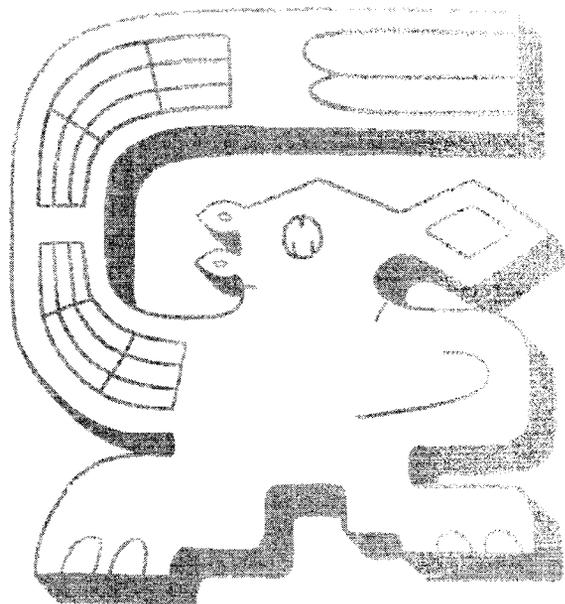


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Colombia's Land Tenure System: Antecedents and Problems

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Colombia's Land Tenure System: Antecedents and Problems †

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IN COLOMBIA, as in many other Latin American countries, it has been argued that existing landownership and land-use arrangements were the principal bottleneck to rapid economic and social development. Through revolutions, four Latin American countries, Bolivia, Cuba, Haiti, and Mexico have experienced substantial changes in their land tenure arrangements. Recently, 14 other countries have enacted agrarian reform laws to effect similar changes through evolutionary process.¹ Colombia's Law was passed in 1961² and during the first four years the Agrarian Reform Institute (hereinafter referred to as INCORA) has been able to take some important steps toward agrarian reform. Efforts to further accelerate changes in Colombia's land tenure system, however, are meeting a number of obstacles. The deficiency of funds, the paucity of reliable data, political opposition, time required to develop personnel and procedures to carry out reforms, and the lack of historical perspective over the changes which have occurred are some of these obstacles. Another serious limitation has been the shortcomings in the present agrarian reform law.

In the following discussion some of the key elements in the development of Colombia's land tenure system are outlined. It is suggested that this system has gone through a steady alteration over the years and that these changes have resulted in land tenure arrangements which are somewhat different and sub-

stantially more complex than the *latifundio-minifundia* situation held to be the case when the Agrarian Reform Law was debated and passed. Following the discussion of the antecedents of Colombia's land tenure system, four of the most crucial problem areas are identified and related to the agrarian reform program.

Antecedents of Colombia's Land Tenure System

The development of Colombia's present land tenure system can be separated into three fairly distinct phases. The *first phase* began in the early 1500's when the Spanish conquerors began enslaving the Indian population located in the cool climate regions of Colombia. In these areas the Indians had developed a number of permanent agricultural settlements. Tribal ownership rights to land, as well as individual use-rights, were well established. Within a few years the Spanish rulers imposed systems of land tenure and labor which were directly

† This paper results from studies by the Land Tenure Center (LTC), University of Wisconsin, under a cooperative research and training program of the Agency for International Development and the American Nations. The views herein expressed do not necessarily reflect those of the supporting agencies.

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¹ Only Argentina, Haiti, and Uruguay of the Latin American countries did not have Agrarian Reform Laws in mid-1965.

