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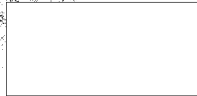
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Third World Land Reform and Political Stability



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A Research Paper

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Third World Land Reform and Political Stability




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A Research Paper

This paper was prepared by 

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 of the Office of Global Issues.

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**Third World Land Reform
and Political Stability**

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Overview

*Information available
as of 1 December 1984
was used in this report.*

Land redistribution is widely seen as one way to achieve or preserve political stability in developing nations, and, for this reason, the US Government is often asked to assess, plan, or otherwise support such efforts. The actual land reforms, however, have had mixed political results, and such efforts can backfire against the interests of both the implementing regime and the United States. This study briefly examines several dozen land reforms and identifies conditions under which reform is politically effective.

Our more detailed assessments of three ongoing land reform programs suggest that:

- Despite continuing problems, land reform in **El Salvador** is increasingly gaining the support of the peasants, limiting the opportunities of the insurgents, undermining the power of the landed oligarchy, and improving the government's image overseas.
- **Zimbabwe's** revolutionary regime is gambling that the economic benefits of slow land redistribution will outweigh the political costs of renegeing on promises and revolutionary principles. Given the tribal dynamic of the country's politics, the government is unlikely to lose much Shona support or gain much Ndebele support no matter what action it takes with regard to land reform.
- The **Philippine** land reform, largely because of its modest scope, cannot be considered either a political success or a political failure for the Marcos government. While many Luzon peasants have benefited from the reform, others regard it as an unwanted disturbance of traditional patron-client relationships. Because the program is limited to rice and corn land and is generally well supported with extension services, landlord opposition has been minimal and the economic costs have been low.



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Third World Land Reform and Political Stability ([redacted])

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Introduction

Because the US Government is often called upon to advise—and sometimes to help finance and administer—land reform in developing nations, it is important to understand the conditions under which land reform has bolstered or undermined political stability. This study—based on several dozen reform attempts worldwide—looks at the varied political purposes, notes the different categories of winners and losers, and underlines potential pitfalls. After a brief discussion of the often-conflicting demands of economics and politics, it takes a close look at ongoing land reforms in El Salvador, Zimbabwe, and the Philippines. Finally, it suggests rules for judging whether a proposed land reform will be stabilizing or destabilizing. [redacted]

mystique is largely dead in most areas of the Third World, however, and the modern peasant is usually more interested in economic security and improving his standard of living than in owning a scrap of land. Therefore, land reform, unless backed with substantial resources to improve peasant life may not calm peasant unrest. [redacted]

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Rulers ranging from Lenin to the Shah of Iran have long used land reform to undermine the political power of the landlord class. In many cases, such action was necessary to eliminate conflicting centers of political power and establish central government rule in rural areas. Examples may be drawn not only from the USSR and Iran, but also from China, Bolivia, Mexico, and Zimbabwe. The present centrist government in El Salvador owes a part of its ability to rule to a weakening of the extreme right through land (and banking) reform. [redacted]

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The Political Purposes of Land Reform

Land reform is usually undertaken for some combination of the following reasons:

- To calm a potentially rebellious rural population.
- To undermine the political and economic power of the landowning class or some segment of it.
- To reward government supporters.
- To obtain international publicity or the support of a foreign power.
- To meet an ideological or moral commitment. [redacted]

Closely related to the use of land reform to undermine the power of the landlord class is the use of land to reward friends of the government or co-opt powerful independent forces. During and after the Mexican Revolution, the distribution of land to potentially rebellious revolutionary generals (who, in turn, distributed it to their potentially rebellious followers) was a stabilizing factor of considerable importance. More recently, Guatemalan governments have rewarded military supporters with choice sections of newly opened lowland agricultural areas. [redacted]

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Although most land reforms have had the stated purpose of gaining the active support of the rural population, this has rarely been the final result. The most that has generally been achieved is the political neutralization of the population—but this in itself can foster stability. During the Bolivian Revolution of 1952, for example, after the revolutionary government acquiesced in Indian land seizures, the previously radical peasantry opted out of the fighting, thereby allowing the government to be stabilized and averting further radicalization of the Revolution. Similar examples can be found in areas of Mexico from time to time during the Revolution of 1910-20. The old land

The use of land reform to gain favorable international publicity and influence foreign governments is also common. This was at least a secondary purpose in the land reforms of Peru, Iran, South Vietnam, and El Salvador. Indeed, it has been argued by certain political writers that the greatest benefit of Salvadoran land reform may be its effect on US public and Congressional opinion. [redacted]

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Land Reform in Iran: A Classic Political Failure

The Iranian land reform, although it eliminated serfdom and materially aided large numbers of peasants, remains a model of politically destabilizing government action. Indeed, a major cause of the Islamic Revolution of 1979 can be found in the antagonisms and dislocations created by the Shah's land reform. The Shah instituted his massive program to create a rural middle class in place of the traditional landowning class and to release rural capital and labor for use in the industrial sector as part of a more general national modernization. He apparently gave little or no thought to the enemies that such a program would engender, nor did he effectively organize the beneficiaries into a source of support. [redacted]

