, *The Politics of Starvation* (New York: Carnegie Endowment for International Peace, 1975).
34. IBRD, *supra* note 1, vol. 3, annex 19.
35. USAID, *supra* note 31 at p. 39.
36. *Ibid.*, pp. 32-33.
37. See John M. Cohen, *Rural Change in Ethiopia: The Chilalo Agricultural Development Unit*, in *Economic Development and Cultural Change*, vol. 22, no. 4 (1974), pp. 580-614.
38. These are described in detail in: John M. Cohen, *Effects of Green Revolution Strategies on Tenants and Small-scale Landowners in the Chilalo Region of Ethiopia*, in *Journal on Developing Areas*, vol. 9, no. 4 (1975), pp. 335-358.
39. T. J. Goering, *Some Thoughts on Future Strategies for Agricultural Development* (paper presented to Seminar on Development Administration, Institute of Public Administration, Addis Ababa, 1971), pp. 6-7, 16. The fuel tax benefit provided an annual income benefit of approximately E\$1,600 per tractor; a study in Ada District drawing on Goering's ideas estimated that abolition of fuel subsidies would raise tractor costs per work hour by one-third. Gene Ellis, *Man or Machine; Beast or Burden: A Case Study of the Economics of Agricultural Modernization in the Ada District, Ethiopia*, Ph.D. dissertation (University of Tennessee, 1971), pp. 6-7.
40. The debate in Sweden merits some discussion. The following is drawn from a 1971 official explanation of the Swedish position in the newspaper *Dagens Nyheter* by the then Deputy Director-General of SIDA, Anders Forsse. First, some background: In late 1970 and early 1971, heated political discussion occurred in the Swedish press on the country's assistance to Ethiopia, and particularly the CADU project. Critical voices argued that Swedish aid should be given to more progressive regimes and should be conditional on actual political and social reforms. The *Ethiopian Herald* ran an angry editorial on 13 February 1971, stating: "What is happening in Sweden? . . . [A]id should be given on the basis of understanding and mutual respect. A patronizing attitude is totally out of place. There is a limit to the price one has to pay for help offered. There is also a limit beyond which friendship cannot be strained without breaking." *Dagens Nyheter* responded in an editorial on 17 February which criticized the SIDA decision to approve the extension of the CADU agreement and harshly criticized the Ethiopian government and its land tenure policies. This prompted Forsse to write an article published on 23 February. Forsse explained that the Ethiopian government had in the CADU agreement committed itself to start implementation of tenancy reform in the entire CADU area within one year after Parliament's resolution to pass the proposed legislation. The Ethiopian govern-

ment could not agree with Sweden that Parliament would actually pass the legislation, Forsse noted. He also pointed out that Sweden had made a unilateral statement that it would review the CADU agreement if implementation of tenant legislation did not begin within two years. By this, Sweden had declared its willingness to use, if necessary, the general cancellation clause included in all SIDA assistance agreements. Forsse concluded: "It is actually not a matter of 'bargaining' in the conventional sense of the word, nor of 'conditions' that the Swedish development assistance donor enforces upon the receiver. It is rather a joint concern to reach an agreement on the goals of a mutual programme and to analyze together the prerequisites — personnel, equipment, financing, organization, legislation, etc. — necessary to achieve the goals set. It is in such context, and not on the basis of Swedish development-assistance/colonial pressures, that the Imperial Ethiopian Government has committed itself with respect to the extensive tenancy land reform recently proposed by the Government to the Parliament of Ethiopia. Swedish mass media have presented a distorted view of the negotiations and the transactions of the parties concerned."

41. Plan of Operations of the Chilalo Agricultural Development Unit (CADU) 1971-1974/75, mimeographed (Addis Ababa: SIDA, 1971), p. 10.

42. Robert Liebenthal, *Certain Development Issues in Ethiopia and Their Relationship to Rural/Urban Balance: A Perspective Based on Bank Experience* (paper presented at the 19th Annual Meeting of the African Studies Association, Boston, 1976), p. 1.

43. USAID, *supra* note 31 at p. 33. See consultants' recommendation: "Preferably in concert [sic] with other major donors, AID would state in writing to the IEG that no new projects will be terminated at the end of 1975 if legislation is not passed which will provide: (1) tenancy security; (2) elimination of periodic reparcelization of communal lands; and (3) control by government agencies over grazing on government land, especially the lowlands." Melvin G. Blase and Marcus L. Winter, *Assessment of Ethiopian Agricultural Sector*, mimeographed report to USAID Mission (Addis Ababa: December 1973), p. 2.

44. Two observers asking, "Who lost Ethiopia?" note: "It is, ironically, this U.S. neglect of internal Ethiopian factors that helps explain why the revolution itself occurred, and why the upheavals of 1974 led, more or less inevitably, to the crisis of 1977-8. . . ." Washington was concerned only with ". . . the unhampered use of Kagnew station [its Eritrean military base]. . . ." Fred Halliday and Maxine Molyneux, *The Ethiopian Revolution* (London: Verso Editions, 1981), pp. 215, 217. This view underrates U.S. concern for internal factors and overrates U.S. ability to influence and direct Haile Selassie's government.

45. Agency for International Development, *Evaluation of the ASL Funded by USAID/Ethiopia*, mimeographed report (Washington: USAID, June 1973), p. 19.

46. *Supra* note 21 at p. 52.

47. The following case study is drawn from Ethiopian Project File (Stockholm: Swedish Agricultural Workers Union).

48. Report of the Special Committee on Agrarian Reform (Rome: FAO,

1971), pp. 24, 40-1.

49. E. Colbert, FAO, *The African Peasants and Possible IFPAAW Programmes: Ethiopia and Nigeria*, memorandum (IFPAAW, 1971).

50. After describing IFPAAW's development of peasants', tenants', and sharecroppers' interests in many countries, the letter noted: ". . . we are desirous of working in conjunction with CELU in the development of a similar organization of peasants, tenants and sharecroppers . . . on a nonpolitical basis . . . it is clear than any hope of a successful undertaking . . . is dependent on an understanding approval of this approach based on the concern and good will your Imperial Majesty has consistently shown for the less privileged of your subjects." Letter from T. S. Bavin, General Secretary, IFPAAW, to Emperor Haile Selassie, 17 November 1971.

51. Dennis Hodsdon, *Mission to Ethiopia*, September to November 1972, IFPAAW memorandum.

52. The following example drawn from Lars Bondestam, *People and Capitalism in Ethiopia*, in *Journal of Modern African Studies*, vol. 12, no. 3 (1974), pp. 423-439, and his *Notes on Multinational Corporations in Ethiopia*, in *African Review*, vol. 4 (1975), pp. 535-549; John W. Harbeson, *Afar Pastoralists and Ethiopian Rural Development*, in *Rural Africana*, vol. 28 (1975), pp. 71-86.

53. R. A. J. van Lier, *Report to the FAO on Social Problems Connected with the Planning of the Development of the Awash Valley in Ethiopia*, a mimeographed report (Rome: FAO, 1968); John Bruce, *Legal Considerations: Nomadic Lands*, internal memorandum (Addis Ababa: MLRA, 20 May 1970); O. A. Sabry, *Land Tenure and Settlement Problems in the Nomadic Areas of Ethiopia*, mimeographed report to MLRA (Addis Ababa: MLRA, 1970). For a summary of nomadic issues see: Hailu W. Emmanuel, *Land Tenure, Land-Use and Development in the Awash Valley - Ethiopia*, mimeographed paper (Madison: University of Wisconsin, Land Tenure Center, LTC no. 105, April 1975).

