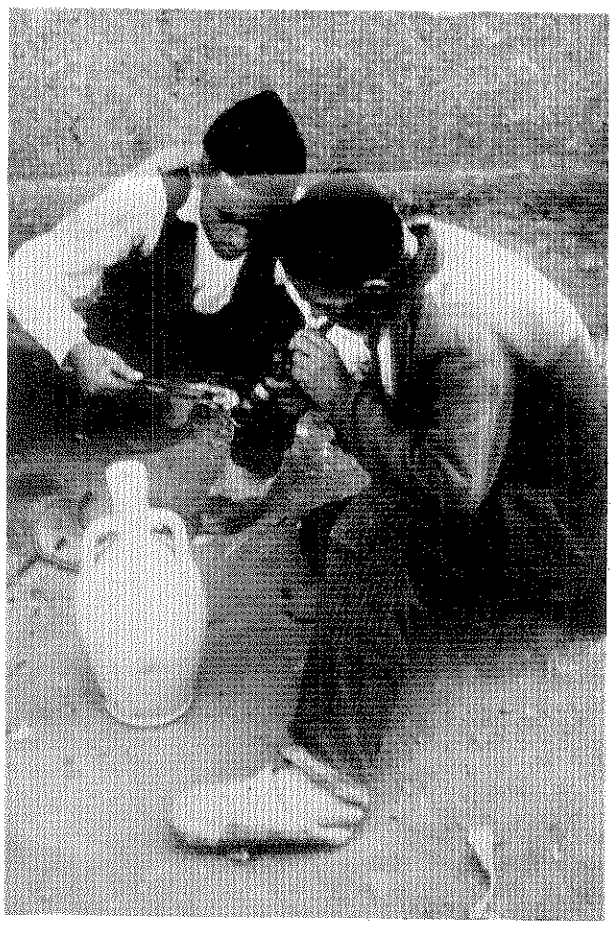
LAND TENURE & WORLD ECO-CRISES

LAND & LIBERTY

OPIUM and the MASSES



Two Afghan heroin addicts in the streets of Kabul: victims of the landlords' poppies . . . .

MARX said that religion was the opium of the masses. In Afghanistan, opium is the religion of the few – the rich landlords – and the peasants are its victims. Long before Moscow sent in troops, the landowners were making fortunes out of the narcotics trade. The peasants were shackled to the land in feudal serfdom, their only relief from exploitation being a helping of the product from the poppy fields which they were compelled to grow. The world is now shedding crocodile tears for Afghanistan. Détente is dead. Wall Street went frenzy with excitement as President Carter announced a $16bn. increase in military hardware. But few people spoke up for the landless peasants when Afghanistan was ruled by a King. Few cared when Marxists took power in Kabul in the pre-invasion period and set about wrecking any hope of constructive land tenure reform. Statesmen now talk about the inviolability of national sovereignty. Few of them have anything constructive to say about the conditions which would create real freedom for the individual. Afghanistan is just a convenient excuse for the leadership tussles in Moscow and Washington. *Land & Liberty* probes the source of the real hardships confronting the Afghan peasants in their daily lives. And in our next issue, we report how landowners are operating a $1.5bn. p.a. narcotics trade in Colombia, where guerrillas took over a dozen ambassadors hostage in Bogota in their bid to publicize their cause: land reform.

'Many of the international community's widely shared goals – *the elimination of malnutrition, the provision of jobs for all, the slowing of runaway rural-urban migration, the protection of productive soils and ecologically vital forests* – are not likely to be achieved without radical changes in the ownership and control of land. It is a delusion to think that the basic needs of the world's poorest people will be met without renewed attention to politically sensitive land-tenure questions. It is an even greater delusion to think that the dispossessed of the earth will watch their numbers grow and their plights worsen without protesting. The issue of land reform will not go away.'

—Ecologist Erik Eckholm: P.20

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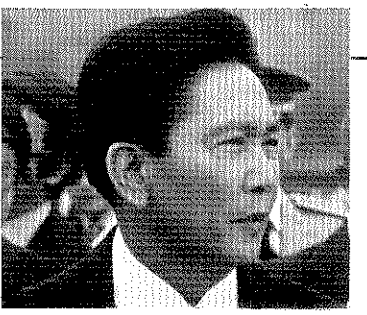
Peter Willey, a teacher at Wellington College, Berkshire, took the photographs which depict the narcotics trade in Afghanistan.



LAND REFORM

IN THIS issue,** Land & Liberty **reports the conclusion reached by ecologist Erik Eckholm that, by the end of the century, one billion rural-based people will have no secure access to land. Land reform, then, is a key issue if the problems of a rapidly-growing world population are to be solved in a way that supplies not just basic needs like food – and for millions of desperate people today, that would be regarded as enough! – but also meets the growing aspirations of the poor. A systematic effort at multi-sectoral development has to incorporate a sound programme of land reform. In our next issue, Land & Liberty investigates the successes and shortcomings of some recent attempts at reform, including the efforts of President Ferdinand Marcos (pictured above) in the Phillipines. We ask: what conditions are most likely to stimulate constructive change? And we will suggest a model which probably offers the best prospects of success.

HUNDREDS of millions of people suffer from mal nutrition. Unknown numbers die daily from starvation.

From this, the conclusion is drawn that there is a demographic problem: overpopulation, defined as too many people in relation to the carrying capacity of earth.

So the main thrust of the work of international agencies is directed at trying to curb fertility trends.

Yet each year, 250,000 acres are lost on the edges of the Sahara, as food-yielding fields are replaced by scrubland and sand dunes. Another 500,000 acres are lost through salinisation and water-logging, due to poor drainage from irrigated fields.

An alternative explanation for this loss of productive capacity, which if correct would require a dramatic shift in policy emphases, is that dysfunctional land tenure systems undermine the ability of huge numbers of people to produce their own food, which consequently leads to the adoption of practices which cause ecological damage.

ECOLOGISTS, where they mention land tenure at all, do so in vague terms. There is, they say, a need for "careful land-use planning."

Rarely, if ever, are we told how this planning compliments attempts to force back the deserts which are expanding in the Americas, North Africa, Asia and Australasia.

The UN Conference on Desertification in 1977 was told that, in Chile, inequitable land tenure patterns promoted ecologically unsound land use. But there is no comprehensive study of how the maldistribution of land directly leads to ecologically-dangerous decisions by individual families and whole communities.

We have no quantitative data on how landlessness – a socially-induced phenomenon – leads to the over-exploitation of land and the disruption of eco-systems.

The hypothesis presented here focuses sharply on the influence of land monopolisation and the motives of the landowning elites.

Because pastoralists lose traditional territories to urban-based land grabbers (although, of course, the maldistribution of tribal land can originate internally), they are forced to over-graze the acres which remain.