The losers—the potential enemies of the government—included not only the landlords (many of whom were part of the religious establishment) but also large numbers of middlemen, hangers-on, and landless workers who had been accommodated in the former system. Many from these latter groups migrated to city slums, where, as their poverty and alienation increased, they became the willing agents of religious and political extremists. The winners, for their part, found themselves adrift in a new and nontraditional world that they had neither the resources nor the knowledge to exploit. Although the land reform perhaps helped to keep rural Iran from becoming a hotbed of anti-Shah feeling, it in no way created a body of supporters that the Shah could rely upon to counter other groups. [redacted]

It is interesting to note that the Communist governments of Afghanistan made most of the same mistakes as the Shah with regard to land reform. Like the Shah, they let an ideology of modernization outweigh political pragmatism in devising their measures. The results were also similar—massive migration to the capital and great hostility from the Muslim clergy and other traditional sectors of the population. [redacted]

Finally, land reform may be instituted for ideological or moral reasons, that is, simply because a government has promised to do so or believes that it is

ideologically the “right thing” to do. Apart from obvious cases in the Communist world, examples include Peru, Zimbabwe, Tanzania (a disaster), and El Salvador. [redacted]

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Winners and Losers

Except in rare cases where the government owns large stretches of underutilized land, land reform creates both winners and losers. Land that is distributed to peasants or organized into cooperatives or state farms must be taken from its owners. These owners may range from feudal barons to small holders who themselves live on the edge of poverty. Much of the political effectiveness of any land reform, therefore, depends on the relative power of the winners and losers. In other words, a land reform cannot be said to be politically successful if it creates more—and more powerful—enemies than friends for the government.

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[redacted]

Even among the peasants whom it is supposed to help, land reform may create more losers than winners. In most of the Third World, agricultural land is in short supply and populations are large and growing. Usually there is not enough suitable land to supply all peasant families with viable plots. Under these circumstances, one of three things can happen. First, a limited number of peasant families can be given economically viable plots, thereby accentuating differences between the lucky and the landless, with the landless holding the government, rather than the landlords or fate, responsible for their position. Second, a greater number of peasant families can be given inadequate plots that trap them in their poverty. Third, a large number of peasant families can be grouped into uneconomic (because of overstaffing) cooperatives or state farms, in which the landlord is replaced by a government official. Although any of the three courses could be stabilizing under special circumstances, all risk creating more instability than stability. [redacted]

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In many cases, the urban poor should also be counted among the losers from land reform. If the new peasant landholders revert to subsistence farming—as they

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***Two Politically Successful
Land Reforms: Taiwan and Egypt***

When the Nationalist government and Army of mainland China retreated to Taiwan in 1949, they found themselves surrounded and outnumbered by an alien and hostile population. Only two years before, the Nationalists had had to put down an islandwide revolt, and resentments still smoldered. With Communist forces threatening invasion from the mainland, the Nationalists had both to win the support of the island population and to establish an economic structure that could support a strong defense. Moreover, they wanted to create a "model province" that would serve as a form of propaganda by example in their battle against Red China.

They were aided by three factors: unlike on the mainland, there were no Nationalist landowners to object to reform; the loss of the mainland had made them realize the need for strong measures against corruption and inequality; and they received massive US aid that could be directed to the agricultural sector. Within a very few years, they tripled the number of landowners, reduced the size of average holdings from 1.3 to 1.0 hectares, and increased agricultural output and foreign exchange earnings. The Taiwanese peasants, although still somewhat resentful of the Nationalists, realized that a Communist takeover could jeopardize their higher standard

of living. The former Taiwanese landowners were compensated partly in industrial shares and therefore gained a stake in what was to become one of the Third World's most thriving industrial economies. As planned, the reform won the support of both peasants and landlords for the Nationalists without disrupting the economy.

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Shortly after taking over the Egyptian Government in 1952, the group of officers around Nasir established a land reform that destroyed the economic power of many supporters of the old political order and gained the support of much of the rural population. In most cases, the landowners had supplied nothing but land to the peasants before the reform and thus were in no way responsible for the high yields that were traditional in Egyptian agriculture. Therefore, the reform meant an immediate increase in peasant earnings (by the amount of the landlord's share) without the kind of economic losses that have taken place in countries where landlords were important sources of agricultural input and technical know-how. Although cooperatives were established in many cases, the government was more concerned with enhancing peasant incentives than with imposing an ideological structure on Egyptian agriculture.

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did in Bolivia in 1952—food will become scarce and expensive in the cities. If discontented slumdwellers constitute a greater threat to stability than discontented peasants, the overall effect of the land reform will be destabilizing.

Once the winners and losers of a particular land reform have been identified, there are several things that a regime can do to increase political benefits and cut political losses. The peasant beneficiaries can be organized into a mobilized bloc of government supporters. This was done from time to time during and after the Mexican Revolution and during the Arbenz government in Guatemala. Attempts are currently being made along these lines in Nicaragua, Zimbabwe, and El Salvador. Land reform also can be used to co-opt independent forces that have more power or

constitute a greater threat to the government than the landlords or other losers. In Mexico, for example, it was clearly stabilizing to reward quasi-independent generals at the expense of the rural aristocracy. Finally, additional steps can be taken to neutralize the losers. Here the contrast between Mexico and Iran is instructive: the Mexican revolutionary government deliberately destroyed the political power of the Church at the same time it was taking over Church property, while the Shah left a wounded but still powerful religious establishment looking for revenge.