54. The role of education and politics in Ethiopia is described in Robert D. Grey, *Education and Politics in Ethiopia*, unpublished Ph.D. dissertation (New Haven: Yale University, 1970); Legesse Lemma, *Political Economy of Ethiopia 1875-1974: Agricultural, Educational and International Antecedents of the Revolution*, unpublished Ph.D. dissertation (University of Notre Dame, 1980); Paulus Milkias, *Traditional Institutions and Traditional Elites - the Role of Education in the Ethiopian Body-Politic*, in *African Studies Review* (1976), pp. 79-92, and his *The Political Spectrum of Education in Ethiopia*, in *Journal of African Studies*, vol. 9, no. 1 (1982), pp. 22-29. For one view on the depth and intentions of American involvement in the secondary and university systems, see: Desta Asayehgn, *A Socioeconomic Analysis of Schooling in Ethiopia*, in *Northeast African Studies*, vol. 4, no. 2 (1982), pp. 36-40.

55. The complexities of the student movement are reviewed in P. Koehn and L. Haynes, *Student Politics in Traditional Monarchies*, in *Journal of Asian and African Studies*, vol. 13 (1978), pp. 33-49; Legesse Lemma, *The Ethiopian Student Movement 1960-1974: A Challenge to the Monarchy and Imperialism*

in Ethiopia, in *Northeast African Studies*, vol. 1, no. 1 (1979), pp. 31-46; Teshome G. Wagaw, *Emerging Issues of Ethiopian Nationalities: Cohesion or Disintegration*, in *Northeast African Studies*, vol. 3, no. 1 (1981), pp. 69-75.

56. For example, Harrison Dunning, James Paul, Christopher Clapham, Paul Brietzke, Siegfried Pausewang, Patrick Gilkes, John Cohen, Peter Koehn, John Markakis, Gerard Gill, Norman Singer, Richard Pankhurst, John Harbeson, and Richard Disney, many of whom are cited in this chapter.

57. James C. N. Paul, *Legal Information and Communication Systems and Legal Development: Some Reflections on Ethiopian Experience* (September 1978), p. 25.

58. During the 1960s and early 1970s, there were few faculty members knowledgeable about agricultural and rural development, land tenure, and local government. The School of Agriculture at Alemaya was noted for its program's isolation from the realities of Ethiopian agriculture.

59. *Challenge* was published by the Ethiopian Students Association in North America (ESANA). See such influential articles as Haile Menkerios, *The Present Systems of Land Tenure in Ethiopia: An Introduction*, in *Challenge*, vol. 10, no. 2 (1970), pp. 4-24; Dessalegn Rahmato, *Conditions of the Ethiopian Peasantry*, *ibid.*, pp. 25-49.

60. For example, Allan Hoben, Michael Stahl, Gene Ellis, P. T. W. Baxter, Hector Blackhurst, Charles Humphrey, Carl Eicher, Dunstan Spencer, Warren Vincent, Donald Levine, Peter Schwab, Dan Bauer, H. S. Lewis, David Green.

61. Institute of Development Research, *Research Activities* (Addis Ababa: Haile Selassie I University, January 1975).

62. Michigan State University, *Plan of Work for the IDR/MSU Research Program in the Ada District of Ethiopia* (East Lansing: Department of Agricultural Economics, African Rural Employment Research Network Working Paper no. 5, November 1974).

63. Ethiopian Students Association in North America, *Challenge*, vol. 4 (August 1965), p. 1.

64. Rahmato, *supra* note 59 at pp. 25-49.

65. Dunning, *Land Reform in Ethiopia*, in *UCLA Law Review* (1970), pp. 271-307.

66. This is the conclusion of Brietzke, who observed the formulation of the land reform law and studied its underlying policy assumptions. See Paul H. Brietzke, *Law, Development and the Ethiopian Revolution* (Lewisburg: Bucknell University Press, 1982), pp. 7-37.

67. For a description of much of this literature see John M. Cohen, *Revolution and Publication: Ethiopia since 1974*, in *African Studies Association Review of Books*, vol. 5 (1980), pp. 154-164. The major overview studies to date are Marina and David Ottaway, *Ethiopia: Empire in Revolution* (New York: Africana, 1978); John Markakis and Nega Ayele, *Class and Revolution*

in Ethiopia (London: Spokesman, 1978); Halliday and Molyneux, *supra* note 44; Brietzke, *supra* note 66. A useful evaluation of progress based on some statistical evidence is IBRD, *Agricultural Development in Ethiopia: With Particular Reference to Highlands*, 2 vols. (Washington: East Africa Projects Department, Northern Agricultural Division, Report No. 3956-ET, 28 May 1982). For the Communist perspective see Raul Valdes Vivo, *Ethiopia's Revolution* (New York: International Publishers, 1978) and Polacek Zdenek, *Ethiopia: From the Overthrow of the Monarchy to a Non-Capitalist Path of Development, in The Most Recent Tendencies in the Socialist Orientation of Various African and Arab Countries* (Prague: Czechoslovak Academy of Sciences, 1979), pp. 163-170.

68. Detailed legal analyses are found in John M. Cohen and Peter H. Koehn, *Rural and Urban Land Reform in Ethiopia*, *African Law Studies*, vol. 14 (1977), pp. 3-61; John W. Bruce, *Ethiopia: Nationalization of Rural Lands Proclamation*, in *Land Tenure Center Newsletter* no. 47 (January-March 1975), pp. 1-15; Harrison C. Dunning, *Réforme Agraire en Ethiopie Socialiste: Bilan de la Première Année*, in *Revue Juridique et Politique*, vol. 31, no. 1 (1977), pp. 123-138, and his *Rural Land Reform in Socialist Ethiopia: The First Year*, in *Verfassung und Recht in Ubersee*, vol. 10, no. 2 (1977), pp. 203-213. More general studies include: Marina Ottaway, *Land Reform and Peasant Associations: A Preliminary Analysis*, in *Rural Africana*, vol. 28 (1975), pp. 34-54, and her *Land Reform in Ethiopia 1974-77*, in *African Studies Review*, vol. 20, no. 3 (1977), pp. 79-90; Alan Hoben, *Perspectives on Land Reform in Ethiopia: The Political Role of the Peasantry*, in *Rural Africana*, vol. 28 (1975), pp. 55-69; Siegfried Pausewang, *Die Land Reform in Aethiopien*, in *Afrika Spectrum*, vol. 77, no. 1 (1977), pp. 17-35; Paul Brietzke, *supra* note 66 at pp. 19-34 and *Land Reform in Revolutionary Ethiopia*, in *Journal of Modern African Studies*, vol. 14, no. 4 (1976), pp. 637-660.

69. *Public Ownership of Rural Lands Proclamation*, Proclamation No. 31 of 1975, in *Negarit Gazeta* 34th yr., no. 26 (29 April 1975), pp. 93-101. For a detailed analysis see: Cohen and Koehn, *supra* note 68, pp. 5-15.

70. *Peasant Associations Organization and Consolidated Proclamation*, Proclamation No. 71 of 1975, in *Negarit Gazeta* 35th yr., no. 15 (14 December 1975), pp. 107-118. Specific provisions of the law and their relationships to these objectives are described in: Cohen and Koehn, *supra* note 68, pp. 16-19.

71. *Establishment of Producers Cooperatives*, Proclamation of 26 June 1979. For a portrait of the Khriftu Producers' Cooperative see: David B. Ottaway, *Ethiopia Tests Collectives*, in *The Washington Post*, 5 December 1980.

72. The two principal studies available are: Allan Hoben, *Social Soundness Analysis of Agrarian Reform in Ethiopia* (Washington: USAID, February 1976), briefly summarized as *Perspectives on Land Reform*, pp. 55-69; Michael Stahl, *New Seeds in Old Soil: A Study of the Land Reform Process in Western Wollega, Ethiopia 1975-76* (Uppsala: The Scandinavian Institute of African Studies, Research Report no. 40, 1977).