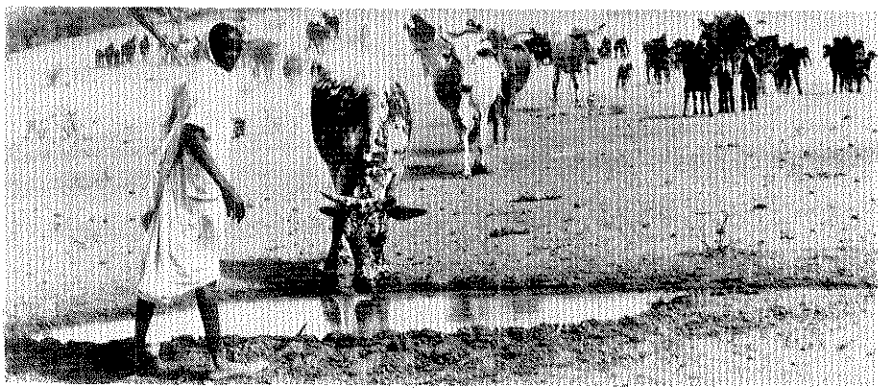
Because the enlargement of estates by the political elites results in lower per capita holdings for the peasants, grain farming is extended onto marginal lands that cannot sustain it.

ECO-CRISES & THE LAND TENURE HYPOTHESIS

Table 1:
Per Capita Grain Production in Sixteen Desert Countries, 1950-52 and 1973-75

	Per Capita Cereal Production (Kilograms)		Change
	1950-52	1973-75	
Afghanistan	263	234	−11
Algeria	221	87	−61
Ethiopia	220	190	−14
Iran	182	185	+ 2
Iraq	269	156	−42
Jordan	143	79	−45
Lebanon	44	20	−54
Libya	99	106	+ 7
Mali	267	146	−45
Morocco	272	213	−22
Niger	303	169	−44
Senegal	142	186	+31
Sudan	102	150	+47
Syria	315	241	−24
Tunisia	216	184	−15
Upper Volta	193	180	− 7

Source: U.S. Dept. of Agriculture.



● **WATER for livestock and domestic use is a major preoccupation on the desert fringes. Here, near the Saharan sands in Kordofan province, Sudan, village cattle are watered. PHOTO: Earthscan/Mark Edwards.**

Because incomes are depressed at the margin, people cannot afford to buy alternative forms of energy: so forests are denuded for firewood.

As a result, per capita food production declines (For grain, see Table I.)

THIS IS not a problem peculiar to the Third World, however. A 1976 report by the Organisation for Economic Cooperation and Development showed how there had been extensive abandonment of farmland in Italy. It noted how

> **"... it is generally agreed that in Italy 2m hectares have been abandoned in the last 10 years .... the farming methods used on this marginal land have led to deterioration of the soil so that the land was consumed in the literal sense of the term."[1]**

For some countries, particularly in the oil-rich Middle Eastern region, the impact of declining food production is disguised by imports. This, however, while partly mitigating the immediate problem of hunger, reduces the awareness of the causes of the problem. And with each passing day, balanced eco-systems degenerate into wastelands.

IN THIS issue, we produce some evidence to support the hypothesis.

Eric Eckholm, now established as a world authority on ecological problems (and who should not be regarded as endorsing the editorial view expressed by *Land & Liberty),* has come to the conclusion that by the end of the century there will be one billion landless people in the countryside. We have hardly begun to think about what might be done about a problem of this awesome magnitude.

Eckholm and Lester R. Brown have stated:

"As agricultural modernization is pursued, governments and aid agencies need to watch carefully the evolution of land-tenure patterns and to insure that the social goals of development are not undercut by the concentration of landholdings and production benefits in the hands of a few. Land in many arid regions is still allocated by traditional tribal criteria; but as land becomes more scarce or when its value suddenly jumps after it is irrigated, traditional tenure patterns begin to break down. If 'development' entails the emergence of huge mechanized, irrigated farms owned by wealthy individuals or corporations – as it now does in arid northern Mexico – then the welfare of large numbers of people may actually be worsened under the guise of 'progress'."[2]

Report by FRED HARRISON

In another Worldwatch Institute publication, Lester Brown cites a study of Andean countries which noted that wealthy rangers had appropriated the fertile valley floors for cattle grazing, thereby forcing the small landholders to grow their subsistence crops on steeply sloping fields in the hills. This created perfect conditions for severe soil erosion, and impaired the productive capacity of both the mountainside and the valleys!

But Brown, who is President of Worldwatch, nonetheless places demographic pressures at the centre of his analysis:

> **"Explosive Third World population growth has forced farmers onto mountainous soils without sufficient time to construct terraces. Once the natural cover is removed from unterraced mountainous land, the topsoil quickly washes into the valley below, silting streams and irrigation reservoirs and canals."[3]**

He tells us that, in the Third World, "land is in critically short supply" – a dubious conclusion, given the huge tracts of farmland which is monopolised by a relatively few people, who choose to keep it idle in expectation of capital gains, or who underuse it (as with the *latifundia* of Latin America).

THE PROBLEM is primarily an economic one, which in

turn generates much of the emotive ecological damage.

The solution is sketched in the articles on pages 24 and 26. In summary, we believe that land value taxation, a fiscal policy elaborated by Henry George,[4] is the most appropriate remedy.

Until we appreciate the underlying economic cause of ecological damage to Mother Earth, it will not be possible to persuade people and their institutions to adopt the appropriate policies.

Land & Liberty is therefore opening up the debate on what it believes to be a seriously-neglected issue: the connection between land monopoly and the eco-crisis. When the mechanism has been adequately documented, the powerful environmental lobby will be in a position to appreciate the vital contribution which land value taxation can make to re-establishing harmony between man and his land.

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4. Henry George, *Progress & Poverty*, New York: Robert Schalkenbach Foundation, centenary edition 1979. Especially relevant for our present purpose is Book II.

FORTHCOMING

GROUND RULES FOR A SUSTAINABLE SOCIETY

– a critique of ecologists who neglect to define an appropriate system of land tenure as a complementary part of any programme of reform for industrialised economies.

This article by *David Richards* appears in the next issue of *Land & Liberty*.

Previous articles on ecology include:

Turangawaewae! Betty Noble reports how New Zealand's Values Party incorporated Maori traditions of land tenure into its policies. Nov.-Dec. 1979.

Site-value Rating and the Environment, by Richard Grinham: Jan.-Feb. 1978.

Ecologists back to whose Land? by Fred Harrison: Sept.-Oct. 1976.

BACK NUMBERS can be obtained from 177 Vauxhall Bridge Road, London, S.W.1., price 60p. each.

Ecology and the billion-sized threat: landlessness

Protection of our productive soils and ecologically vital forests are not likely to be achieved without radical land reforms, warns Erik Eckholm.