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The Political Effects of Land Reform ^a

Country	Period	Peasant Support	Nonpeasant Attitudes ^b	International Attitudes	Effectiveness of Administration	Physical Security	The Upshot
Afghanistan	Since 1978	1	2	5	1	1	1
Algeria	1962-74	7	6	5	2	NA	6
Bolivia	1952-54	10	3	5	2	NA	6
Chile	1965-70	2	5	8	5	NA	5
Chile	1970-73	7	5	5	5	NA	6
Egypt	1952-62	8	8	5	5	NA	8
El Salvador	Since 1980	8	2	9	5	5	7
Guatemala	1950-54	8	3	1	4	NA	3
Iran	1962-74	5	1	4	4	NA	3
Japan	^c	5	10	10	8	NA	9
Malaysia	1957-65	8	8	6	9	5	8
Mexico	1910-40	9	10	9	2	4	9
Mexico	Since 1940	5	5	6	3	NA	5
Nicaragua	Since 1979	6	5	6	4	4	5
Peru	1968-74	6	7	6	4	NA	6
Philippines	Since 1972	6	5	4	6	3	5
Taiwan	1949-52	9	9	5	9	NA	9
Tanzania	Since 1967	1	5	6	1	NA	2
Vietnam	1955-75	5	4	4	6	4	5
Zimbabwe	Since 1980	3	5	7	7	NA	5

^a Ratings reflect our judgments of overall political effects on a scale of 1 to 10:

1 = negative political effect; 5 = neutral political effect; 10 = positive political effect.

^b Reflects our judgment of how successful the land reform was in either co-opting or suppressing the nonpeasant opposition. Thus, Mexico is given a high rating in this category because it destroyed the political power of those hurt by the reform, while Iran is given a low rating because it enraged but did not suppress those groups hurt by the reform.

^c Under US occupation.

**Land Reform and Economics**

Land reform, at least in its initial stages, is almost always harmful for the economy. Therefore, a major question for potential land reformers is whether the political benefits will outweigh the economic costs. Most attempts to create land reforms that were both politically effective and economically efficient have failed on both counts. Such attempts generally have involved the creation of state farms or other large

agricultural units that, in the eyes of many peasants, merely exchange one landlord for another. These efforts have rarely been as efficient as the private farms they replaced. They have been politically effective only in those few cases where the government has been willing to supply enough resources to make a clear improvement in the peasants' standard of living.



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Governments contemplating land reform are usually strapped for funds to supply credit and other resources to the new landowners and to compensate the former landowners. At the same time, the political necessity to hold down prices in urban areas may prevent satisfactory prices for agricultural products. Moreover, many governments must maintain or increase agricultural production and exports to obtain hard currency for needed imports. Given such contradictory demands, the political gains must be both great and relatively assured to justify extensive land reform. If a decision is made to implement reform, it is a false economy for the government to be niggardly in compensating the losers, unless the ousted landlords and their allies have been thoroughly destroyed as a political force—which is not usually the case. Generous compensation can neutralize potential opponents, whereas low compensation paid in doubtful bonds redeemable in the distant future openly courts rebellion from the right.

Three Case Studies

In this section, we examine ongoing land reforms in El Salvador, Zimbabwe, and the Philippines. **Peasant support** refers to support for the land reform program. This may well be a precondition for peasant support for the government, but it is not identical to such support.

El Salvador

El Salvador's agrarian-reform program was initiated in 1980 by an alliance of Christian Democrats and military officers who had staged a coup to bring about fundamental political and social reforms. From the beginning, agrarian reform was intended to destroy the traditional oligarchy and reduce the attraction of leftist insurgents by improving the economic and political status of the peasantry. The program is divided into three phases, each focusing on a different size of landholding and setting a different schedule for implementation.

Phase I expropriated properties over 500 hectares (1,235 acres). These plantations were subdivided into 317 cooperatives—about 40 have since been abandoned—benefiting an estimated 188,000 people. Implementation of this phase has been completed.

Phase II will affect properties between 245 and 500 hectares (605 to 1,235 acres). Implementation of this phase has been postponed because of disagreement over the size of property targeted and strong resistance to breaking up highly productive coffee plantations, many owned by members of the middle class. In late December 1983, the new Constitution set the maximum size and gave owners three years to sell excess acreage.

Phase III allows renters or sharecroppers to claim up to 7 hectares (17.3 acres) of land they cultivate. This phase has been extended three times, enabling 60,723 peasants to file petitions for land. The deadline for filing petitions was 30 June 1984.

According to AID, over 92,000 Salvadorans have received title to over 23 percent of the country's arable land since 1980; these beneficiaries and their dependents represent more than half of El Salvador's landless rural population. This major shift in land tenure is particularly noteworthy because of the relatively small amount of arable land in this mountainous nation.