² Law 135 of December 1961.

transferred from Spain.³ In a relatively short period of time some 350 thousand Indians were grouped into about 300 *encomiendas* in what is now Colombia.⁴ As Weeks points out, these *encomiendas* had three principal objectives: to dominate the Indian population and to instruct them in a Christian-European way of life, to mobilize the Indian labor for use by the *encomendero* through a patronage system, and to tax the Indians for the use of the Crown and meritorious citizens.⁵ In a few cases the granting of the *encomiendas* to the *encomendero* included property rights to the land⁶ but, in general, the *encomendero* was granted only usufruct rights to the lands of a given populated area for a specific period of time.⁷

Paralleling the organization of the *encomiendas* was the granting of a number of large land grants to the conquerors and settlers of Colombia.⁸ Since the Crown could not totally finance the expeditionary forces which came to the New World, the conquerors were promised Indian labor as well as land grants in reward for their private investments in the voyage. As more settlers came to Colombia they were offered additional land grants as inducement to settle in remote areas. Other land grants were made for special service to the Crown or for the development of mining areas and roads.⁹

In many cases the *encomiendas* were associated with large land grants and the Indian labor was a key element in developing and extending these landholdings. Slightly different labor systems called *el concierto* and *mita agraria* were later employed and Indians were thereby required to work a specific amount of time for owners of large landholdings. In many cases the workers were transferred to the farm and given some remunera-

tion for their labors. In this manner an almost complete feudal system was established and the basis was set for Colombia's future *latifundio* system as well as its two-class society.

In 1591 the Crown authorized the establishment of Indian reservations as a means of protecting the indigenous population.¹⁰ The sharp reduction in the Indian population, plus large scale encroachments upon Indian lands by new settlers preceded this act. In some cases the Indians were given land from Crown holdings. In other cases the Indians purchased land from a land grant holder in order to form a reservation.¹¹ The demise of the *encomiendas*, in many cases, revolved into a reservation for the remaining Indians. The lands in the reservations were almost always owned in common by the Indian tribe. Individual

³ For a further discussion of these systems see David Weeks, "The Agrarian System of the Spanish American Colonies," *The Journal of Land & Public Utility Economics*, May, 1947, pp. 153-168.

⁴ Guillermo Hernandez Rodriguez, *De los Chibchas a la Colonia y a Republica* (Bogota, Colombia; Universidad Nacional de Colombia, Seccion de Extension Cultural, 1949), p. 185.

⁵ Weeks, *op. cit.*, p. 156.

⁶ *Ibid.*, p. 157, and Hernandez, *op. cit.*, pp. 185-186.

⁷ For an interesting discussion of the conflicts which arose over these *encomiendas* in Colombia see, Indalecio Lievano Aguirre, *Los Grandes Conflictos Sociales y Economicos de Nuestra Historia Tomo I* (Bogota, Colombia: Ediciones Nueva Prensa, no date, but about 1962).

⁸ For a few examples of these land grants see Juan Friede, *El Indio en Lucha por la Tierra* (Bogota, Colombia: Talleres Graficos Mundo, 1944), p. 47; Contraloria General de la Republica, *Geografia Economica de Colombia Tomo V (Bolivar)* (Bogota, Colombia: Editorial El Grafico, 1942), pp. 274-275; and Contraloria General de la Republica, *Geografia Economica de Colombia Tomo VIII (Santander)* (Bucaramanga, Colombia: Imprenta Departamental de Santander, 1947), pp. 211-225.

⁹ For an example of land grants for road building see, James J. Parsons, *La Colonizacion Antioquena en el Occidente de Colombia* 2nd Ed. (Bogota, Colombia: Banco de la Republica, 1961), pp. 106-112.

¹⁰ *Cedula* of November 1591.

¹¹ Friede, *op. cit.*, p. 50.

use-rights for most of the cultivated lands with limited rights of inheritance, however, were the most common tenure practices.