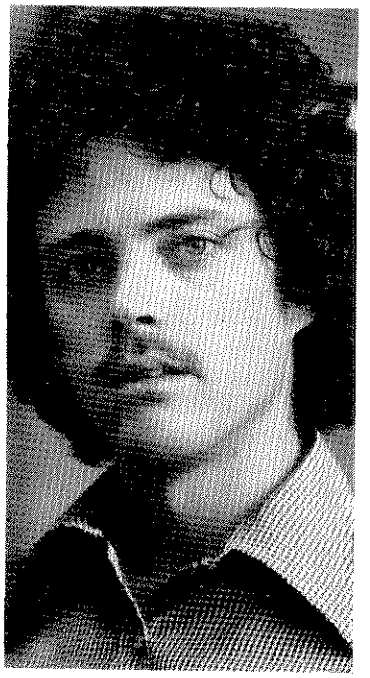
SOMETIMES argued with ballots, sometimes argued with bullets, and mostly argued with words the debate about land reform has resurfaced time and again in the twentieth century. Yet today, perhaps because of their very familiarity, arguments about the social and economic benefits of equitable farmland distribution often seem stale and tired. Among many of those actively involved in development planning, concern about land reform has quietly slipped into a state of functional dormancy. Many of the world's urban residents seem to think about land reform as a rather outdated concern – when they think about it at all.

But the world's farmers and farm workers know better. In mainly agrarian societies, the struggle for control of the land and its fruits is a constant one, always simmering beneath the surface and sometimes exploding into violence. Over the next two decades, as the number of rural people lacking secure access to farmland approaches one billion, conflict rooted in inequality of landownership is apt to become more acute in country after country.

Many of the international community's widely shared goals – *the elimination of malnutrition, the provision of jobs for all, the slowing of runaway rural-urban migration, the protection of productive soils and ecologically vital forests* – are not likely to be achieved without radical changes in the ownership and control of land. It is a delusion to think that the basic needs of the world's poorest people will be met without renewed attention to politically sensitive land-tenure questions. It is an even greater delusion to think that the dispossessed of the earth will watch their numbers grow and their plights worsen without protesting. The issue of land reform will not go away.

THROUGHOUT history, patterns of landownership have shaped patterns of human relations in nearly all societies. They have also helped determine the possibility and pace of economic change. In agrarian societies, land is the primary productive asset, the tangible expression of economic and hence political power. Some tenure patterns have manifested and solidified social inequality while others have promoted social mobility or even something approaching equality. Some tenure patterns have blocked technological progress while others have encouraged it. And invariably, changing the relationship of people to the land has meant changing the relationship

World-watch ecologist Erik Eckholm spells out the stark facts about the rural poor in the Thirld World



of people to one another – the stuff of political struggles and sometimes of wars or revolutions.

As societies industrialize, the primacy of agricultural landownership as a determinant of political and economic power wanes. New elites have often accrued power through control of capital, technology, or military force. Access to a broad array of nonagricultural jobs has freed many people from long-standing, stifling ties to poor land or to rich landlords. Yet even in the most economically advanced countries, landownership remains a significant source of wealth and influence. In the US, where only one in every 28 people lives on a farm, changes in the size and ownership of farms are today generating questions about the implications for employment, resource use, and community welfare. Landholding patterns in industrial countries do not have the pervasive social impact they once had, but they still influence the quality of life and the distribution of income.

In Africa, Asia, and Latin America, where three-fourths of the world's people live, the control of farmland remains a principal key to wealth, status, and power. A large majority of the people in most Third World countries live in rural areas, and most of these must make a living through agriculture if they are to make a living at all. While rural land-tenure and social patterns vary greatly from place to place, it is generally true that where a few individuals own a large share of the land, these same individuals dominate local politics and – through their roles as lenders, landlords, and employers – the economic lives of their neighbours. In other regions, a larger number of farmers owning small or medium-sized plots may predominate. Under such conditions these landowners, too, may be the controllers of wealth and power; at the least, they usually enjoy a certain economic security and the possibility of personal economic progress.

Whatever land-tenure pattern prevails in a given area, it is the landless and the near-landless who are on the bottom. Hundreds of millions of families are struggling to improve their lives through agriculture without secure access to the basis of agricultural life – farmland. Many sell their labour to more fortunate farmers for whatever pittance they can get; others rent land at exorbitant rates under conditions insecure enough to smother incentives for investment and technical progress; still others scratch what produce they can from inadequately sized, often fragmented family plots and then seek other employment in order to make ends meet.

The landless, the insecure tenants, and those owning marginal plots too small to support a family together constitute nearly all the poorest of the poor – those whose basic needs for food, fuel, shelter, education, health care, and family planning are frequently unmet. It is in many cases they who are born into debt and die in debt, who see up to half their infants die before age five, who live chronically on a tight-wire of survival from which they can quickly fall if the weather or the international economy turns against them. In Bangladesh during the food-short year of 1975, the death rate among the landless was triple that among people owning three or more acres of land.[1]

Discussions of the rural poor, like the programmes designed to help them, too often lump all of them together as "small farmers." The truly poor often seem invisible to urban elites and the international experts concerned about rural poverty. As Milton J. Esman of Cornell University writes of the indiscriminate use of the term "small farmer":

> **Not only does this imprecise catch-all term conceal the many specific differences which distinguish rural households by asset position, occupation, income, and ethnicity, but it tends to produce an image of the rural poor as Asian, African or Latin American versions of the Jeffersonian yeoman farmer with relatively small but secure holdings which, with the help of improved technologies, cropping practices, inputs, production incentives, and marketing could provide a decent family livelihood. Helping the rural poor is thus conceived as providing better services to this version of the "small farmer."**
>
> **In some countries there are many small farm households which more or less fit this image and have a reasonable chance of providing decent family livelihoods under prevailing institutional conditions. They need and could benefit from the help of governments and development agencies. But they are seldom the majority of rural households and they are certainly not the poorest.[2]**

Landless labourers, sharecroppers, and marginal farmers together constitute the majority of rural residents in most countries of Asia and Latin America and are increasing in number in Africa. They have generally been bypassed by the global development process; in fact, development programmes not carefully designed to improve their status can worsen it, which is why the frequent failure to distinguish between the landless and the more secure small farmers is of more than academic concern.

Recent studies in a host of countries – including Bangladesh, Indonesia, Malaysia, Pakistan, the Philippines, Thailand, and parts of India – indicate that the absolute incomes of some groups have declined over the last two decades, often in the face of considerable growth in gross national product (GNP) and agricultural output. Similar studies in many other countries would undoubtedly reveal similar patterns: falling real wages for some farm labourers; the absorption of marginal landholdings by better-off farmers; the ejection of tenants by landowners seeking to take advantage of profitable new technologies or to avoid threatened tenancy reforms.[3]

In the Asian countries examined by Esman and his colleagues, the proportion of rural families that are landless or nearly so ranges from a low of 53 per cent in India to a high of 85 per cent on the Indonesian island of Java. (See Table 1.) In the Latin American countries covered, these categories account for anywhere from 55 per cent of rural residents in Costa Rica to 85 per cent in Bolivia and Guatemala. Similar data are not available for Africa, but indications are that the comparable proportions for most of that continent would be considerably smaller than they are in Asia and Latin America.