Peasant Support. Phase III of El Salvador's agrarian-reform program receives significant peasant support, as indicated by the fact that thousands of peasants have defied landlord threats and made formal land claims to the government. This judgment is also supported by a 1983 AID contract study. The evidence is less convincing with regard to Phase I. On the one hand, the financial and organizational problems of many Phase I cooperatives, compounded by peasant ambivalence toward collective landholding, in some cases appear to have nullified any favorable political impact. For example, peasants in an Ahuachapan Department cooperative have complained to visiting Embassy officials that they were better off as plantation workers and that their living conditions deteriorated greatly when the plantation was transformed into a worker-managed cooperative under Phase I. On the other hand, a recent Inspector General (IG) audit claims that Phase I beneficiaries are in a better position than Phase III beneficiaries to "substantially improve their economic and social positions" and thus have a vested interest in the program. On balance, we

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would agree with independent peasant leaders who claim that the large-scale transfer of landownership represented by both phases has been a major factor in preventing an insurgent-led uprising in the countryside. [redacted]

Independent peasant organizations—the largest comprising 75,000 members—play a major, voluntary role in formulating and implementing the agrarian-reform program. These organizations not only lobby in the Salvadoran legislature but also stage mass demonstrations to influence national public opinion. They propagate information on reform laws in the countryside, persuade peasants to make formal land claims to the government, and monitor implementation of the program by, among other things, keeping their own statistics on illegal evictions. The existence of independent peasant organizations—which have survived despite terrorism from both the extreme left and the extreme right—underscores that the land reform is not a case of change originating solely within the government or an elite sector. When earlier reforms were frustrated in the 1970s, one of the main peasant organizations, FECCAS, joined the insurgency; the failure of the insurgents to attract major groups since 1980 suggests that the current program is meeting at least one of its political goals. [redacted]

Nonpeasant Attitudes. The principal opponents of the land reform are, as one would suspect, the affected or soon-to-be-affected landowners and their political allies, such as the ARENA party. While some landowners object to land reform on principle, most base their objections on the perceived inadequacy of compensation. Although the valuation of the properties appears to have been fair in most cases, the method of compensation—partly cash and partly low-interest bonds with terms of up to 30 years—is considered tantamount to expropriation by many ex-owners. In many cases, some because of litigation by the landowners themselves, the cash portion has not been paid. The more radical of the landowners—especially the small landowners affected by Phase III—and their allies are using legal and extralegal means to undermine both the land reform and the government that supports it. [redacted]

The forces of the extreme right, however, have not been able to overturn the reform legislation or its

implementation. Indeed, even overt opponents of the program now concede that the land distribution accomplished to date is “irreversible.” All but the most hard line appear to realize that the recent election of the Christian Democratic leader, Jose Napoleon Duarte, and the continued support of reform by the Catholic Church and the US Embassy make a major retreat on the land issue unlikely. Although the Army is no longer as involved in agrarian reform as it was in the past—in 1981 it played a key role in enforcing Phase I expropriations and in 1982 it stemmed the tide of illegal evictions and violence against reform beneficiaries—it continues to support the program, largely because of its advantages for counterinsurgency. [redacted]

International Attitudes. The international press appears to be overcoming its initial tendency to downplay the seriousness of the reform effort and the degree to which it is supported by the peasants, and on balance the reform has boosted the international reputation of the Salvadoran Government. The reform has also been an important factor in obtaining military and economic aid from the US Government. [redacted]

Effectiveness of Administration. Uncertainty and confusion among both landlords and peasants have characterized the implementation of the reform. Peasants often do not understand the qualifications or procedures. The landlords are uncertain as to the criteria for expropriation—particularly concerning Phase II—and this has prompted many to cease renting, investing, or planting. In one case, a peasant group petitioned the government not to implement agrarian reform because the new laws allowing renters to claim ownership were resulting in the refusal of local landlords to rent—a clear example of how an agrarian-reform program can promote instability. Adding to the confusion, rural land surveys and recordkeeping are generally inadequate. With US assistance, the Salvadoran Government is attempting to remedy this shortcoming through maps based on aerial photography. [redacted]

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Phase I of the agrarian reform—designed to transform El Salvador's largest plantations into cooperatives—was completed relatively quickly; however, implementation of Phases II and III has involved considerable delays. The slow-moving bureaucracy has engendered numerous complaints from both peasants, who want faster action on their petitions, and from landlords engaged in appeals. Embassy reporting on Phase III implementation states that structural deficiencies in the apparatus for implementing reform are responsible for the slowness. Determining boundaries, establishing land values, compensation, and titling are all complicated by the small size of the individual plots, their geographic dispersion, and the requirement that each be visited and legally adjudicated. The US Embassy states that the entire legal land-registry system must be "radically changed" to speed up the process. [redacted]

The Salvadoran Government lacks the funds and the political power to systematically follow up land redistribution with infrastructure programs and credit. While the government has been able to provide services in some areas, the combination of years of economic decline and guerrilla warfare impede the expansion of this effort nationwide. Moreover, the agrarian reform represents a fundamental break with the indifference to rural welfare exhibited by Salvadoran regimes in the past, and Salvadoran elites remain profoundly divided over what role the government should play in providing services to the masses. [redacted]

The failure to provide adequate government services may have limited the effectiveness of agrarian reform as a tool for garnering rural political support in some areas. For example, although the Christian Democratic Party (PDC) is the foremost advocate of reform, many peasants vote for the conservative ARENA party. We believe that this does not reflect opposition to land reform but rather widespread unhappiness over government coffee-price controls, differing exchange rates for exports and imports, and mandatory marketing arrangements. [redacted]

Noncompliance with Phase III implementation appears to be common, [redacted]
[redacted] The IG audit concludes that the actual number of illegally evicted