73. The principal studies are: Alula Abate and Tesfaye Teklu, *Land Reform and Peasant Associations in Ethiopia: A Case Study of Two Widely Differing*

Regions (Addis Ababa: Institute of Development Research, August 1979). This study is summarized in their article *Land Reform and Peasant Associations in Ethiopia – Case Studies of Two Widely Differing Regions, in Northeast African Studies*, vol. 2, no. 2 (1980), pp. 1-51. Other area-focused studies include Tesfaye Teklu's *Socio-Economic Conditions in Shashemane – 1977; Dotota – 1977; and Dangella – 1977*, which were published by the Institute of Development Research, Addis Ababa University, IRD Research Reports nos. 26, 27, and 28 (1979). A broad, weakly quantitative and anecdotal study of all fourteen provinces is: Aster Akalu, *The Process of Land Nationalization in Ethiopia: Land Nationalization and the Peasants* (Lund: Cluk Gleeurp, 1982). Aside from the Alula-Tesfaye study, the ILO also generated: Alula Abate and Fassil G. Kiros, *Agrarian Reform, Structural Changes and Rural Development in Ethiopia*, World Employment Program Research Paper 10/6/WP 36 (Geneva: ILO, 1979); M. A. Rahman, *Transition to Collective Agriculture and Peasant Participation – North Vietnam, Tanzania and Ethiopia*, World Employment Program Research Paper 10/WPS (Geneva: ILO); Dessalegn Rahmato, *Agrarian Reform in Ethiopia: A Brief Assessment*, presented to the Seventh International Conference of Ethiopian Studies (Lund, Sweden, 16-19 April 1982), reporting on a study of four rural areas; M. Bezzabeh, *A Study of the Impacts of Land Reform and Agrarian Revolution in Wollo Region, Northern Ethiopia* (Rome: FAO, 1980).

74. This problem is analyzed in John Cohen, *Analyzing the Ethiopian Revolution: A Cautionary Tale*, in *Journal of Modern African Studies*, vol. 18, no. 4 (1980), pp. 685-691.

75. In the absence of writings by those actually involved, the description which follows is incomplete, cannot be tested, and must be treated with utmost caution by researchers.

76. New Cabinet Issues Policy Declaration, *Ethiopian Herald*, 9 April 1974.

77. The following information is based on a confidential interview with one of the ministers on the Committee. It differs in some details from the scenario in Markakis and Ayele, *supra* note 67 at pp. 128-132.

78. By 1975 he was chairman of the important PMAC subcommittee on economics. However, like most intellectual members of the PMAC, he was executed. On 3 February 1977, he received "revolutionary" justice for having supported Teferi Banti's efforts to consolidate power, stop terror campaigns against leftists, and negotiate on Eritrea. *Ethiopia: The Mysterious Derg*, in *Africa Confidential*, vol. 17, no. 10 (14 May 1976), p. 3; *Ethiopia: Plenty of Enemies*, in *Africa Confidential*, vol. 18, no. 10 (13 May 1977), p. 3.

79. By 1980 he was secretary-general of the PMAC and in charge of ideological affairs of the new political structure, COPWE. Halliday and Molyneux, *supra* note 44 at p. 118.

80. These included Zegeye Asfaw, Alemant Gebre Selassie, Teame Beyene, and Tamrat Kebede, all pragmatic and left-leaning. Some reports argue that the German-educated student activist Andergatchew Aseget was author of the reform. A figure in the Oromo-dominated Me'ei Sone, he was head of the ideological school and involved in efforts to form a national party. By 1980 he had fled to the countryside to join the Oromo Liberation Front. *Ethiopia:*

Dergue Comes Out on Top, in *Africa Confidential*, vol. 21, no. 10 (7 May 1980), p. 3. My evidence is that he was not involved in producing the Mogus Draft. However, Oromo nationalism may have been the most important influence on the process of formulating the reform. Given the degree of tenant exploitation in the Oromo areas, it should not be surprising that intellectuals and radicals of Oromo background were at the forefront of reform legislation. For example, a key civilian closely identified with the reforms was Zegeye Asfaw, who served as Minister of Agriculture and presided over the 1975-1976 land reform process. In 1980 he was arrested in a crackdown on Oromo leaders. *Ethiopia: Ideology on Decline*, in *Africa Confidential*, vol. 21, no. 6 (12 March 1980), p. 8.

81. Brietzke, *supra* note 66 at p. 23, notes: "Over a period of eight months, the Dergue considered at least nine drafts of the Proclamation, and the drafts display a (steady) leftward march. . . ."

82. The moderates' major proposal, entitled *Limitation on Owned Land Proclamation*, was not to be applied in communal and nomadic land areas. There was no limit on land held by religious and commercial interests. A temporary ban was to be placed on land transfers to block large owners from transferring property to family members. Those losing excess land would receive compensation up to \$10,000 payable in 4 percent government bonds redeemable over 30 years. Government-expropriated land would be transferred on usufruct basis to farmers.

83. Halliday and Molyneux, *supra* note 44 at p. 105; Ottaway and Ottaway, *supra* note 67 at p. 67, as well as their *Afrocommunism* (New York: Africana, 1981), p. 155. Their views confirm disclosures made to me by a senior member of the Committee.

84. *Pravda* (29 March 1975), *CDSP*, vol. 27, no. 13.

85. Recent reports suggest there are 4,000 Soviet advisors in Ethiopia, half of whom are attached to the army. Some 11,000 Cubans are stationed in the country. East German specialists are training Ethiopia's secret police, and several hundred Eastern bloc advisors are expected to be working in government departments and state-controlled industries by the end of 1983. *Time* (4 July 1983), p. 36.

86. See Czeslaw Jesman, *The Russians in Ethiopia: An Essay in Futility* (London: Chatto & Windus, 1958).

87. Between 1970 and 1976, 914 Ethiopian military officers were trained in the United States. See *United States Arms Policies in Persian Gulf and Red Sea Areas: Past, Present and Future* (Washington: U.S. Congress, 1977), pp. 172-175.

88. Halliday and Molyneux, *supra* note 44 at pp. 116-117.

89. Changing patterns of military aid in Ethiopia and the Horn are described in: Paul B. Henze, *Arming the Horn* (Washington: Smithsonian Institution, The Wilson Center, Working Paper no. 43, 1982).

90. See Ottaway and Ottaway, *supra* note 83 at p. 175; see also Jay Ross,

Amid Policy Shifts Ethiopia Leans Uneasily on Russia for Weaponry, *International Herald Tribune*, (11 January 1982.)

91. East Germany has lent \$20 million for plant equipment and other aid to mining, transport, and agriculture. Further, it has lent \$2 million for expanding the port of Assab, provided 1000 tractors, and built a plant to service them. The Czechs have given a \$46 million loan for construction of industrial plants, while Cuba has provided medical personnel and scholarships.

92. Its terms are presented and analyzed in *Ethiopia Profile*, vol. 1, no. 1 (1982), pp. 5, 12. Earlier agreements were made in November 1977 and April 1978 during Lt. Col. Mengistu's visits to Moscow.

93. Negussay Ayele, *The Horn of Africa: Revolutionary Developments and Western Reactions*, in *Northeast African Studies*, vol. 3, no. 1 (1981), pp. 15-29; T. J. Farer, *War Clouds on the Horn of Africa* (Washington: Carnegie Endowment for International Peace, 1976); John H. Spencer, *Ethiopia, the Horn of Africa, and U.S. Policy* (Medford: Institute for Foreign Policy Analysis, Inc., Tufts University, 1977).

94. *HIID: The First Two Years 1974-1976* (Cambridge: Harvard Institute for International Development, 1977), p. 22.

95. The project ETH/73/003 ran from August 1974 to March 1979 with UNDP contribution of \$294,399 and Ethiopian of \$150,000. *Food and Agricultural Organization of the United Nations, Ethiopia: Project Findings and Recommendations* (Rome: FAO, Terminal Report ES:DP/ETH/73/003, 1980).

96. The advisor was Ronald J. Clark. See his *The Ethiopian Land Reform - Scope, Accomplishments and Future Objectives*, in *Land Reform, Land Settlement and Cooperatives*, vol. 2 (1975), pp. 65-69.