By the latter part of the 18th Century most of the *encomiendas* had disappeared; Hernández records only four in Colombia in 1807.¹² Some inroads had also begun on the extensive lands of the Indian reservations by large landholders. Through the system of *mayorazgo*, which limited land inheritance to the eldest son, most of the large landholdings were maintained or expanded during this period.¹³ As Hirschman points out, a number of decrees were issued during the colonial period, apparently with little effect, which were aimed at forcing owners of these large holdings into more intensive usage of their lands.¹⁴

Colombia entered its *second phase* of land tenure development during the early part of the 19th Century. It was during this period, when independence was won, that Colombians began a rapid movement into the middle altitude areas. The colonization of the central part of the country by the *Antioqueños* was the most notable part of this movement.¹⁵ This colonization began in the early 1800's, hit a peak in mid-century, extended well into the 20th Century and was stimulated by favorable climates and high birth rates. Some of the lands settled by these colonists were owned by the government and were eventually ceded over to the settlers. In other cases large unutilized land grants were invaded and divided by the colonists. In still other areas large landholdings were voluntarily parcelized and sold by the owners.¹⁶ Some of the coffee producing units, later organized in these areas, were large but most of the units were of small to medium size.

A similar but much smaller land set-

tlement movement took place in the Santander region after 1848. Up until that time the production of tobacco had been a tightly held government monopoly. When the monopoly was relaxed, new settlers in this area rapidly expanded tobacco production.¹⁷

During and shortly after Independence, the Colombian Government continued pressure against owners of large landholdings in an attempt to force them to divide their lands or to make them more productive. In 1824, for example, the *mayorazgo* system of inheritance was eliminated by law. Later, in 1851, slavery was eliminated and many thought that large landholdings would disintegrate as a direct result. It appears, however, that landowners were able to convert (or already had converted) to other types of tenure-labor systems without seriously affecting the profitability of the large landholdings. In the mid-1800's, a semi-feudal system involving large landholdings, share-renters (*aparceros*) and live-on-farm workers (*agregados* and *vivientes*) came to characterize the tenure system in the principal agricultural regions.

In 1861 a liberal government stepped up pressure against large landholdings by expropriating most of the rural lands of the Church. The custom of giving

¹² Hernández, *op. cit.*, pp. 239-240.

¹³ Luis Eduardo Nieto Arteta, *Economía y Cultura en la Historia de Colombia* 2nd Ed. (Bogotá, Colombia: Ediciones Tercer Mundo, 1962), p. 156.

¹⁴ Albert O. Hirschman, *Journeys Toward Progress: Studies of Economic Policy-Making in Latin America* (New York, New York: Twentieth Century Fund, 1963), pp. 96-99.

¹⁵ See Parsons, *op. cit.*, for a detailed discussion of this colonization process.

¹⁶ See A. Eugene Havens, *Estructura y Cambio Social en una Comunidad Colombiana: Tamesis, Antioquia* (Bogotá, Colombia: Facultad de Sociología, Universidad Nacional, 1966), for an example of this type of settlement.

¹⁷ Nieto, *op. cit.*, pp. 241-275.

land to the Church had resulted in the accumulation of about one-third of the good farm land in the hands of the Church.¹⁸ The value of the expropriated holdings was equal to about five times the national budget of that period.¹⁹ It appears, however, that most of these expropriated lands were purchased by owners of large landholdings rather than being divided among the small property owners or the landless.

During the 19th Century further inroads were made upon Indian reservation lands by the whites and *mestizos*. In some cases the whole reservation was dissolved and each family was given property rights to the land he operated. Often the Indians did not comprehend the "paper-concept" of property and soon sold their rights to neighboring landowners. As a result of this, many of the Indians associated themselves with the large landholdings as *aparceros*, *agregados*, or farm workers.

The first steps in the industrialization of Colombia began around the turn of the Century²⁰ and this marked the beginning of the *third phase* in the development of Colombia's land tenure system. By this time much of the area in the cool and temperate regions of Colombia had been settled and coffee production was increasing rapidly in the latter regions. A continued growth in population and a steady improvement in the internal transportation system helped induce settlers to move into the warm tropical areas of Colombia. Large banana plantations were established by foreign firms in the coastal regions and large land concessions were made to stimulate exploration for oil and railroad development. A number of large cattle units were also developed in the Cauca Valley and along the north coast.