Phase III beneficiaries is probably higher than indicated in the survey because of the likelihood that "landowners and guerrillas alike" are disregarding Salvadoran Government decrees in insecure areas. In contrast, noncompliance with Phase I was minimized because the Army occupied the large properties. Despite the popular image of wealthy oligarchs using all means at their disposal, including death squads, to block land redistribution, the government has generally succeeded in imposing its authority over the largest landowners. In Phase III implementation, however, the landlords usually are not wealthy oligarchs but rather small landowners with limited economic prospects. [redacted] the poorest landlords are those most likely to employ violence to discourage their tenants from filing land claims. Even where there is no threat of violence, many peasants apparently are reluctant to file claims for fear of disturbing traditional relationships with landlords who provide credit, employment, and other help in a depressed environment where opportunities are scarce. According to AID, approximately half of the peasants eligible to file claims under Phase III have not. [redacted] 25X1

Physical Security. The Salvadoran Government has failed to provide adequate security against both rightist and leftist attacks. Guerrilla violence has directly hurt the agrarian reform, forcing the abandonment of many Phase I cooperatives in the eastern part of the country. A government survey conducted in San Vicente Province cited insurgent violence as the principal cause of the exodus of peasants from the countryside. Rightist violence has also damaged agrarian reform, not only through such dramatic acts as the assassination of the first president of the Salvadoran Institute for Agrarian Reform but, more important, through selective attacks on local peasant leaders. Nevertheless, the agrarian-reform program continues to function, and violence against peasants has declined to the lowest level in several years. [redacted] 25X1

The government has not seriously attempted to implement agrarian reform in territory controlled by the insurgents. In many areas where agrarian reform is

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being implemented, the insurgents are active but do not control the population. Press reports that in certain localities the guerrillas give propaganda sessions in government-built schools, use public health clinics, and require local authorities to seek their approval before implementing national government programs do not reflect the typical situation. Unlike the Viet Cong and other insurgents, the Salvadoran guerrillas have not developed a clandestine political infrastructure in rural areas that allows them to infiltrate government agencies at the local level and manipulate agrarian reform to their own advantage. Nonetheless, insurgent ability to forcibly recruit young men and women and to seize supplies dramatizes the weakness of government control in many areas. [redacted]

The Upshot. The Salvadoran land reform has shown itself increasingly effective in gaining the support of the peasants, in limiting the opportunities of the insurgents, in undermining the power of the landed oligarchy, and in improving the government's image overseas. Nevertheless, peasant disenchantment with some aspects of life in Phase I cooperatives and small landowner opposition to Phase III redistribution remain serious problems. [redacted]

Zimbabwe

Zimbabwe's agrarian-reform program was initiated in 1980, the year that newly elected Prime Minister Robert Mugabe ushered in black majority rule. Redistribution of the land—primarily the large farms owned by whites—to black African peasants had been one of the principal rallying cries of the insurgents during their long war against the white-settler government. The concentration of more than 4 million impoverished peasants in overcrowded and eroded Tribal Trust lands was seen as an unjust consequence of white minority rule that required immediate redress. Under the 1979 Lancaster House peace conference, which ended the insurgency, the British Government agreed to provide some funds for compensating white farmers. Once in power, however, Mugabe became concerned over the economic impact of breaking up the large white farms that account for three-fourths of national agricultural production and more than half of foreign exchange earnings. Thus, Zimbabwe's agrarian-reform program relies largely on voluntary sale of property by whites and emphasizes the

creation of a modern infrastructure to complement the resettlement of peasants from Tribal Trust lands. This slow approach has benefited about 30,000 families—approximately 38 percent of the estimated 80,000 families residing in communal lands—far less than originally anticipated. [redacted]

The current drought has set back government efforts to redistribute land and increase the number of viable black-owned small farms by necessitating the diversion of funds from rural development to food imports. (Although Zimbabwe has long been a food surplus country, the drought has made it necessary to import some basic grains.) The allocation for agrarian reform was slashed from \$26.1 million in 1982 to \$6.5 million in 1983. Moreover, the 3-percent population growth rate exacerbates ecological, social, and economic strains, leading Zimbabwe's independent Whitsun Foundation to describe agrarian reform as a "short-term measure to relieve temporarily the enormous pressure of an already degraded land base." Many peasants are abandoning the countryside for urban centers, where their prospects for employment are dim at best. [redacted]

Peasant Support. The agrarian-reform program appears to receive significant support from Shona tribesmen, who constitute 70 percent of the population and form the bulk of the ruling ZANU party. Press and Embassy reporting concur that land redistribution is a popular goal and that peasants want the present program accelerated. Spontaneous land invasions of white farms dramatize the intense land hunger among the Shona and indicate that government efforts may not satisfy popular demands. Even projects of the agrarian-reform program itself are affected by squatting; at the Chinyika project, for example, about 2,500 families have moved illegally into an area reserved for the 1,570 families already resettled there. [redacted]

The minority Ndebele, constituting 16 to 18 percent of the population and forming the bulk of the opposition ZAPU party, also favor the idea of redistributing land. However, as they have benefited little so far, they probably do not strongly support the current

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program. This reflects differing ecological and cultural conditions between the two tribal areas, as well as political conflict. The Ndebele prefer cattle herding to farming and live on dry terrain; their main interest is the expansion of an open range. The Shona are primarily farmers living in more fertile territory, and the thrust of the agrarian-reform program is geared toward them. Relations with the whites differ; in contrast to the continuing prosperity of whites in the Shona areas of Zimbabwe, many white ranchers in Matabeleland are selling or abandoning their properties in response to violence, peasant squatting, and drought. Harsh government reaction to antiregime activity in Matabeleland, combined with the reform program's emphasis on farming, precludes Ndebele support for the government based on agrarian reform.