97. See list of reports, *ibid*, pp. 40-41.

98. A Swedish officer was deputy head of EPID from 1971 until 1976 and was charged with operational responsibility for all project activities undertaken by EPID.

99. Aster Akalu, *supra* note 73 at p. 83.

100. Hoben, *supra* note 68 at p. 68.

101. Analysis on the expansion of centralized planning is drawn from IBRD, *Economic Memorandum on Ethiopia* (Washington: East Africa Region, Report no. 2609aET, 22 April 1980), pp. 6-7.

102. Proclamation to Establish a National Revolutionary Development Campaign and Central Planning, Proclamation no. 156 of 1958, *Negarit Gazeta* (29 October 1978).

103. Eastern bloc aid is limited because of Soviet: (1) weakness in third world development knowledge and technology, especially in regard to agriculture; (2) lack of sufficient foreign exchange reserves to spend on development programs; (3) disinterest in and lack of public support for aid, largely

due to domestic consumer shortages; and (4) general distrust of third world regimes based on past experience. Jerry F. Hough, *Soviet Leadership in Transition* (Washington: Brookings Institute, 1980), pp. 164-166. States one report: "Disillusionment because of Soviet reluctance to supply economic aid is widespread. 'At least with the Americans, we always got something,' an Ethiopian said." Helen Winternitz, *Ethiopia Turns Tentatively to West out of Need for Development Aid*, *The Sun* (31 August 1981).

104. Ethiopians have found the equipment to which the loans are tied to be poorly designed or ill-adapted to African conditions; the most visible example of this is East German tractors, many of which are beyond repair, standing as symbols of the need for higher quality Western aid. They dislike the exploitativeness of COMECON aid, which was most visibly revealed to Ethiopia when for ideological reasons an East German firm won a bid over South Korea for the provision of military uniforms, then bought the uniforms from the Seoul company and delivered them to Ethiopia at three times the Korean bid price. Jay Ross, *Ethiopia Leans Uneasily on Soviets as Reliable Source of Arms*, *The Washington Post* (31 December 1981).

105. Ethiopia: Economic Aid from the West, in *Africa Confidential*, vol. 20, no. 10 (9 May 1978), pp. 1-2; *African Research Bulletin* (1981), p. 5899.

106. International Labour Organization, *Socialism from the Grass Roots: Employment, Growth and Equity in Ethiopia* (report prepared for the Government of Ethiopia, Addis Ababa, September 1982). Led by Oxford University's Keith Griffen, the twenty-person team was funded by UNDP and spent six weeks reviewing the economy.

107. These include: sending of political workers to the countryside to cultivate political awareness among the peasantry, decree and enforcement of quotas for export production on state farms, and establishment of state farms themselves. See Marina Ottaway, *The Theory and Practice of Marxism/Leninism in Mozambique and Ethiopia*, in D. E. Albright, ed., *Communism in Africa* (Bloomington: University of Indiana Press, 1980), pp. 118-144.

108. Thirty percent of the \$1.2 billion annual budget goes for defense. Seventy percent of foreign exchange earnings goes to pay for petroleum. The 1980 trade deficit was more than \$250 million. Jay Ross, *Ethiopia's Economy on Treadmill*, *The Washington Post* (5 January 1982).

109. For a recent portrait see: Helen Winternitz, *Chairman Is More a 'Socialist Emperor' as He Leads Ethiopia in Troubled Times*, *The Sun* (1 September 1981); Ross, *supra* note 108.

110. In February 1982, the World Bank resumed loans, suspended earlier, of approximately \$40 million; EEC has pledged a four-year package of \$150 million; Italy will provide \$44 million in 1982 and Sweden \$20 million. Britain makes a small contribution through the EEC. Ross, *supra* note 104. Compare to slightly different figures cited by Ottaway and Ottaway, *supra* note 83 at p. 176.

111. Notes one expert: ". . . the value of most of the post-revolutionary writing [by Russians] that have come to my attention is ephemeral; whether or not a serious analysis can emerge from the Soviet Union in present condi-

tions is doubtful. The recent Cuban effort by Raul Valdes Vivo (Ethiopia's Revolution) does not encourage optimism." Colin Darch, *A Soviet View of Africa* (Boston: G. K. Hall, 1980), p. xiv.

112. Per-Arne Ströberg, *Research and Research Organization in Ethiopia* (Stockholm: Swedish Agency for Research Cooperation with Developing Countries, Research Report 2, 1976).

113. These include the Debre Zeit Experimentation Station of the College of Agriculture, the Institute of Development Research of Addis Ababa University, the Institute of Pathobiology, the Educational Research Center, the Central Statistical Office, the Ethiopian Nutrition Institute, such national and regional development projects as CADU, EPID, and WADU, and the Institute of Ethiopian Studies.

114. The study is described in: Tesfaye Teklu, *A Farm-Level Survey of the Impact of the On-Going Agrarian Reform on Resource Use and Income: A Comparative Approach*, in the *Ethiopian Journal of Development Research*, vol. 3, no. 1 (1979), pp. 87-90.

115. A large number of non-governmental organizations have operated in Ethiopia before and after the revolution. Many engaged in local level efforts aimed at community development, public health, family planning, food production, nutrition, and so on. Few had any connection with the land tenure reforms. In 1979 there were 42 private U.S.-based voluntary organizations: Technical Assistance Information Clearing House, Development Assistance Programs of U.S. Non-Profit Organizations in Ethiopia (New York: American Council of Voluntary Agencies for Foreign Service, October 1979).

116. In mid-1971 Tufts economics professor Robert West arrived with a number of American graduate students to help establish the IDR and undertake research leading to M.A. theses. Ethiopian faculty were incensed by the operation and its lack of sensitivity to their skills and research interests. Data gathered by the American students were impounded and West's approach criticized.

117. Michigan State University, note 62 *supra*, pp. 1-39.

118. Dessalegn Rahmato's study of *The Process of Social Change in the Countryside*; Mulugetta Bezzabeh's *The Impact of the Agrarian Reform Proclamation on Ethiopia's Peasant Agriculture*; Fassil G. Kiros' and Assefa Mehretu's *Survey of Socio-Economic Characteristics of Rural Ethiopia*.

119. Institute of Development Research, *Proceedings of the Social Science Seminar Held in Nazareth, October 27-29, 1978* (Addis Ababa: Addis Ababa University, n.d.).

120. The most widely available is Alula Abate and Tesfaye Teklu, *supra* note 73, pp. 1-51. See note 73 for other studies relying on the same data.

121. Aster Akalu, *supra* note 73, pp. 89-92.

122. Hung-Chao Tai, *Land Reform and Politics: A Comparative Analysis* (Berkeley: University of California Press, 1974), pp. 90-143. He distinguishes

between separated élites who are concerned with redistribution (they are either "nonindigenous" as in Taiwan or "revolutionary" as in Mexico) and cooperative élites who are concerned with production increases and stability. Cooperative élites work within the system, producing gradualist solutions based on complex legislation.

9

Prospects for International Action

John D. Montgomery

For the moment, public interest in land reform has been eclipsed by more dramatic events in the Third World. Disillusionment over land reform's curative power in Central America and the Philippines has discouraged fresh American ventures, and even Communist theoreticians have had to become unusually creative in their explanations of disappointments in North Korea, China, Nicaragua, Ethiopia, and Afghanistan. Land tenure experts have also become somewhat cautious in offering advice about dealing with the complexities of the problem in Africa and elsewhere, where conventional solutions are often unacceptable. Concern over the desultory performance and uncertain policies of governments that have experimented with redistributive and collective schemes has lowered the ambitions even of the agrarian reform institutes still at work in the developing world.

There is no sign that international interventions over land policies are at an end, however. Progress reports on redistributive programs are still required by bilateral and international aid missions as evidence of continued social reform; churches and other voluntary agencies still send workers to help agrarian reform efforts in Latin America and Africa and occasionally in Asia. Programs begun in an earlier era of conviction still persist, their bureaucratic momentum being sufficient in parts of Latin America and Asia to withstand political indifference and unfavorable turns of policy. Furthermore, as politics and ideology try to cope with food shortages and a population surplus in the next decade, land reform is likely again to be an appealing approach.