The semi-feudal tenure and labor ar-

rangements which predominated during the 1920's and early 1930's were the basis for intense conflict. A bloody riot in the banana zone in 1928,²¹ and widespread land invasions especially in Cudimarca, marked this period. Large landowners were further beset by financial problems caused by the depression of the 1930's. Because of this, a number of large landholdings reverted to banks in payment for defaulted loans and many were later parcelized and sold.²² Out of this turbulent period came Colombia's famous Law 200 of 1936 which attempted to reduce conflicts by giving tenure security to dissatisfied rural individuals and served as a base for a more comprehensive Agrarian Reform Law in 1961.²³

The continued population increase and the growth of the industrial sector led to a step-up in rural-to-urban migration. This process was sharply accelerated in the late 1940's when members of the two political parties initiated an extended campaign to exterminate each other.²⁴ Thousands of farms were abandoned, many large landholdings were invaded, a number of small units absorbed into larger holdings, and thousands of parcels of land sold as a direct result

¹⁸ Paul Alameda Ospina, "Algo mas sobre la Tierra en Colombia," *Economia Colombiana*, April 1965, p. 34.

¹⁹ Hernandez, *op. cit.*, p. 294.

²⁰ See Everett E. Hagen, *On the Theory of Social Change* (Homewood, Illinois: Dorsey Press, 1962), pp. 353-384, for an interesting discussion of the early industrial development in Colombia.

²¹ J. A. Osorio Lizarazo, *Gaitan: Vida y Permanente Presencia* (Buenos Aires, Argentina: Lopez Negri, 1952), pp. 111-116.

²² Banco Agricola Hipotecario, *La Parcelacion de Tierras en Colombia* (Bogota, Colombia: Tip. Lozano y Cia, Processed, 1937). Between 1934 and 1937 the Banco parcelized about 130,000 acres.

²³ Hirschman, *op. cit.*

²⁴ German Guzman, et. al., *La Violencia en Colombia: Estudio de un Proceso Social* Tomo I (Bogota, Colombia: Tercer Mundo, 1962).

of the violence. Thousands of people, forced out of the Departments of Tolima, Huila and Valle by the violence, moved into colonization activities in the eastern plains, the Amazon basin, and the coastal areas; a process which may yet reach the proportions of the *Antioqueño* movement of a hundred years earlier.

Changes in Colombia's land tenure system have speeded up since the end of the Second World War. The conditions described in 1949-1950—extensive cattle farms in the flat areas and intensive crops on the hillsides—have changed substantially.²⁵ In the flat fertile areas—such as the Cauca Valley, the upper Magdalena River Basin, the north coast, the Sabana around Bogotá, and some of the eastern plains—mechanized crop production is now common. Intensive dairy production and truck crops are well established around the principal cities. Land division through inheritance, cash rental arrangements, and land division through sales have been common in many parts of Colombia. Substantial increases in the production of rice, cotton, edible oil crops, sugar cane, and tobacco are partial results of these changes.²⁶

In some parts of Colombia such as Nariño, Boyacá, Santander, and the north coast, land occupants are still obligated to give days of work to the *hacienda* for the use of the land. This vestige of the early feudal system, however, is rapidly disappearing. The semi-feudal systems of tenure and labor of the 19th Century are still important in most parts of Colombia but are starting to decline in significance. This decline is partially related to the mechanization process, migration into the cities, and the continued colonization movement into the coastal areas and eastern regions of Colombia. Of the 123 Indian reservations which

existed in 1940, only about half still existed in 1964.²⁷

Principal Problem Areas

In spite of the changes which have taken place in Colombia's land tenure system, its performance still fails to meet expanding social needs and aims. Several different aspects of this faulty performance can be identified. The *first* is the concentration of the good agricultural lands in the hands of *relatively* few people and the lack of sufficient additional exploitable lands for the remaining peasants. A *second* problem is the land title insecurity which is prevalent throughout Colombia. A *third* is the numerous nonowner tenure arrangements which often lead to an unwise social use of the land resources, as well as serving as a basis for labor exploitation. A *fourth* is the prevalence of absentee landownership and weekend farmers.