Conservative extrapolations of the available data suggest that, altogether, more than 600 million people live in rural households that are either completely landless or that lack secure access to adequate farmland. Not coincidentally, this rough figure approaches the World Bank's estimate that nearly 800 million people live in "absolute poverty . . . at the very margin of existence." Along with the most destitute urban slum dwellers – themselves usually refugees from rural landlessness – landless labourers and those farming insecure or marginal plots *are* the absolutely poor.[4]

Roughly half the world's most desperately poor people live in South Asia, particularly in Bangladesh, India, and Pakistan. In these three countries, according to a World Bank study, some 28 per cent of rural households are "totally landless and support a population of 157 million people by their wage labour alone in environments where unemployment and underemployment are widespread." Perhaps as many more are farming marginal plots or renting under oppressive conditions. In noncommunist Asia as a whole, reports the Food and Agriculture Organisation (FAO), some 30 per cent of the rural labour force is completely landless.[5]

Throughout most of Asia, the average farm is quite small by international standards; in most Asian countries, more than 90 per cent of all farms are smaller than ten hectares. Among those fortunate enough to own farmland, ownership in Asia tends to be more broadly based than it is in Latin America. Inequality among landowners is nonetheless substantial. Eleven per cent of Bangladesh's families own more than half the country's land. In India in 1971, 70 per cent of the farms were smaller than two hectares and included just 21 per cent of the total farmland, while 4 per cent of the farms were larger than ten hectares and occupied 31 per cent of the farmland. In the Philippines in 1971, just 5 per cent of the farms were larger than ten hectares but they accounted for 34 per cent of all cropland. By contrast, in South Korea, where significant land reforms have been carried out, 92 per cent of the farms were three hectares or smaller in 1974, and they accounted for 93 per cent of all the farmland.[6]

The European colonization of the Americas was in many regions accompanied by the establishment of huge estates and plantations. In the mid-nineteenth century in the United States, however, many factors – among them the emancipation of slaves following a bloody civil war, and a federal homestead programme under which public lands in the Midwest and West were given out in parcels specifically intended to function as family farms – encouraged the breakdown of the plantation economy and the emergence of a family-farm-based agrarian structure renowned since for its productiveness and social benefits. Today, although large-scale corporate farms are assuming ever more significant economic roles, close to 90 per cent of all US farms are still family-operated.[7]

Throughout most of Latin America, in contrast, huge private estates have remained predominant. In the US in 1974, the largest 7 per cent of farms accounted for 27 per cent of the nation's farmland. But in Latin America, reports the FAO, 7 per cent of the landowners possessed a startling 93 per cent of the arable land as of 1975. A survey of agrarian structures in seven Latin American countries, carried out in the mid-sixties by the Interamerican Committee for Agricultural Development (a consortium of UN and regional agencies), revealed that the "latifundia stereotype" of Latin America, while oversimplified, "does not grossly exaggerate reality." Large farms employing more than 12 people accounted for more than 40 per cent of all cropland in Colombia, Ecuador, and Guatemala; for 60 per cent of Brazil's farmland; and for more than four-fifths of the cropland in Chile and Peru. At the same time, nearly 90 per cent of the farms in Ecuador, Guatemala, and Peru were too small to support a family.[8]

Table 1: Landless and Near-Landless People in Selected Asian and Latin American Countries*

Country	Number of Rural Households (millions)	Landless and Near-Landless as Share of Rural Households (per cent)
Asia		
Bangladesh	11.85	75
India	86.00	53
Java, Indonesia	9.39	85
Philippines	4.43	78
Sri Lanka	1.89	77
Latin America		
Bolivia	.61	85
Brazil	9.72	70
Colombia	2.40	66
Costa Rica	.23	55
Dominican Rep.	.74	68
Ecuador	.86	75
El Salvador	.53	80
Guatemala	.66	85
Mexico	4.50	60
Peru	1.48	75

*Data for assorted years in the early seventies.
Source: Milton J. Esman.

LANDLESSNESS and land concentration have long plagued portions of North Africa, and, until its recent revolution, Ethiopia was notorious for the near feudal conditions under which many of its peasants laboured. Throughout much of sub-Saharan Africa, however, traditional tenure systems, in which land is owned by the tribe and allocated to individuals for the use but not for sale, have predominated. Outside experts have often seen the need for individual land titles that could provide greater personal-investment incentives as the "land reform" challenge of Africa. The apparent availability of large unused areas has further fed the notion that landlessness is not a threat in sub-Saharan Africa.

This relatively benign image of African tenure problems is, however, increasingly misleading. To begin with, the large empty spaces create a mistaken impression. In vast areas of Africa, the climate, soils, or other ecological factors make farming or even grazing impossible. In addition, writes John Cohen of Harvard University, "Africa's poor soils and limited rainfall often allow for only extensive land use and typically require fallow periods or costly investment in fertilizer and irrigation. In such conditions, access to 10 to 20 hectares of land means little and such an African household might be less secure than a Bangladesh peasant household holding less than two hectares."[9]

> The truth is that land scarity is emerging as a problem in more and more parts of Africa. Where populations are pressing against the arable land base, traditional tenure systems have proved adaptable, and a common result has been the development of individual land rights – accompanied by the usual patterns of land accumulation by the wealthy, absentee landlordism, tenancy, and

landlessness. These trends have progressed furthest in areas growing commercial export crops, such as Ghana's cocoa regions and East Africa's coffee lands. But they are fast appearing in peasant food-crop areas as well.

The problem of landlessness in sub-Saharan Africa may be most advanced in Kenya, where both the colonial and independent governments have promoted the shift from tribal to private tenure. One-fifth of the country's cropland is in farms bigger than 100 hectares, and the large farms are getting larger. Yet more than half the country's farmers hold just two hectares or less, accounting for under 15 per cent of the total cropland. By the early seventies, nearly one-fifth of rural households were landless. Notes Cohen, "The Kenyan goal of small, relatively prosperous landowning farmers with a stake in a stable capitalistic system and an interest in progressive farming practices is increasingly threatened by the rise of land concentration, exploitive tenancy, landlessness and other patterns which seem to go hand-in-hand with the tolerance of unregulated freehold tenure in the agrarian nations of the developing world."[10]

Kenya provides an ominous portent for the rest of black Africa. The population of Africa is growing faster than that of any other continent. Doubling every 25 years or so, it is far outpacing the expansion of cropped area, which increased by only 12 per cent between the early sixties and 1975.[11] Increasing land scarcity and competition is inevitable throughout much of the continent, and, in the absence of national policies to control private land accumulation and tenancy practices as well as to slow population growth, Africa will develop the same land-based social conflicts and population inefficiencies that have long been apparent elsewhere.