It is a good time, then, to seek lessons from experience, for hopes are modest but programs persist. Moreover, there is more agreement among the

experts than usually has been the case with such important policy questions. Documented experience can reduce errors of expectation and judgment in future replays of land reform, especially in technical matters of law and administration. Political prospects and pitfalls are also better understood than they were a few decades ago, though this knowledge is still hard to utilize because there is no institutional memory of the lessons of experience (and because politicians and legislators seldom read books like this one.)

Consensus has emerged in four areas, as the chapters in this book and numerous studies of country experience attest: first, on the high costs of concentrated ownership in terms of efficient land use and income distribution; second, on the higher productivity of small farms than large ones in most agricultural settings, whether size is measured in crop yields or in employment generation; third, on the advantage of using local participatory organizations in the implementation of land redistribution or collectivization schemes; and finally, on the interdependence of land reform programs with other policies, both during and after implementation.

THE AREAS OF CONSENSUS

Concentrated ownership promotes neither efficiency nor equity. Farm size tends to dictate what crops are planted and how the balance of capital and labor is maintained, decisions that in turn affect land productivity, food availability, and employment patterns. But efficiency does not depend merely on size. When only a few owners control use of the land, the absence of market forces removes the incentive to special capital or managerial efforts to meet competition. These facts have reappeared in many contexts on all three continents of the developing world, and under such a variety of political regimes: indeed, exceptions are hard to find. Arguments against land reform based on the efficiency of a highly concentrated ownership are usually untenable. The costs of land monopolies are well known, especially when based on exploitation of the rural poor. There are benefits, in that they contribute to the government's capacity to mobilize national resources for public purposes, but in purely agricultural terms, there is rarely any justification for concentrated land ownership.

The issue of "small" versus "large" farms is a more complex one, since the definition of size depends on the technologies available, the crops that

Nature favors, and institutional factors such as price structures and marketing facilities. A small farm is perhaps best thought of as one that can be worked by a single family using the prevailing technology of the region. This definition emphasizes institutional rather than geographic factors and permits the analyst to hold constant such considerations as incentives, cropping patterns, and off-farm services. Unfortunately, it also invokes sentiment and ideology and thus threatens alternatively to discredit itself with realists and to appeal to the crusading zeal of idealists. In any case it is best to treat it as a fact that, acre for acre, small farms are the better producers for most crops and to move on to implications for agricultural decisions such as price policies, export goals, and marketing strategies. The fact is not necessarily a normative invitation to land reform, but at the least it can define a range of agricultural policies.

Neither of these two areas of consensus (as to the net disadvantages of land concentration and the advantages of small-scale farming) necessarily justifies international support to redistributive land reform. International action has its risks, too, including the possibility of political destabilization. Many, though not all, observers believe that democracies cannot carry out land reform successfully because of the opposition it would provoke from rural élites. There have been exceptions to this forbidding principle, but it is true that the most effective land reforms of this century have taken place in the wake of war or revolution or have required a degree of coercion that would be unacceptable except in extreme emergencies. A few democratic states have successfully undertaken thoroughgoing land reforms — e.g., immediately after independence when a colonial class could be dispossessed without much internal opposition, or where oil or mineral wealth has created a surplus that could be used to buy out landowners. However, most democracies, especially those using land reform to gain temporary political advantage or to qualify for foreign aid, have had to undertake redistributive programs very slowly and carefully. Current interventions aimed at increasing food production or introducing rural development must proceed with equal care.

The third area of consensus involves the processes by which land reform is best carried out. Legal niceties that aim at completely accurate title registrations down to the last detail are not the essence of transfer; they can be clarified later. Similarly, errors in compensation or surveying procedures can be corrected if injustices occur in the first round. But some

of the more important features cannot be injected later and must be introduced early in the operation. These include participation by the intended beneficiaries of the reform, which brings to local decisions the knowledge and expertise of the residents and adds to their willingness to accept the outcome in contentious cases. Such participation is not a substitute for the professional expertise of administrative and judicial agencies charged with responsibility for implementing and interpreting land reform legislation; it supplements these functions. The counterpoising of bureaus and technicians with locally responsible leaders is an act of politics that both speeds and safeguards the implementation of laws and policies designed to stabilize land tenure.¹

The strongest consensus of all argues against the temptation to treat land reform as an isolated program, separated administratively and conceptually from other agricultural policies. The most obvious failures in land reform are those that have left new owners on their own after the old support system has been withdrawn. The departed landlord no longer provides credit because he now has other uses for his capital; his expertise is no longer available because his attention is occupied elsewhere; he cannot grant his former tenants access to supplies and equipment that may no longer exist. Yet these services are no less essential after reform than before. Both during and after land reform they have to be supplied by a ministry of agriculture or an agrarian reform institute (or, better still, by private entrepreneurial initiative).

Other changes must also accompany land reform. Policies devised to serve large-scale mechanized operations may now have to be adapted to accommodate new (especially local) marketing needs and more labor-intensive agricultural practices. New land owners will not survive unless the profitability of their operations is sustained. Land reform also will fail to generate the expected new rural employment unless foreign trade policies are adjusted to eliminate the distortions that have produced premature and socially harmful mechanization in much of the Third World. Thus what happens in these policy areas during and after land reform may be more important to underlying objectives of productivity and equity than the reform itself. Though land reform is a distinct activity easily separated from the usual functions of a ministry of agriculture, it must remain closely related to them. There can be no bureaucratic apartheid among agencies concerned with agriculture.

AREAS OF UNCERTAINTY

Consensus on these aspects of land reform assumes agreement on a desired outcome. Most of the studies in this book have taken productivity as the goal, though the amounts of land redistributed or numbers of farmers benefited are also important goals when equity is a primary objective. However, indicators of success are quite different in the international arena: the extent to which the stability of a regime is increased by land reform policies, or the support it gains from the effort; reduced dependency or increased self-sufficiency of an ally's food supply; or increased ideological solidarity among allies, for example. These indicators define program effects abroad that may be entirely independent of the productivity or equity consequences of a land reform.

Even beyond these effects, international ventures also must be weighed domestically as foreign policy instruments. A position on land reform abroad taken by a president of the United States, for example, would have to be evaluated as to its appeal to a domestic constituency, its success in eliciting behavior from the other country that is perceived desirable by some group of actual or potential supporters, or its contributions to a larger framework of diplomatic objectives. The mere listing of such criteria makes it clear that success in the international arena may not produce the benefits expected of a domestic policy. A reform that succeeded in all its technical dimensions might fail as a diplomatic or a policy venture, whereas failure in improving social justice or agricultural productivity in another country might not be so disappointing to international sponsors.

The ambiguity among national and international objectives is compounded by the diversity of interests pursued by agencies and organizations engaged in land reform activities. The preceding chapters document the range of international interventions that have occurred in recent decades. They include education (about law, tenurial practice, economics, and administration), technical assistance (in surveying, aerial photography and LANDSAT imaging, titling, and adjudication), and research (in anthropology, soil types and crop potentials, farm and household economics, and local organizations), as well as direct interventions (through military occupation, foreign aid "conditionalities," subversion and agitation, or bribery for special favors.)