Agrarian-reform beneficiaries interviewed by journalists generally affirm that their welfare has improved, especially since the government endeavors to provide seeds, fertilizer, credit, and other aid. Those peasants given individual plots of 12.5 acres, in contrast to those in collective projects, appear to be most supportive. The evidence on peasant support is thin, however, and strong factors—notably the drought and declining economic growth—militate against the economic progress of beneficiaries. AID officials caution that there are no statistics on the numbers of beneficiaries who have failed in farming after being resettled and who have returned to communal lands in frustration.

The peasants have little input into the formulation of the program. No national, independent organizations exist to articulate peasant grievances or pressure the authorities. ZANU sees itself as a mass-based party with a grassroots organization keeping national leaders in touch with the aspirations of the people. While this theoretically obviates the need for independent peasant groups, the efficiency of the ZANU organization is questionable, and some State Department officials argue that ZANU's ability to mobilize the masses and gauge their attitudes has been steadily deteriorating.

Nonpeasant Attitudes. There is no significant opposition to the principle of land redistribution today. The

ruling ZANU party is committed to land redistribution as a fundamental goal of the revolutionary regime. White farmers whose large landholdings are potential targets of expropriation are mollified—for the moment, at least—by the present government emphasis on voluntary sale of property. The fact that white agricultural interests have not been seriously harmed has reduced the incentive for noncompliance with the laws. The whites are disturbed, however, by recurring talk of compulsory expropriation of underutilized lands without compensation, and the president of the largely white Commercial Farmers' Union has publicly opposed such proposals. Nonetheless, white political power is minimal, and the whites appear to believe that their best protection is the Mugabe regime's favorable perception of their economic role.

The moderate implementation of the reform program has created conflict among Zimbabwe's leaders. Many within ZANU disagree with Mugabe's policies and continue to call for the breakup of white farms to accomplish the revolutionary goal of restoring lands to Africans. The regime has resisted this pressure, fearing that the ensuing flight of white farmers would seriously damage the national economy and complicate efforts to attract foreign investment; the naming of a white Minister of Agriculture underscores the current commitment to safeguard white-dominated commercial agriculture. Nonetheless, disagreements over the pace and goals of agrarian reform represent conflicting economic, social, and political priorities within the ruling party that could develop into a destabilizing crisis.

International Attitudes. The moderation of the land reform program and its apparent acceptance by many white farmers help give the Mugabe regime a relatively favorable image with Western governments and aid donors. If this image erodes—as it may now be doing—it will be as a result of a complex of events and government actions, with land reform probably playing an unimportant role compared with the government's international orientation, its treatment of minority tribes, and its respect for democratic practice.

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Effectiveness of Administration. Although Zimbabwe's authorities have made strenuous efforts to explain government policies to both peasants and landowners, considerable confusion remains. This confusion stems from disagreements within the government over policy direction, which are reflected in Mugabe's public statements alternating threats of expropriation with reassurances that white farms are integral to the well-being of the national economy. Addressing the Commercial Farmers' Union, a government minister admitted that official statements on agrarian reform had "either been misunderstood or misinterpreted." Numerous press reports on land invasions by African peasants mention confusion over government policies as a factor promoting these illegal acts. [redacted]

In terms of its own publicly announced goals, the implementation of land redistribution has been slow. In light of the government's financial and administrative inadequacies, the press has characterized regime promises of resettling 162,000 families by 1985 as "almost certainly unreachable," and "unattainable, given the slow pace of the program so far." Academic studies and press reports concur that a widespread expectation existed among peasants that, once the Mugabe regime was installed, land redistribution would be extensive and speedy. These expectations have been frustrated. The disparity between revolutionary promises and government policy could, in conjunction with discontent over deteriorating economic conditions, undermine Mugabe's popular appeal and the stability of his government. [redacted]

Zimbabwe has a good record of following up land redistribution with government services. Stating that it "did not intend to create rural slums," the administration has maintained a strong emphasis on infrastructure and support projects—wells, granaries, and roads—as integral elements of the reform. Agricultural extension services are also provided. The recent success of small farmers in increasing production substantially, in response to price rises of certain crops, suggests that government efforts are working. [redacted]

Physical Security. Physical security is not a major factor in Zimbabwe's land reform because no insurgency exists. Although sporadic violence—based on

ZANU-ZAPU rivalry and Shona-Ndebele animosity—has broken out in Matabeleland, it does not affect the reform program outside of the minority area, where implementation was already minimal. [redacted]

The Upshot. Zimbabwe's revolutionary regime is gambling that the economic benefits of going slow on land redistribution will outweigh the political costs of renegeing on promises and revolutionary principles. Given the tribal dynamic of the country's politics, the government is unlikely to lose much Shona support or gain much Ndebele support no matter what actions it takes with regard to land reform. The wisdom of subordinating politics to economics in the Zimbabwean case is further underlined by the fact that Zimbabwe is one of the few Sub-Saharan countries that usually produces enough to feed itself despite Africa-wide droughts. [redacted]

The Philippines

President Ferdinand Marcos initiated the current agrarian-reform program in the Philippines soon after the declaration of martial law in 1972. According to official statements at the time, both measures were necessary to head off instability and create a "New Society." The program aims to increase the number of small landowners by limiting landholdings to 7 hectares and allowing tenant farmers and sharecroppers to gain ownership of the land they cultivate. Only lands producing rice or corn are covered by the measure, and beneficiaries do not receive legal title before paying off 15-year mortgages to the government. [redacted] the reform affects 1.5 million acres tilled by approximately 1 million peasants (out of an estimated total rural population of 34 million). As of 1983, however, only 345,000 farmers had received Certificates of Land Transfer (stipulating ownership upon payment of the mortgage) and 1,800 had actually gained title. [redacted]