Worldwide, the number of landless and near-landless people appears to be growing fast. Demographic pressures alone would be enough to guarantee this: despite considerable migration to cities or foreign countries, rural populations are still in many cases growing at close to 2 per cent a year, which would yield a doubling in 35 years. Even where they are feasible, land-settlement schemes cannot absorb more than a small fraction of the tide of potential farmers.

The contribution of population growth to landlessness is often supplemented by other developments within the agricultural economy: land accumulation by better-off farmers; emergency sales of land by marginal owners; the spread of large commercial farms, sometimes foreign-owned; and the eviction of tenants by landowners fearful of tenancy regulations or seeing a chance to profit from the use of new varieties and techniques.

While estimates of the magnitude of these trends toward inequality are not available, recent evidence from Asia in particular suggests that over the last decade and a half of rapid agricultural growth, land concentration has generally increased, boosting the proportion of insecure sharecroppers and landless labourers.[12] At the same time, broader economic policies in most developing countries have not promoted widespread nonfarm employment opportunities that could provide alternative livelihoods for agriculture's dispossessed.

Meeting the "basic needs" of the world's poor has recently become the overriding concern of the international development establishment. Analysis of the postwar development record has revealed that growth in GNP does not necessarily improve conditions for the extremely poor. Most experts have called for a shift in investment priorities toward the rural sector, and toward smallholder agriculture in particular.

Analysis of the growing extent of landlessness, however, indicates that even a small-farm-based development strategy can by-pass or harm the poorest groups, who lack the means to take advantage of agricultural progress. People need assets – above all, land – or assured employment at decent wages in order to benefit from economic growth. In many developing countries today, then, a "basic needs" strategy must include reforms in land distribution and tenancy conditions if the lot of the intended beneficiaries is to be improved.

If current demographic and economic trends are allowed to continue, one billion or more rural residents of the Third World will lack secure access to farmland as humanity enters the twenty-first century. Many of the landless will turn up in the overflowing slums of Third World cities; some will appear as illegal aliens in the cities of richer countries. The malnutrition, illiteracy, poor health, and general powerlessness of those who stay behind will receive frequent comment in UN reports and the global media, while the sporadic violence and more systematic political activism their living conditions spawn will be described as "worrisome instability" by leaders in the world's capital cities. *One way or another, the landless will be heard.*

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● THIS ARTICLE was extracted from E. Eckholm, *The Dispossessed of the Earth: Land Reform and Sustainable Development.* Worldwatch Paper 30. June 1979. Available from 177 Vauxhall Bridge Road, London SW1, price £1.

DEFORESTATION threatens to cause havoc in parts of the world which, as yet, have remained immune to this serious ecological problem.

The process itself is now well understood, and is being monitored. In places like the Himalayas, it threatens the existence of hill people, forcing many to leave their homes in search of work (thereby magnifying the problems in the towns and the surrounding plains).

Widespread felling of trees causes ecological imbalance by disturbing water tables. This causes flooding which, in turn, wipes away top-soils, destroying plant and animal life on which human populations partly depend. Thus, deserts and dustbowls are substituted for lush-green fields and fertile valleys.

Ecologists, on the whole, fail to identify one of the root causes of the problem: a malfunctioning land tenure system. They blame modern forms of intensive cultivation, implying (where they do not explicitly state) that our problems would be solved by a return to traditional forms of agriculture.

They fail to appreciate that over-exploitation of land is often the desperate measure of hungry people who are unwittingly induced into using ecologically-injurious techniques.

The exploitation of power arising from monopoly ownership of land leads directly to ecological damage. Just how important this factor is, relative to other causes, is a matter still to be evaluated. Here, however, we can only establish the link. Japan provides a useful illustrative example.

KAKUEI TANAKA became Prime Minister in the early '70s. The public scandal over some of his dubious land deals eventually led to his political eclipse. But at the height of his power, he engineered a vast plan for relocating people and industry from densely-populated Tokio and Osaka into rural areas.

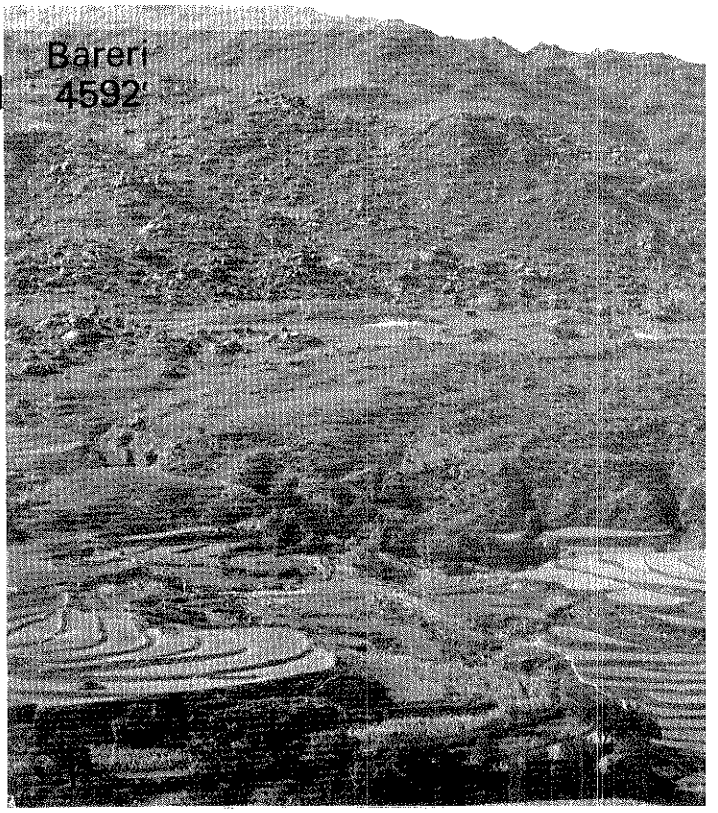
In moved the speculators, to stake their prior claim in the riches which were expected to flow from this remodelling of the archipelago. As Peter Hillmore reported in 1972: "So far the only impact this plan has had is to push land prices still higher."[1] Robert Whymant described how it happened:

> **"The land values, which had risen faster than incomes were spectacularly affected by the speculative binge of the Tanaka plan .... The real estate companies bought up the land, spliced it into small plots, crisis-crossed it with asphalt roads, and waited for the influx of workers with the industrial relocation."[2]**

Industrialists benefitted from huge government subsidies, some people were redeployed, and the farmers – those who had not already sold their fields to the speculators – sat on their land to await the fortune which was about to be dumped into their bank accounts.