A principal objective of Colombia's Agrarian Reform Law was to eliminate and prevent the inequitable concentration of rural property.²⁸ Data recently assembled in Colombia, however, suggests that the degree of landownership concentration, though still an important problem, is somewhat less than was originally thought to be the case. As suggested in the previous discussion, only traces of the original land grant holdings can be found in Colombia; a substantial

²⁵ Lauchlin Currier, *Bases de un Programa de Fomento para Colombia*, 2nd Ed. (Bogota, Colombia: Banco de la Republica, 1951), p. 443, a study made for the International Bank for Reconstruction and Development.

²⁶ Dale W. Adams, et. al., *Public Law 480 and Colombia's Economic Development*, (Medellin, Colombia: Facultad de Agronomia, 1964), pp. 15-82 for a further discussion of Colombia's recent agricultural development.

²⁷ Information furnished by the Ministerio del Gobierno, Division de Asuntos Indigenas.

²⁸ Article Number One of Law 135 of 1961.

amount of subdivision of large landholdings among the upper class has taken place. Unfortunately, it is difficult to specify with any single set of data what the degree of landownership concentration is. An analysis of land tax records, for example, will generally sub-enumerate sizes of holdings since many small as well as large landowners own more than one parcel of land.²⁹ Another series of data, information gathered by various commodity organizations on size of plantings for a particular crop, gives only a partial indication of landownership distribution.³⁰ Nonowner tenure relationships and farm diversification sharply limits the value of this type of information. Despite some limitation, it appears that the 1959-1960 *Agricultural Census* of Colombia gives the most indicative picture of Colombia's landownership distribution. The *Census* used the farm operating unit as a basis for enumeration. It includes, therefore, data on nonowner-operated lands in the farm operating unit. With respect to an analysis of large farms this is not a serious limitation, however, since nonowner operation of land in large units is not common in Colombia.

The data in Table I shows that, in spite of a substantial amount of subdivision of large holdings, about two-thirds of Colombia's farm land is in units of 100 hectares or more.³¹ An inventory of landholdings larger than 2,000 hectares, carried out by the Colombian Agrarian Reform Agency (INCORA) in 1962-63, showed that 874 landholdings contained almost 30 percent of Colombia's land in farms.³² Only 12 of these units were larger than 100,000 hectares. Both of these sets of data, however, overstate the importance of the concentration problem. Much of the land in the largest holdings does not have immediate eco-

TABLE I—COLOMBIA: NUMBER OF FARMS AND LAND IN FARMS BY SIZE OF UNIT WITH PERCENTAGE DISTRIBUTION: 1959-1960^a

Size of Farm Units in Hectares	Farms		Area in Farms	
	Number	Percentage Distribution	Hectares (Thousand)	Percentage Distribution
Less than 3.0	606,423	50.2	678	2.5
3.0— 9.9	319,327	26.4	1,726	6.3
10.0— 49.9	201,020	16.6	4,211	15.4
50.0— 99.9	39,990	3.3	2,680	9.8
100.0—499.9	36,010	3.0	6,950	25.6
500.0—999.9	4,141	0.3	2,731	10.0
1000.0—or more	2,761	0.2	8,322	30.4
TOTAL	1,209,672	100.0	27,338	100.0

^a The 1959-60 *Agricultural Census* did not include the Department of Chocó or the National Territories of Arauca, Caquetá, Guainía, Guajira, Amazonas, Vaupés, Putumayo, or Vichada.

Source: Departamento Administrativo Nacional de Estadística, *Directorio Nacional de Explotaciones Agropecuarias (Censo Agropecuario) 1960*, Resumen Nacional (Segunda Parte), (Bogotá, Colombia: Multilith Estadinal, 1964), p. 39.

nomic use and many of these holdings have already been invaded by landless peasants. Title to some 1.5 million hectares of the largest holdings in Colombia have already reverted to the state through INCORA's *extinción de dominio* activities. Nevertheless, in almost every region of Colombia there are still landholdings of 100 to 2,000 hectares which dominate the best land.