National economic deterioration is depressing living conditions for peasants regardless of whether they have benefited from agrarian reform. Real income is not keeping up with inflation, and income distribution seems to be worsening. A February 1984 AID report concludes that the "Philippine economy is in its most

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serious crisis since World War II," exacerbated by rapid outflow of capital and a virtual cessation of new investment and commercial loan inflows. The common Third World problems of low international prices for agricultural commodities, massive indebtedness, and shrinking foreign exchange reserves are worsened in the Philippine case by government mismanagement of agricultural pricing and marketing policies. [redacted]

Peasant Support. The agrarian-reform program apparently has promoted favorable peasant views of the national government in Luzon and a few other areas where it has been most active. On islands such as Mindanao, where peasants are concerned about loss of land to agribusinesses and big landowners producing crops other than rice and corn, the program is irrelevant. Support for the agrarian reform in Luzon is enhanced by the following factors:

- Luzon, as the principal ricegrowing area, has the most land eligible for redistribution.
- Luzon, with one of the highest percentages of landless peasants in the Philippines, has a big constituency for land redistribution.
- Luzon's history of agrarian agitation and peasant support for insurgency, coupled with the fact that the national capital is on the island, heightens government concern over threats to rural stability and results in greater efforts to provide benefits to the peasantry.
- President Ferdinand Marcos, from the northern Luzon region of Ilocos, demonstrates special interest in his native island, in keeping with the Philippine tradition of local loyalties. [redacted]

From the beginning of the program, Marcos has used agrarian reform to legitimize his regime and increase rural support. Although there is much less emphasis on agrarian reform today than 10 years ago, the President until recently continued to personally hand out certificates of land transfer at local ceremonies. [redacted]

Although several community studies conclude that tenant farmers and sharecroppers—at least on Luzon—appreciate the program, other research has produced conflicting results. Many tenant farmers

reportedly are unwilling to jeopardize rent and credit arrangements with local landlords to petition the national government for landownership. One academic study concludes that traditional sharecropping continues to be viewed favorably by the peasantry because it entails "sharing costs and risks . . . landlords and tenants share proportionately in farming costs and in good or poor harvests." In another study, conducted in the Bicol River basin, half of the farmers classified by the Department of Agrarian Reform as landowners actually perceived themselves as tenant farmers or renters. In their own eyes, their status had not been altered by the reform program. [redacted]

Independent peasant organizations do not participate in the formulation or implementation of the program, as the Marcos regime fears that peasant groups not sponsored by the government would be influenced either by the activist sector of the Catholic Church or by the Communists. The regime has attempted to counteract nongovernment peasant organizations by promoting a national system of village associations, Samahang Nayon, which include consumer and producer cooperatives and are a "mechanism for mass mobilization." Although Embassy reporting on the impact of the Samahang Nayon is inconclusive, it appears that many of the problems encountered by the agrarian-reform program stem from lack of peasant input and inadequate government awareness of local conditions and aspirations. [redacted]

Nonpeasant Attitudes. The agrarian-reform program is neither strongly supported nor strongly opposed by nonpeasant sectors. The Catholic Church and the ruling party offer lukewarm support for the program, while voicing doubts that it adequately addresses the social and economic problems of the rural population. On the other hand, business and commercial interests that might be expected to oppose land redistribution tend to be indifferent, because of the program's provisions limiting redistribution to lands producing rice or corn. The most active opposition comes from small landowners; the less wealthy the landowner, the greater his opposition to losing land. Opposition from this sector, however, is not a major issue today, because ample leeway exists under the law to delay or avoid expropriation. [redacted]

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International Attitudes. Foreign public opinion and the international press have not been greatly impressed by the Philippine land reform, regarding it somewhat unfairly as little more than a sham. The land reform is not a major factor in the support or lack of support of the Philippine Government by other governments. [redacted]

Effectiveness of Administration. The implementation of the program has created considerable uncertainty, with the most serious confusion relating to the stipulation that the 15-year mortgage must be paid off before legal ownership is conferred. As the certificates of land transfer are not titles of ownership, peasants receiving such documents can be considered either small landowners or renters of government property. Moreover, the great majority of beneficiaries are in arrears in their payments, which, according to an AID contract study, is a major source of anxiety. Given the present state of the national economy, it is probable that most beneficiaries will not be able to pay off their mortgages. Although the authorities have not articulated a policy to deal with this problem, some observers downplay its importance, saying that it is highly unlikely that the government will declare beneficiaries in default and take their land. The large number of beneficiaries in arrears further diminishes the likelihood of drastic government action. [redacted]

Implementation of the program has been slow. Lengthy delays—caused by bureaucratic inefficiency and landlords' legal appeals—reportedly are common. Bureaucratic inefficiency is compounded by the seriously inadequate system of land registry. Many Philippine farms have never been surveyed, and many landowners do not possess clear title to their lands. This absence of clearly defined boundaries and recorded titles not only delays agrarian reform but invites landgrabbing by wealthier landowners. Embassy officers suspect that the limited scope and the slow pace of land redistribution, juxtaposed with heavy rhetoric touting agrarian reform as the cornerstone of the “new society,” have produced profound public cynicism. [redacted]