The label given to those who became the *nouveaux riches* by selling their land was "tochi narikin." The ecological environment, however, became the poorer for it. Whymant notes:

> **"As pine forests were lopped down, hilltops were sliced off for the fairways of a golf course in Ochiai. In Kanuma, mostly patronised by Tokyoites, another large area of what had been forested land for a century was cleared to make way for the housing development that never came ..... the anticipated rows of factories failed to sprout, though the weeds in the unsold plots and cracking asphalt did ..."**



The bulldozers wreaked ecological havoc. A doctor in Ochiai lamented: "A lot of forest was lost, and this upset the natural harmony. One result is the drinking water in my well has dropped by 30 centimetres."

DAMAGING processes which appear to be ecological in their origins can, in fact, be attributed to a maldistribution of land. The prime examples are salinisation and waterlogging.

These are caused by the inadequate drainage of irrigated land. The water table rises to the point where water evaporates through the topsoil, concentrating the minerals and salt near the surface – and inhibiting plant growth.

In 1977 the UN calculated that 21m hectares, one-tenth of irrigated land, was waterlogged; productivity had fallen by 20%. An estimated 20m hectares were affected primarily by salinization.[3]

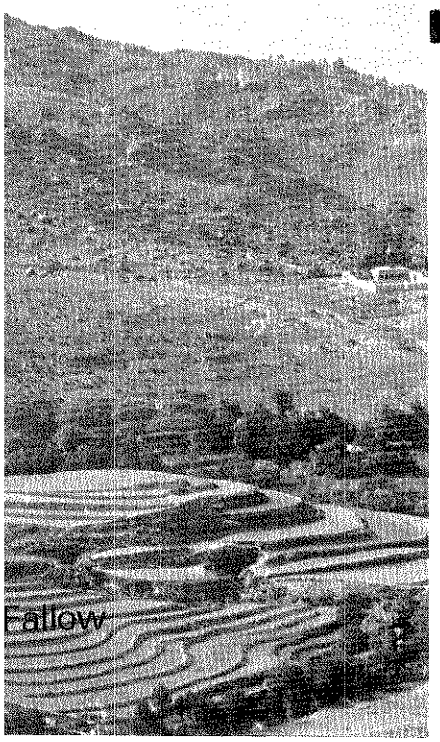
This seems to be a *natural* process. Much of it, however – how much, we cannot tell because the necessary research has not been conducted – is due to the need among groups of people to intensify output to satisfy their requirements.

Extra water is diverted onto land – at a faster rate than it can be drained off – in an act of desperation which would not be necessary if all the earth's fertile cropland was cultivated at appropriate levels.

A further consequence is that output is reduced on land which was formerly benefitting from the water which has been diverted, creating the classic vicious circle.

Much of this would not happen if world food prices had not been inflated, and the free market distorted, to bolster the financial interests of landowners.

In some cases, prime agricultural land has been deliberately rendered idle. Between 1956 and 1972, for example, US Government policies resulted in 20m of its 140m hectares of cropland being rendered idle. Landowners were paid not to grow food. But had this food been produced, it would have lowered prices, increased exports, and relieved pressure on ecologically vulnerable land elsewhere.



CARVE-UP OF THE FORESTS

Report: PAUL KNIGHT

Photograph: KEVIN COOK

In other cases, food has been produced but stockpiled. The EEC, for example, prefers to adopt this strategy and so force up prices, rather than sell many of its agricultural products at lower prices on the international markets.

The inflated incomes do not benefit tenant farmers (through increased returns on their labour and capital investments): the additional income is capitalised into higher land values.

The effect is to force many people – who cannot afford to buy food at artificially-inflated prices – onto marginal land. They have to eke out an existence on this land so long as a few blades of grass or coarse grain grow on it, and are too consumed with the short-term business of surviving to pay much attention to the desirability of creating a homeostatic relationship with nature.

LEST WE complacently assume that this link between land monopoly/speculation and environmental damage is relegated to far-flung places like Somalia, it would be as well to note an example close to home.

"Horseyculture" is blighting large areas of the south-east of England. As the *Estates Gazette* noted: ". . . . some of this wasted land was bought for future development, so that the interim use, given the size of the capital gains involved, is of little consequence."

Speculative purchases on the urban fringe has turned prime land from agricultural use into "pony paddocks", with

> ". . . . horses and ponies standing forlornly in what are now little more than desolate wastelands but were in only the recent past fields supporting reasonable standards of farming . . . . these areas can soon become rundown. Inadequate fencing sags, shanties of second-hand corrugated iron rust sullenly, and the land, overstocked and undernourished, lies rank with weeds."[4]

Landowners disturb sound rural social patterns and agrarian practices when they anticipate cash profits from a change in land use. Once their roles shift from *users* to *speculators*, efficiency criteria are sacrificed by altered expectations. But if they were *compelled* to maintain land in efficient agricultural use until there was an actual need for change, the risks of ecological neglect would be minimised.

Close observers of the rural scene are aware of the conjunction of certain facts which create paradoxes; intuitively, they are aware of the need for some form of remedial action. One such person is Dr. W. W. Yellowlees, a general practitioner in the Scottish village of Aberfeldy, Perthshire. He has expressed his anxieties thus:

"How can we restore to our land pride of place to the small mixed family farm which conserves and enhances fertility and is the most highly productive unit of all? I do not know the answer but I am sure that in the present state of the world, a nation such as ours, which grows only half its own food and sees more than a million of its men standing idle in the city streets while thousands of acres stand idle in the countryside, is giving an example not of nationhood but of lunacy."[5]

The only efficient solution to both the socio-economic and ecological problems is to impose a continuing financial cost on the holding of land. This cost, in the form of an annual tax on the economic value of land, would ensure that land was put to good use, as determined by the planning laws and collective needs of society.[6]

Thus, if all land was used properly, and if the markets were not distorted by those with vested interests, the global output of food would be sufficient to meet everyone's needs. So there would be no need to employ methods of cultivation which over-exploited land and dislocated the well-integrated processes of nature.

Until we can show that all available land is being used at optimum efficiency (i.e., at a level compatible with long-term fertility), yet *still* there was hunger, we are obliged to place land reform at the head of the list for priority action. Will ecologists accept the challenge?

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HOW LANDOWNERS CASH-IN ON POLLUTION ABATEMENT

IN PARTS of the developed world, many people are complaining bitterly because environmental restrictions have reduced employment opportunities through cutbacks in production. Requirements for assessing environmental impact have retarded and cancelled well-publicized plans for expansion of jobs and output. Job expansion has depended on the flouting of environmental protection codes. These conditions of trade-off exist because of the different demands of those who prize economic growth and those who prize environmental integrity.