It can also be noted in Table I that one-half (over 600 thousand) of Colombia's farms had less than three hectares

²⁹ L. Eduardo Montero and Dale W. Adams, *Algunas Consideraciones sobre Reforma Agraria en Regiones de Minifundio: un Ejemplo Colombiano* (Bogotá, Colombia: IICA-CIRA, processed, 1965), pp. 58-61.

³⁰ Dale W. Adams, "Landownership Patterns in Colombia," *Inter-American Economic Affairs*, Winter 1964, pp. 77-86.

³¹ One hectare equals 2.47 acres.

³² Instituto Colombiano de la Reforma Agraria, *Informe de Actividades en 1963: Segundo Año de Reforma Agraria* (Bogotá, Colombia: Imprenta Nacional, 1964), pp. 78-79.

of land to exploit. These small farm units (*minifundia*) are found throughout the country but tend to be heavily concentrated in Antioquia, Boyacá, Cundinamarca, Nariño and Santander. Three distinct types of *minifundia* can be identified in Colombia. Type one, the independent *minifundia*, is located in areas where few large holdings exist, in Nariño, parts of Cundinamarca and Boyacá. These are primarily subsistence units with some surplus production for sale.³³ The second type, the dependent *minifundia*, is found throughout the country in association with large landholdings, or close to urban areas, and principally places of residence. The land generally absorbs only a small portion of the family's available labor and only a minor part of the family's total consumption is produced on the farm.³⁴ Another type of small farm is the commercial *minifundia* found in the areas of coffee, tobacco, and truck garden production. These units generally absorb most of the family's labor and the families buy and sell most of their production through the marketing system.³⁵ Generally, for purposes of agrarian reform, each of these types of *minifundia* must be treated separately.

In addition to the 600 thousand families with exploitation of less than three hectares, there are approximately 500 thousand other rural families who have no land to exploit for themselves.³⁶ Most of the heads of these families earn a living as farm workers (*obreros, peones, jornaleros, trabajadores, agregados, vivientes, socios, compañeros, cedidos*). A few are sub-share renters, others are given a house and small plot for a garden as part of their wages, others live in the local villages and pick up farm work whenever possible.

Title insecurity on farm land is com-

mon throughout Colombia. The 1959-60 *Agricultural Census* showed that almost 50 thousand Colombian farmers did not have titles to the lands they occupied.³⁷ It is likely, moreover, that thousands of additional farmers with title problems were not enumerated by the *Census*. Several areas where a majority of the lands are not titled were excluded from the *Census*, and it was difficult to enumerate farms in some of the remote areas where the *Census* was applied. A further indication of the importance of this problem is the emphasis which the Agrarian Reform Institute (INCORA) has placed on helping farmers secure clear land titles. In the first four years of activity over 20 thousand farmers were granted titles to public domain lands by INCORA and by mid-1965 about 30 INCORA teams were working throughout Colombia on land titling problems.³⁸ These problems are especially acute in areas of colonization.³⁹ New settlers are

³³ See, Montero and Adams, *op. cit.* for a description of this type of *minifundia*.

³⁴ See, A. Eugene Havens, et. al., *Cerete: un Area de Latifundio; Estudio Economico y Social* (Bogota, Colombia: Facultad de Sociologia, Universidad Nacional, 1965), for a description of this type of *minifundia*.

³⁵ See Dale W. Adams and L. Eduardo Montero, "Land Parcelization in Agrarian Reform: a Colombian Example," *Inter-American Economic Affairs*, Winter 1965, for a discussion of this type of *minifundia*.

³⁶ The five-hundred-thousand figure is an approximation by the author based on estimates of agriculturally dependent families for 1965 and data from the *Agricultural Census of 1959-60*.