Obviously, not all these activities are benevolent or overt, and their impact depends on local circumstances as well as the skill with which they are performed. They may be important to a World Bank mission, a Canadian or United States or Swedish foreign aid program, a communist-inspired peace mission, or a multinational corporation seeking mineral rights or the ownership of an industrial plantation; but they may be only a by-product of other interests that a foundation, voluntary agency, university, or embassy might have in the region. The standards of success applied by these actors vary markedly from those suggested by the experts in land reform. The multinational corporation is quite satisfied if its own tenure of mines or agricultural land is assured at reasonable cost, without reference to the effect that such a disposition might have on other land policies or legislation. A World Bank mission is likely to consider its technical assistance a success if a law has been passed or an institute of agrarian reform established; a permanent foreign aid mission might require quarterly or annual reports of progress in land distribution. For insurgents, disruption of a land redistribution that had been undertaken by a regime they consider reactionary would be a contribution to their cause. FAO technicians would judge the efficacy of their interventions by measuring productivity following land reform, but ILO specialists would consider employment generation a more appropriate criterion. Advisors in the techniques of land reform seek perfection in aerial photography or the legal correctness of land titles but may be fairly dispassionate about the number of farmers relocated to a collective or newly converted into private owners. Negotiators appraise the success of their diplomatic missions by documents of agreement, concessions, or acts of friendship.

Nor do all international actors pass identical judgments on success even if their objectives agree. The twenty-eight missions' evaluations of land reform under the Alliance for Progress reported in Chapter Six, for example, reflect quite different judgments among themselves; and collectively they differ from those that might have been made in the White House, which was concerned more with maintenance of good relations with friendly regimes in Latin America than with agricultural development or the relief of rural oppression. When the winds of change blow against reform, United States presidents prefer to avoid strong stands that might be uncomfortable for their counterparts abroad.

These differing standards of appraisal correspond to the comparative advantage each actor has in performing the different functions associated with land reform. The UN and its specialized agencies are probably not very influential in shaping land policies as such, but at international conferences they have been able to articulate and mobilize the expressions of support that are necessary to initiate or implement legislation, and they have provided training and technical assistance once programs are underway. International banks have had more direct influence in defining land policies but have shown little interest in monitoring progress or assisting in operations. National donors have been able to take more controversial stands; they have engaged in direct operations abroad as agents of a friendly government, and their support has been covert as well as public; but their activities are unstable, being subject to political shifts and international pressures and thus tending to lack continuity. Private groups, whether commercial or voluntary, have more constant interests and greater access to sub-national groups abroad, but they are distrusted by governments. Thus groups that agitate for or against land reform in almost any country usually have some choice among international allies, and they can weigh the advantages and disadvantages carefully in mounting campaigns for government action.

LESSONS FOR UNITED STATES POLICY

The principal international actor in land reform policies has been the United States. Communist nations have as strong an ideological commitment to policies of collectivism as the United States has towards private farming, but the coherence of their doctrine has lessened as experience in Eastern Europe, North Korea, China, and North Vietnam has deviated from that of the Soviet Union. There is diversity in the ranks regarding rural development policies as the use of individual incentives has emerged in a tentative way and produced different results where it has been tried in socialist regimes. But there are parallel contradictions in the United States position, as some multinational corporations have strongly opposed land reform when it threatened their own holdings (notably in Central America), while other forces from both conservative and liberal strongholds have favored it as a basis for strengthening individual incentive systems in agriculture — but thereafter have differed on the appropriate role of government in bringing it about.

When the United States has intervened, it has done so on three levels: policy, planning, and implementation. The first has been the domain of American politicians from both the executive and the legislative branches, including diplomats acting directly on the scene where decisions are made. The second has been dominated by economists and lawyers working as staff members in national planning offices and legislative bodies. The third is the work of technicians, usually agriculturalists with an occasional specialist in law or administration to bring comparative experience to the problems at hand.

The degree of commitment and permanency of these actors is almost directly the inverse of their influence. At policy levels, the international actors are influential but inconstant, since their interests in many other spheres of activity draw them away from land issues once some formal commitment to them has been determined. Planners have somewhat less diversified interests but enjoy greater institutional support for continued attention to the problems of a country or region in which they are working. Technicians usually are attached to operating ministries and agencies, where their influence is limited to administrative tasks or to specially designated regions and thus is rather inconspicuous — but sustained. The tradeoffs between degree of influence and extent of permanency are an important factor in appraising the prospects and the impact of international involvement in land policies.

The deployment of these three groups depends on the objectives of an international intervention. A foreign policy objective aimed at influencing national leaders abroad requires the use of political and diplomatic actors working at policy levels; one aiming at a public within the United States is more likely to strike a responsive chord if planners and programs are the chosen agents of intervention; and one that is intended primarily to influence a special public abroad, especially the rural disadvantaged, needs to include technicians working at the implementation levels of land policy. Thus the depth of an international intervention by the United States should be related as much to the objective of the action as to the abstract ideals implied by land reform, and the appropriate measures of success have to be calibrated in accordance with the same calculus.

These considerations also suggest a diagnostic approach for United States action. Interventions at the highest levels of policy should occur only

when political access or receptivity is great; but even in the absence of such political will they can occur at planning stages if significant domestic factors in the host country are favorable. Interventions by the United States can also be effective after the political basis for reform has weakened or the leadership has turned its attention elsewhere, but technicians from the United States nevertheless still can perform effectively in the continuing operations of a national bureaucracy. Judging these opportunities is no simple or automatic function, but it permits various groups in this country to maintain a credible and continuous commitment to land reform under a variety of circumstances—if that is indeed their goal.

Current United States policy officially favors land reform, giving both equity and productivity as justifications, but the supply of aid is as often as not in direct response to considerations of short-term political advantage. Section 103 of the Foreign Assistance Act directs the Agency for International Development to assist governments that want to undertake "establishment of more equitable and more secure land tenure arrangements." Such arrangements can include communal as well as individual ownership, with appropriate consideration of rights to access to other agricultural assets such as water. Official policy statements reiterate the proposition that offering and withholding aid to individual countries should be based on the AID field mission's assessment of the "genuine commitment" of the host government, thus by implication denying the Agency access to situations of latent potential, on the one hand, and to those in the aftermath of a reform effort, on the other.

The approved modalities of aid to land reform now go beyond those normally available for development programs. The preferred method involves financial and technical support to complementary undertakings (credit, extension, research, inputs, rural infrastructure, marketing, and administrative and technical services in reform areas), but ". . . on a case by case basis, AID is prepared to consider providing direct financing or loan guarantee seed capital for a portion of a compensation program in those unusual cases where a radical reform would only be possible with AID assistance of this type."² The policy is broad and permissive but essentially limited to cases where a government's commitment to land reform already exists.

PROSPECTS FOR A GLOBAL APPROACH

There is no international development agency devoted to advancing the cause of land reform.³ International interest comes and goes, following an uncertain course of boom-and-bust. There is always a latent possibility of renewed interest in the subject; the land use potentials and food requirements over the next decades as described in the chapters by Berry and Thiesenhusen are incontrovertible facts whose political importance is likely to increase.

In the near future, the United States is not likely to take the lead on a broad scale. Congressional resolutions regarding this nation's preferences in Central America and elsewhere are still on the books, and progress reports are still required in several Latin American and Asian countries; but bilateral programs of technical or capital assistance are dormant, and the prospect of vigorous action will depend largely on domestic factors. If the principal international actor is momentarily offstage or diverted to other interests, what are the prospects for a more comprehensive global approach to improving land policies?

The most dramatic answers to that question were suggested in the 1980s by Irma Adelman,⁴ who proposed establishing an international fund to provide loans for land reform activities in developing countries. This fund would be used for compensation and program administration with the expectation that most such reforms would be self-amortizing within a reasonable period. Her plan envisaged the use of industrial bonds based on state enterprises both to compensate the former landlord class for redistributed lands and to move them into more productive activities after reform. She believes that the existence of such a fund, with a permanent staff of specialists to provide continuity, expertise, and a comprehensive reservoir of experience, would serve as a reminder of the prospects of land reform and as an encouragement to action by governments and other interested groups.

She is certainly right in that expectation, and her proposal has appealing features. Institutional standing would impart objectivity to the recommendations of such an agency, and the economic potential of a special fund would relieve LDC governments and potential donors of the practical necessity of indulging in unsound financial measures that might be required for any substantial reforms. Its political appeal, especially in an era of

contracting resources for international development, has not been sufficient to gain it much support, however.