The Marcos record is better with regard to the systematic followup of land redistribution with public-sector programs. The government considers the reform to be a package involving credit, agricultural

extension services, and assistance in marketing produce and purchasing fertilizers and other goods. Technical aid has had a particularly noticeable impact. By promoting new seeds, herbicides, fertilizers, and irrigation systems, the government has helped achieve a considerable increase in rice production. Formerly an importer of rice, the nation has achieved self-sufficiency in this basic staple—a fact that government officials frequently point to as a success of the agrarian-reform program. The introduction of this new technology has also raised costs significantly, however, thus widening the disparity in wealth between those peasants who can afford the necessary investments and those who cannot. In this respect, the Philippine program is following the pattern observed elsewhere of strengthening the rural middle class while doing little to help landless laborers. Academic studies of revolution identify the “middle peasant” as the type most politically active—and most likely to revolt—so this middle-class focus of the Philippine program can be expected to enhance its political effectiveness. [redacted]

Noncompliance with the agrarian-reform laws apparently is extensive, especially among small landowners. Such landowners reportedly abandoned rice and corn cultivation to make their land holdings ineligible for redistribution. Some landowners also prohibit tenants from planting rice on unused land for the same reason. Some landlords are terminating traditional patron-client relationships with tenants and sharecroppers and turning to wage labor, removing renters who might someday file petitions for land redistribution. Thus, while agrarian reform is achieving its goal of increasing the number of small landowners and decreasing the percentage of tenant farmers in the countryside, it is also increasing the number of landless wage laborers. This widening of economic disparities suggests that, while agrarian reform may be creating a progovernment rural middle class, it is also establishing a new framework for social conflict and instability. [redacted]

Physical Security. Insurgency conducted by guerrillas of the Communist Party of the Philippines' New People's Army (NPA) is increasing in many areas.

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The guerrillas usually focus their attacks on the security forces, government officials, and landlords, and they do not harass agrarian-reform beneficiaries. Nevertheless, the psychological climate of insecurity reduces the program's political effectiveness. The NPA has further eroded the regime's political control in the countryside by constructing a clandestine infrastructure parallel to that of the government in many areas. [redacted]

US Embassy officials argue that the insurgents are strongest in areas where agrarian reform has not been implemented. NPA guerrilla activity seems to be correlated with land conflict—for example, in areas where the expansion of commercial and agribusiness enterprises is displacing large numbers of tenant farmers and sharecroppers. [redacted]

The Upshot. The Philippine land reform, largely because of its modest scope, cannot be considered either a political success or a political failure. While many Luzon peasants have benefited from the reform, others regard it as an unwanted disturbance of traditional patron-client relationships. Because the program is limited to rice and corn land and is generally well supported with extension services, landlord opposition has been minimal and the economic costs have been low. [redacted]

Conclusion: The Lessons of Agrarian Reform

1. **Weigh the impact on the economy.** The short-term economic costs of land reform are almost always high. If economic goals—maintaining foreign exchange earnings from agricultural exports, for example—are more important than political goals, a land reform should not be attempted.¹

¹ Land reform can be undertaken for purely economic reasons. Such economically oriented reforms—which usually entail measures such as seizure of unproductive land, forced peasant migration to unattractive “virgin areas,” and forced change of traditional agricultural methods—are almost always unpopular with landlords and peasants alike and therefore very costly in political terms. [redacted]

2. **Agree on political objectives.** Certain goals preclude others. All involved in the design and administration of the program should agree on which goals come first. Otherwise, officials acting in good faith can counteract each other's moves and undermine the program.

3. **Do not try to do too much.** A program that attempts to simultaneously destroy the landowners, mobilize the peasants, reward supporters, gain favorable publicity abroad, teach democracy, and increase production can only fail. 25X1

4. **Do not overpromise.** It is better to leave the peasant his “apathy” than to create unrealistic expectations.

5. **Identify the winners and the losers.** If the program creates more—or more powerful—enemies than friends for the regime, it should be reconsidered. 25X1
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6. **Mobilize the winners.** Those who have clearly benefited from the land reform can become a strong support for the government, but only if mobilized, directed, and (under some circumstances) armed. As the Shah and others have learned, gratitude alone will at best create passive rather than active support for the regime.

7. **Co-opt the losers.** Another lesson the Shah learned too late is that an important segment of the population wounded by land reform is dangerous. If the losers cannot be co-opted—a prompt and generous compensation for land is usually the best method—then it is necessary to divide them, undermine their other sources of power or influence, and separate them from their potential allies. 25X1

8. **Give the peasants individual plots, under most circumstances.** All peasants appear to prefer individual plots over membership in cooperatives or state farms. Sometimes, however, it is necessary to establish collectives to maintain expropriated plantations as productive units and safeguard the peasant's standard of living. Modern peasants are unlikely to consider landownership as sufficient recompense for a decline in living standards. 25X1

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9. **Support land reform beneficiaries with credit, training, and infrastructure.** If the peasant is to be satisfied in the long run, he must have an improved chance of raising his living standards. In effect, the government must take the place of the traditional patron in a patron-client relationship.

10. **Watch out for the urban poor—and the urban middle class.** Land reform that reduces supplies of food to the city can prove very costly in political terms.

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