³⁷ Departamento Administrativo Nacional de Estadística (DANE), *Directorio Nacional de Explotaciones Agropecuarias (Censo Agropecuario 1960)*, Resumen Nacional (Segunda Parte) (Bogota, Colombia: Multilith Estadinal 1964), p. 42.

³⁸ Joseph Thome, "Title Problems in Rural Areas of Colombia: A Colonization Example," in process of publication.

³⁹ Ronald Lee Tinnermeier, "New Land Settlement in the Eastern Lowland of Colombia," (Unpublished Ph.D. dissertation, Department of Agricultural Economics, University of Wisconsin, 1964), pp. 101-103.

often unable to purchase the services necessary to obtain a clear land title. Without this title they find it very difficult to secure production credit from regular sources.

Somewhat related to land title insecurity are the problems associated with non-owner-operators of land. The old feudal and semi-feudal systems, the lack of credit, and the non-availability of land in certain areas has resulted in a jumble of tenure arrangements in Colombia. Much of the production of tobacco, pineapple, sugar cane for crude sugar (*panela*) and potatoes, for example, is carried out by share-renters (*aparceros* or *compañeros*). Cash rentals for land planted to corn, rice, sugar cane for refined sugar, cotton, and oil crop productions are becoming important. In areas of independent *minifundia* multiple tenure relationships are common. In these areas a farm operator may rent in as well as rent out land in order to spread his risk and obtain more production capital. In areas of coffee production, as well as in many other parts of the country, farm laborers are given some land-use rights plus a salary in return for labor furnished to the landowner. In areas of colonization the laborers who help clear the land are often given use-rights to the land for several years in payment for their labor.

In spite of the diversity of land tenure and labor arrangements found in Colombia, several common problems can be identified. Few tenure contracts, for example, are formalized in writing and arrangements for a period of only one crop are common. Tenure arrangements do not generally allow renters to plant permanent crops or keep livestock to produce goods for home consumption. Almost no inducement is given to the renters to make investments in the land

and diminishing soil fertility and erosion are the widespread results. The lack of bargaining power and alternative economic opportunities continue to effectively isolate the non-landowner from the landowning class. In general, the so-called "agricultural ladder" for landownership does not operate in Colombia and the rural peasant finds it almost impossible to achieve vertical mobility through the limited education which is available to him. The nonowner tenure problems, therefore, have serious social implications as well as a direct bearing on the present and future productivity of the land resources.

Closely associated with the problem of the non-landowner is the prevalence of absentee landownership in Colombia. *The 1959-60 Census of Agriculture* showed that over one-third of Colombia's land in farms was operated through a farm manager.⁴⁰ Thousands of other landowners "manage" their farms through weekend visits. In several regions of Colombia it is common for landowners (*patrones*) to delegate authority to a farm manager (*encargado* or *administrador*), who in turn assigns land-use rights to a number of share-renters (*vivientes* or *contratistas*), who then arrange for sub-share-renters (*socios* or *compañeros*) to furnish labor and small amounts of capital, who often in turn work out labor trading arrangements with other individuals (*peones*, *obreros* or *jornaleros*) to supply additional labor at harvesting and planting time.

Absentee landownership is especially common among the professional class. Doctors, lawyers, bankers, politicians, merchants, and even priests often own a

⁴⁰ Departamento Administrativo Nacional de Estadística, *op. cit.*, p. 21.

finca in the country. An intensive study of an area near Bogotá, for example, showed that two-thirds of all of the rural lands in the area was owned by people living in Bogotá.⁴¹ It is not uncommon for wealthy individuals to own land in different parts of the country and they may visit these holdings only every three or four months. Most of these absentee owners have multiple sources of income within the cities and only a small portion of their time is spent in making decisions about farm production.⁴² To further aggravate the situation many of these absentee owners are elderly men or widows who cannot take an active part in managing their lands. Farm managers, moreover, generally have little formal training and seldom have incentives for changing the status-quo of the farm. The divided interests, the split decisions, and the lack of technical knowledge of farming result in poor land productivity, as well as a warping of agricultural production; these owners are generally forced to select enterprises which can be carried out with little supervision.