More such trade-offs loom if limits are placed on growth so as to preserve nature-rich areas and conserve non-renewable resources. In the trade-off between economics and ecology both sides have legitimate claims for positive social action that would help to fulfil their aspirations toward the good life. If one side is favoured at the expense of the other, tensions may develop that could damage the delicate network that keeps members of the advanced societies in political harmony.

The early skirmishes in the economics-ecology conflict have not yet produced acceptable proposals for coping with this uneasy situation. Perhaps beneficial ideas can arise from the application of Alfred North Whitehead's observation that great achievements have come from a willingness to analyse the obvious.

CONSIDER Tonawanda Creek as it flows through western New York State. On its way to the Niagara River, it collects inadequately treated sewage, phosphates, fertilizers, industrial waste and pesticides. The poisons going into the creek make swimming dangerous and fishing worthless. The poisons foul nearby wells and make boat maintenance more difficult.

Suppose all polluters were impelled to stop their polluting. How would the costs and benefits of pollution-abatement be distributed? The first burden-carriers have to be the polluters because of the cost of changing processes, of installing abatement equipment or of neutralizing noxious waste products.

Pollution-abaters with something to sell are likely to try to pass their increased costs on to their customers by raising prices. Demand by these customers at abatement-affected higher prices could be elastic and fall. Customers would suffer from abatement by being deprived of supply at cheaper prices. The cutback in output would make some labour and some capital redundant. Suppliers of the displaced labour and capital are likely to flee pollution-regulated sectors, if their economic distress cannot be alleviated by low cost adjustments.

Economic Answers to

ONE OF THE truisms of the ecology movement is this: everything is connected to everything else. Everything else must include economic phenomena. A parallel truism of the body economic is: the cost of anything depends on the cost of everything else. Everything else must include the cost of the air we breathe and the cost of the water we drink.

These truisms are evidence that both sides in the ecology-economics conflict are aware of essential inseparability. Despite the sense of interdependence, both sides seem to be seeking separation in thought that will justify giving one side ascendancy over the other. Both sides should, instead, be seeking a principle of reconciliation or mutual enhancement. Analysis of the obvious suggests that the needed principle involves land values.

Some people conceive of land value as being simply the price that inspires the transfer of land titles from one person to another. In this conception, land may be said to function as a specialized form of capital meriting treatment as a commodity, with its price determined solely by supply and demand.

Increased demand for commodities usually provokes increased supply. Since land is fixed in quantity, increased demand cannot bring increased supply. Nor can falling demand decrease the supply of land. Categorizing land as a commodity and defining land value as the price of that commodity cannot be considered a sufficient description of what happens in the real world.

Supporters of the conception of land as commodity, argue that the price is always right when set by supply and demand. Any interference with supply-demand action must be deemed as a deterrent to social progress. How can such a rigid proposition admit of ecological concerns without subverting the proposition?

Other people regard land pricing as a process, as a means of calculating the many factors, public and private, that make land useful. The process of land pricing through free bargaining is an operation for arriving at figures that express the productive use value of particular sites at a given time under a given set of social conditions.

In this second conception, productive use sets the limits of rise and fall in land values, with final figures refined by supply and demand. This conception provides a convenient calculus for predicting and measuring the economic consequences of any factor bearing on land use. *Ecological concerns immediately fall within the sphere of this calculus.*

Many people who seek to promote the general welfare, argue that this goal is well-served when land gets its best and highest use. They further argue that the most economically sensible use of land usually occurs when a site goes to the person who can pay or generate the most ground rent. Unfettered use of land is now a thing of the past. Environmentalists have sensibly pressurised legislatures and regulating agencies into asserting this permanent proviso. Other people and other sites must suffer minimal damage from the highest and best use.

SUPPOSE that, prior to any confirmation of land tenure, a maximum value were established for

These two articles are extracted from *Economic Answers to Ecological Problems*, by Seymour Rauch, available from ESSRA, 177 Vauxhall Bridge Road, London SW1, price £2.50 post paid.

The flight of capital and labour from any area has to make land values in that area go down.

If demand for pollution-abaters' products were inelastic, that is, if first-stage customers accepted higher prices by buying at previous levels, pollution-abatement burdens would fall on first-stage customers. The customers of pollution-abaters are likely to try to pass along their increased costs to their customers and so on down the economic ladder to final consumers. Somewhere in the course of the "pass along" game, some of the players may not be able to pass along the added costs originating in pollution-abatement, and they will have to rearrange consumption and production plans downward. The associated labour and capital will have to move, literally or economically.

Regardless of demand conditions, some customers of pollution-abaters will join them in carrying the burden of pollution-abatement. When these burdens are insupportable or none transferable, capital and labour will move from one site or use to another. Sites adversely affected by ecological encumbrance must experience a fall in values or a retarded rate of return.

THE CONJECTURED cessation of pollution in Tonawanda Creek would confer a considerable economic gain on at least one group of people. This group comprises property-holders downstream from the polluters. With no expenditure of effort or money, they would find their property values rising considerably. The real estate market would capitalise into higher land prices the presence of an enhanced environment for swimmers, fishermen, boaters, picnickers, etc.

The general effect on property values of changes in the state of pollution can be no different from the often demonstrated effects of changes in social conditions surrounding human enterprise. If access, policing, fashion, regulations, demand, population and so on, undergo change, there must be corresponding changes in opportunities, to achieve satisfaction. Where markets are reasonably free, changes in opportunities must produce proportional changes in demand for some or all kinds of land. This change in demand must eventually be expressed in land prices, some going up and some going down.

Human affairs are so rich in detail, variation and complication that they overwhelm those who try to discover how and why things happen. In the interest of mental economy, thinkers are forced to separate human affairs into manageable categories. In many cases, separation and classification of phenomena is distinct. In some cases, there is enormous overlapping. How much separation exists in reality between economics and ecology?

Ecological Problems

each site either by appraisal or by public auction, as conditions warranted. Let site tenure by government be granted or maintained from payments determined by maximum site value. A site cost so determined may be deemed a positive opportunity cost, because the cost to a willing user must be reasonably proportional to the locational benefits received by the user.

If compelled to erect pollution-abatement equipment, site users would be turning capital funds from a productive use to a non-productive one. Such diverted funds lack direct earning capacity. Capital funds made non-earning by compulsion may be justly classified as negative opportunity costs.

It is well established that positive opportunity costs in the form of ground rents or land values are never passed along to customers in the form of higher prices. It has also been established that pollution-abatement costs, as currently imposed, are almost always passed along to customers, one way or another.

Efficiency in the use of resources requires the keeping of opportunity costs at a level that provokes the highest and best use of land.* The next step in getting the needed ecological-economic coordination tool is this: use the growing discipline of technology assessment in cooperation with accepted accounting practices to find a rational method of defraying the costs of deploying properly imposed pollution-abatement techniques.