The ultimate fate of proposals such as Adelman's depends on political leadership. The objective facts, however solid, are merely silent partners to action. The one continent on which the food supply is dwindling relative to the population is Africa, where most of the countries cannot undertake the traditional kinds of land reform that have increased productivity elsewhere; and there is no certainty about the productivity of various types of collective arrangements, especially in contrast to that of small freeholds. Nor do the experts agree on how organization and management of off-farm inputs interact with different patterns of tenure. Such issues can be resolved by further research and doubtless will be in the next decade or so, but the impulses and opportunities for land reform may not wait so long. If food problems continue to grow in seriousness, and the equitable distribution of survival rations continues to deteriorate, international concern will rise, and land reform approaches will become increasingly appealing.

The current eclipse of land reform can continue only so long as international circumstances permit. Meanwhile, all scenarios for the future that follow current trend lines in food supply and rural stability suggest the need for international attention to land policy if the human race is to continue to be fruitful and multiply.

NOTES

1. Ronald J. Herring calls attention to the fact that "policy logic" in several different paradigms argues *for* participation because it introduces local knowledge and encourages local commitment and *against* it because it strengthens local élites. In his empirical studies, he displays a preference for the participatory model. Herring, *Land to the Tiller: The Political Economy of Land Reform in South Asia* (New Haven: Yale University Press, 1983), pp. 51-55, 81-83, and 286-287.

2. AID Policy Determination, Annex A to AID Policy on Agricultural Asset Distribution, 16 January 1979.

3. The Land Reform Training Institute in Taoyuan, Taiwan does offer courses in land policy and management, including the techniques of administering land reform legislation.

4. Adelman, *Income Distribution, Economic Development and Land Reform*, in

American Behavioral Scientist, 1980, pp. 437-456; Adelman, The Case for an Agrarian Reform Fund, University of California, Division of Agricultural Sciences, Berkeley (November 1982). See also Roy Prosterman, Land Reform as Foreign Aid, in Foreign Policy, Spring 1972, pp. 128-141.

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Index

- Abbai, Belai, 172, 175, 176, 190
Acción Democrática, 121
Acheson, Dean, 130
Adelman, Irma, 31, 32, 230
Afghanistan, 221
Africa, 20, 70, 127, 149-167
Agency for International Development, 3, 102, 123, 187, 200
agrarian reform, 131
agribusiness, 185
Alessandri, Jorge, 32
Alfonso, Almino, 44
Algeria, 90
Allende, Salvador, 31, 41, 43, 49
Alliance for Progress, 3, 32, 91, 102, 115, 118, 119-127, 131, 132, 136, 226
Altemeyer, Fernando, 31
Alvárez, Elena, 40, 44, 46
American Friends Service Committee, 91, 99, 109, 110
American Institute of Free Labor Development, 100, 103, 120
Amhara, 163
Andom, Aman, 192
Argentina, 122, 124
Arusha, 161, 162
Asfaw, Zegeye, 175
Asia, 70, 221

Ban, Sung Hwan, 76
Bangladesh, 72
Barracrough, Solon, 44, 92
Bavin, T. S., 184
Benton, Thomas Hart, 128
Berle, Adolf, 127
Berry, R. Albert, 72, 230
Betancourt, Rómulo, 121

Beyene, Teame, 175
Bhadur, Amit, 75
Bhalla, Surjit, 72
Bohannon, Paul, 150
Bolivia, 77, 92
 revolution, 15
Brandenius, Claes, 38
Brazil, 3, 33, 53-55, 56-58, 72, 92, 94, 95, 121, 122
Britain, 3, 189
Bruce, John, 174, 175
Bulgaria, 194, 196
Burke, Edmund, 31
Burma, 106

Caballero, José Maria, 39, 40
Cárdenas, Lázaro, 34, 46, 47
Carey Act, 128
Central America, 133, 221
Chang, Wei-I, 35
Chenery, Hollis, 35
"Chicago School" economics, 42
Chilalo, 189
 Agricultural Development Project, 179-181
Chile, 34, 41-44, 49-51, 95, 96, 107, 121, 122
China, 3, 15, 107, 115, 117, 135, 194, 195, 221
Cline, Howard F., 49
Cline, William R., 72
coercion, 23
Cohen, John M., 19
Colbert, E., 184, 185
cold war, 119
Cole, William E., 46
Colombia, 44, 72, 92, 94, 95, 122, 133, 134

- colonization, 92, 124
 COMECON, 195
 communal ownership, 150
 concentrated ownership, 222
 Congress, U.S., 116, 124
 consolidation, land, 154
 Coke, Sir Edward, 110
 cooperatives, 156, 165
 Cornell University, 91, 98, 109, 110
 corporate agriculture, 128
 "cosmopolitan" view of international
 ethics, 9, 10, 14, 16
 Costa Rica, 96
 counter-policies to land reform, 44
 counterreform, 34, 50
 credit, private, 97
 Cuba, 77, 107, 120, 122, 195, 196
 revolution, 15
 Czechoslovakia, 194, 196
- democracy, 15
 and land reform, 223
 de Navarrete, I., 47
 Derg, 191, 194, 195
 Development Advisory Service,
 Harvard, 174, 175, 196
 devolution, 164, 222
 of land reform, 117, 134
 Diem, Ngo Dinh, 118
 donor influence, 177-184
 Dorner, Peter, 183
 Dorsey, Thomas, 78
 Dunning, Harrison, 190
- Eastern Europe, influence of, 187,
 196
 East Germany, 196
 Eckstein, Schlomo, 77
 Economic Commission for Latin
 America, 92
 Ecuador, 44, 94, 95, 96
 Ecumenical Program for Inter-American
 Communication (EPICA),
 103, 106-108
 education, 69, 71, 186-191, 199-201
 Eguren López, Fernando, 46
 Egypt, 90
 Eisenhower, Dwight D., 120, 130
 ejidos, 47, 78
 Elder, Joseph W., 18
 Ellis, Gene, 177
 El Salvador, see Salvador
 "equity vs. growth," 31
 Esman, Milton J., 20
- ethics, 2, 8
 Ethiopia, 3, 15, 95, 100, 150, 152,
 162-165, 169-218, 221
 Ethiopian University Service, 190
- factor productivity, 71
 family income, 46
 farm size, 67, 71, 73, 222
 U.S., 129, 223
 Figueras, Juan Antonio, 47
 Figueroa, Aldo, 32, 38
 Food and Agriculture Organization,
 4, 90, 92, 171-173, 183, 196
 food, consumption, 68
 production, 65-66
 supply, 2, 13, 18, 80
 surplus, 67
 Ford Foundation, 187, 189, 200
 foreign aid, 121, 132
 France, 3
 freeholdings, 153
 Frei, Eduardo, 43, 49
 frontier thesis, 129
- Gedamu, Tekalign, 192
 Germany, 115
 Glover, Jonathan, 21
 Goering, T. J., 181
 Goodwin, Richard, 120
 Gray, Clive S., 175, 176, 188
 "Green Revolution," 65, 73
 Guatemala, 131
- Haile-Mariam, Mengistu, 162, 194, 195
 Haile Selassie I University, 187, 190
 Hardie, Robert S., 118
 Havens, A. Eugene, 39
 Heritage Foundation, 102
 Herter, Christian, 130
 Hirschman, Albert O., 37, 44
 Hmong, 100, 101
 Hoben, Alan, 177, 187
 Hoffmann, Stanley, 10, 27
 Honduras, 95
 Horton, Douglas, 39
 Hossain, Mahabub, 72
 Hsiao, Hsin-Huang Michale, 35
 humanitarianism, 2, 119
 human rights, 133
 Hungary, 196
- Ibo, 150
 IDR, 200
 IFPAAW, 183, 184