Implications for Agrarian Reform

It is apparent that Colombia's Agrarian Reform Law is not well designed to treat all of the problems faced by INCORA. The requirements set down, for example, make it difficult for INCORA to expropriate partially exploited, medium sized holdings, or to commercially purchase lands for parcelization. There is almost no way that INCORA can directly treat the absentee ownership problem under the present law. Moreover, INCORA has been unable to deal with many of the problems related to independent *minifundia* because of the lack of associated large landholdings and the restrictions against

moving farmers from one area to another. Some adjustments will need to be made in the law in order to directly treat these problems.

The shortage of capital to purchase land for the landless in Colombia is another serious limitation. In 1965, for example, INCORA's *total* operating budget was the equivalent of about 25 million dollars. If we assume that *all* of this money were committed to purchase land for parcelization⁴³ and that the average acquisition price of land was as low as 150 dollars per hectare, then INCORA could buy only 167 thousand hectares of land per year. If each family receives an average of ten hectares, less than 17 thousand families could be settled yearly. On the other hand, Colombia's population will be adding an average of about 40 thousand rural families each year over the next ten years to the 500 thousand rural families in Colombia who are presently landless. New farms for 90 thousand families per year would therefore have to be provided by INCORA in order to handle the landless problem in ten years. Under the above-mentioned budgetary assumptions INCORA could not provide for even twenty percent of this need.

Since INCORA lacks favorable expropriation authority, its financial ability will be swamped by future needs unless capital saving activities can be worked into the agrarian reform pro-

⁴¹ This was a study done by the Land Tenure Center team and IICA-CIRA during 1964 in Sopo, Cundinamarca.

⁴² The reasons for holding lands in Colombia are varied. Some people of course, farm to make a profit; mixed in with this, however, are the motives of speculation, inflationary hedge, a vacation home, income diversification, prestige, and a loss-write-off for income tax purposes.

⁴³ In 1965, INCORA was planning to use less than one-quarter of its budget for land purchases.

gram. INCORA has already begun activities along this line. A large supervised credit program is now getting under way which is helping small farmers to increase their income to the point where some may be able to purchase more land. In some cases INCORA has increased the cost of absentee land-ownership by threatening to expropriate lands at listed tax values; in the face of this threat, owners are allowed to voluntarily increase the taxable value of their lands. In several areas this tactic has substantially raised land tax collection and forced owners to sell their lands or put them into more productive uses. In at least one area of Colombia, INCORA is assisting with the formation of clubs made up of landless peasants, providing them with supervised credit, assisting them to obtain long term rental contracts on lands, and helping them to cooperatively exploit the land to accumulate capital for eventual purchase of the land. Privately financed parcelization projects, or projects financed with other institutional funds, also offer some possibilities in Colombia.

Over the past 400 years Colombia's

land tenure system has gone through a series of major changes and INCORA's task now is to accelerate these changes. Almost gone are the old feudal systems and the Indian reservations. The newer semi-feudal arrangements are gradually giving way to other forms of tenure and labor. The result of these changes has been a decline in the size-dimension of Colombia's land tenure problems. With respect to size the problem now rests principally with the partially exploited holdings in the 100- to 2,000-hectare range. The land tenure bottleneck to additional growth has now broadened to include the various *minifundia* problems, land title insecurity, undesirable tenancy arrangements, and the absentee ownership problem. Combined, these characteristics throttle initiative, discourage the acquisition of new knowledge, reduce the quality and timing of production decisions, warp agricultural production patterns, maintain low land and labor productivity, and perpetuate Colombia's two-class society. Although a start has been made, a good deal of time, money, and imagination will be needed to solve these problems.