- income distribution, 47, 48, 75
 INCORA, 133, 134
 India, 72, 74, 106, 128
 Indochina, 106
 Indonesia, 72, 106, 128
 influence, forms of, 4
 innovation, 75
 intentions as ethical factors, 17
 Inter-American Committee of
 Agricultural Development, 92
 Inter-American Development Bank,
 92, 95
 International Labor Organization, 90,
 183, 184, 198
 International Monetary Fund, 161,
 162
 intervention, 137, 151
 levels of, 228
 Iran, 72, 79, 90, 91
 Italy, 44

 Jacoby, E. H., 174
 Japan, 3, 76, 110, 115, 116, 134
 Jarvis, Lovell S., 41, 50
 Jefferson, Thomas, 15
 Jeffersonian democracy, 120
 Jesuits, 187
 Joint Sino-American Commission on
 Rural Reconstruction, 117

 Kay, Cristóbal, 40
 Kennedy, John F., 119, 127
 Kenya, 150, 152, 154-160
 Kenyatta, Jomo, 154, 157
 Keynes, John Maynard, 32
 Kikuyu, 150, 153, 154
 Korea, 3, 76, 117, 118, 128

 labor, costs of, 72, 74
 force, agricultural, 64
 Ladejinsky, Wolf, 117, 118, 128
 land, ownership of, 120
 quality of, 74
 "Land Policy Project," 173
 land reform, class effects of, 43, 70
 definition, 4
 diplomacy of, 136, 151, 169
 equity in, 14, 15, 51
 objectives, 226
 progress in, 125
 Land Tenure Center, University of
 Wisconsin, 101, 102, 183
 Laos, 100, 101
 Lastarria, Susana, 39

 Latin America, 32, 35, 70, 77, 120,
 121, 125, 131, 221
 Lee, Ruey-Tsang, 35
 "leverage" in foreign aid, 121
 Lewis, Arthur, 13
 Leys, C., 166
 Looney, Robert E., 47, 48
 Luban, David, 9
 Lubin, Isidore, 131

 MacArthur, Douglas, 116
 MacLeod, Iain, 155
 Magsaysay, Ramón, 118
 Malaysia, 72, 94, 95
 Mali, 100, 101
 Mallon, Richard, 39
 malnutrition, 70
 Mann, H. S., 187
 Mann, Thomas, 123
 Marsh, L., 174, 175
 Marshall, George, 117
 Marshall Plan, 122, 132
 Martin, Edwin A., 122, 123
 Marx, Karl, 16
 Marxian view, 10
 Matabele, 159
 McNamara, Robert, 31, 92
 Menelik II, Emperor, 163
 Mexico, 15, 33, 34, 46, 47, 48, 49,
 77, 78
 Michigan State University, 189
 Mohammed, Duri, 200
 Moi, Daniel, 154
 Montgomery, John D., 20, 91
 Morgenthau, Hans, 8
 Morocco, 95
 Moscoso, Theodoro, 123
 Mozambique, 159
 Mugabe, Robert, 157, 159

 Nagel, Thomas, 25
 Nepal, 128
 "New Directions," 132
 Nicaragua, 221
 Nigeria, 150
 Nixon, Richard M., 120
 Nkomo, Joshua, 159
 nomadism, 100
 non-governmental organizations, 4,
 89
 North Korea, 221
 nutrition, Africa, 151
 Nyerere, Julius, 160, 161

- O'Brien, Philip, 42
 Odinga, Oginga, 155
 Organization of American States, 92, 133
 output, agricultural, 76; see also food
 Oxfam, 100, 103, 104, 105, 106, 108
- Paarlberg, Robert, 13
 Pakistan, 72
 Panama, 95
 Pankhurst, Richard K., 187
 Paradis, Donald E., 170
 "participant training," 195; see also education
 participation, 224
 peasant, 108
 paternalism, 97, 108
 Paul, James C. N., 187
 Peace Corps, 174, 187
 peasant protests, 104
 Peru, 38, 39, 40, 41, 44, 45, 46, 91, 98
 Philippines, 3, 20, 90, 115, 116, 118, 128, 221
 Poland, 131, 196
 "policy offsets" to land reform, 34
 "political will," as factor in land reform, 94
 population growth, 69
 "power paradox," 18
 "price effect," 67
 private sector, 97, 98, 185, 186
 productivity, agricultural, 75, 78, 222
 property rights, 14
 "proportionality," 23, 24
 Prosterman, Roy, 15, 103, 104, 105, 106, 107, 108
 Provisional Military Administrative Committee, see Derg
 Public land, sale of, 128
 Punta del Este Conference, 91, 121
- Rao, C. H. H., 72
 rationing, 69
 Rawls, John, 11, 14
 Reagan, Ronald, 132
 Reed, Edward P., 36
 Reidinger, Jeffrey, 104, 106, 107
 Religious Society of Friends, 99; see also American Friends Service Committee
 resettlement, 92; see colonization
- Reuss, Henry, 124
 revolution, 2, 16
 Reynolds, Clark W., 48, 49
 Rhee, Syngman, 36
 rights, basic, 12-14; see human rights
 rist, 163, 164
 Romania, 194, 196
 Rondinelli, Dennis, 17, 18
 Russia, 15; see also Soviet Union
- Salvador, 7, 15, 20, 100, 101, 102, 103, 104, 105, 107, 115, 116
 Sanders, Richard D., 46
 savings effect, 69
 Schlesinger, Arthur, 120, 127
 Selassie, Alemante Gebre, 175
 Selassie, Fikre, 193
 Selassie, Haile, Emperor, 163, 165, 170, 172, 173, 182
 sharecropping, 73-75
 Shue, Henry, 12, 13, 14
 settlement, land, 99; see also colonization; resettlement
- Shona, 159
 Singer, Max, 107
 "skeptical view," of international ethics, 8, 9
 small farms, 71, 74, 128; see also farm size
 Social Progress Trust Fund, 95
 Somalia, 100, 191, 195
 South Asia, 19
 South Korea, 35, 36
 sovereignty, 2, 12, 21, 22, 23, 137
 Soviet Union, 191, 194
 influence, in general, 171
 influence, on Ethiopia, 194-198
 Spring Review of Land Reform (1970), 123, 124
- Sri Lanka, 18
 stability, 15
 State Department, U.S., 132
 state farms, 165
 "state moralists' view," of international ethics, 9-12
 "success," standards of, 226
 Sweden, 3, 189
 Swedish Agency for Research Cooperation in Developing Countries (SAREC), 200
 Swedish Agricultural Workers Union, 183
 Swedish International Development Authority, 165, 179-181, 197

- Szechuan, 117
- Tai, Hung-Chao, 202
- Taiwan, 35, 76, 110, 115, 128, 134, 136
- Tanzania, 152, 160-163, 165
- technical assistance, 97
- Teklu, Tesfaye, 200
- Temple, Mary M., 104, 106, 107
- Thiesenhusen, William C., 230
- Tinbergen, Jan, 13
- training, for land reform, 186-189
- "tribal trust lands," 159
- Truman, Harry S, 130
- Tsadik, Belletue Gabre, 174, 192
- Tugwell, Rexford, 116
- Turkey, 90
- Ujamaa, 160
- United Nations, 3, 89, 90
- United States, 91
- policy towards Ethiopia, 181, 182
- urban migration, 69
- USAID, see Agency for International Development
- van Ginneken, Wouter, 47, 48
- Venezuela, 90, 96, 121
- Vicos (Peru), 91, 98, 109, 110
- Viera, Rodolfo, 102
- Vietminh, 118
- Vietnam, 3, 15, 118, 128, 132
- village councils, 104
- villagization, 160
- Walzer, Michael, 10, 11, 21
- Webb, Richard, 38
- Wetterhall, H., 174
- Wheaton, Philip, 106
- White Highlands, 157
- Wisconsin, University of, 101; see also Land Tenure Center
- Wolde Michael, Mogus, 193
- women, landholding rights, 159
- World Bank, 4, 92, 93, 94, 95, 161, 162, 165, 179, 182
- Yates, Paul Lamartine, 78
- Yen, Y. C. James, 117
- Zambia, 100
- Zimbabwe, 152, 157-160