By this time, technology assessment should be able to provide a feasible set of requirements for environmental protection in all kinds of economic enterprise. If conditions for site use are severely restrictive, the advantage to particular users of particular sites must be lower than under conditions of little restriction. When land users calculate their chances of a successful enterprise, they will translate restrictions into lower opportunity values and bid less for land tenure. How low will the bids fall? In a reasonably competitive market for land, bids for land tenure would vary by amounts that depended on the perceived costs of environmental code conformity.

As a condition for maintaining land tenure, existing and potential polluters would bear the initial costs of erecting environmentally governed production facilities. How do we keep these costs from being punitive costs that will either lower production or raise prices? By remembering that opportunity costs may be divided into two classes.

Final site tenure cost would be based on the summation of the two pertinent kinds of cost. One would be the periodically revised maximum annual value of the site, the positive opportunity cost. The other would be negative, the annually amortized cost of introducing pollution-tempering structures into production facilities. The negative cost should be set by free-market negotiation between firm managers and technology assessors.

Tenure would derive from payments based on the net annual opportunity cost. The final figures would essentially come from highest-use site value minus amortized costs of compliance with environmental codes. If, in the absence of ecological rules, opportunity costs were such as to permit and encourage the maintenance and expansion of jobs or output, then they must remain so

in the presence of ecological rules.

The proposed plan for efficient and ecologically-sound use of land would carry a crucial protection from a kind of competition that could subvert the actions of an economy seeking a wholesome environment. Enterprises bound by ecological rules would have marginal costs essentially equal to those of enterprises not bound by ecological rules. No enterprise would have higher costs under jurisdiction seeking environmental integrity than under jurisdictions that did not require pollution control. Environmental codes would never provoke capital flight.

£½m. cadastral survey

THE Land Decade Educational Council has launched an appeal for £500,000, to finance a cadastral survey in Britain. The Council hopes to repeat the survey every 10 years: "The one ignorance we can least afford is not to know what is happening to our land."

The first Land Utilisation Survey was conducted by Sir Dudley Stamp in the 1930s. The second survey was carried out in the 1960s by Miss Alice Coleman, a geography lecturer at King's College, London. Between the two surveys, Britain lost 1,250,000 acres of improved farmland – much of it allowed to deteriorate into wasteland.

This waste will accelerate until we have irrefutable proof in the form of constantly updated maps, says the Council. "No financial help can be expected from Government," it states.

The present system has serious imperfections. Builders do not have full information about available sites, for example, so they gravitate to greenfield sites for their developments. A cadastral survey would identify sites suitable for development, says the Council.

Among other benefits: land prices might come down, because knowledge of all the alternative sites would make sellers more competitive.

JOSE ANGLADA PRIOR

J. Paluzie Borrell writes: After a long illness, our good companion Jose Anglada Prior died in Masnou, a small town near Barcelona. He was eighty-six years old, and has left a widow, three married sons and nine grandchildren. Some years ago he became blind but he learnt to read, write and type by Braille. He was deeply committed to Henry George's economics and philosophy, and was an excellent teacher. In 1927 he published a grammar of the Esperanto language which was reprinted several times. In 1959 he won the first prize in a competition in the Academy (now Royal) of Moral and Political Sciences, with his essay The Fiscal System and the Condition of the Working Classes.

Land Reform or Red Revolution

ECONOMIC SURPLUS AND THE DYNAMICS OF POLITICAL VIOLENCE

by Fred Harrison

Available from: ESSRA, 177 Vauxhall Bridge Road, London SW1, £2.50 post paid.

We need to ensure that opportunity costs remain at incentive levels in the long run as well as in the start-up period. There should be an end to the practice, current in many places, of putting extra burdens in the form of tax penalties on producers who put up pollution-abatement structures. These structures are too often classified as capital improvements and taxed as such. Taxes on installations designed as pollution-abatement facilities should be zero.

SOME OF the early burdens of pollution-abatement would fall on taxpayers in local tax jurisdictions surrounding enterprises that operated under the proposed conditions for land tenure. The revenue to local government from ecologically-constricted enterprises would fall. If local services remained the same, neighbouring taxpayers would have to make up the deficit.

This deficit-derived burden of higher taxes on neighbouring properties would be equitable. Property-owners would be paying for benefits received in the form of pollution-abatement. This financial burden would be compensated for when the properties were sold. The real estate market would capitalise the virtues of living in a better location into higher selling prices.

Environmental improvement is likely to increase output and employment in the construction trades. Many areas, now slums, have easy access to good roads and are close to amenities and work sites. Many of these slums became slums because of pollution-poisoning. Pollution-temperance is sure to provide many slum areas with the best stimulus to renewal there is – enhanced land values.

The more sites in use, the larger the effective tax base. A wider tax base would compensate for any loss in revenue from industrial operations paying taxes derived from net opportunity costs based on the ecology-land value interaction.

Taxes based on the ecology-land value interaction can be expected to possess a "ripple" effect that should expand in proportion to social need. This will show that the power to tax can be creative as well as destructive. It must be stressed that creative or constructive elements in any kind of taxation can come only when the tax mode suppresses neither equity nor efficiency.

Pollution and pollution-abatement cross tax boundaries. A problem in equity would arise when the costs of pollution-abatement were borne in one fiscal zone and the benefits therefrom accrued in another. The solution to this difficulty depends on what may be called the "decartelising" of taxes.

Customarily, taxes on land and buildings are allocated to small political divisions—cities, villages, townships and counties. The interest of economic-ecological peace requires breaking the tax cartel. The larger political entities must some day come to use land values, in part or whole, as the proper basis for allocating tax burdens. When this is done, complex equity may be provided in environmental cost-benefit accounting.

Waste disposal and subsidies

'The exponentially growing problem of waste disposal is one that may require outright subsidy payments to disposal firms rather than tax abatement. The justification for subsidies in this case is the protection of supermarginal land from contamination that can migrate from submarginal disposal sites. The subsidies would function as a means of converting negative site values to positive values sufficient to command sensible economic activity.

How should waste disposal subsidies be financed? Should the funds come from the general treasury? It would be most sensible to have disposal financed from a special treasury fund that would arise from land values enhanced by environmental protection. If subsidies were fixed by competitive bidding for disposal contracts, the use of earmarked environmental funds would constitute a recycling operation compounded of equity and efficiency.'

Anti-slavery investigator Peter Willey: he exposed link between narcotics and exploitation.

AFGHANISTAN CRISIS

POPPY POWER

THE PEOPLE of Afghanistan have been betrayed by both western individualism and collectivism.

Both ideological systems were imposed on the 15m. people of this rugged country, and neither was able to offer a stable value system within which citizens could develop their social and economic interests in the context of freedom.

While Carter in Washington moralises about the Russian invasion, and Brezhnev in Moscow rants about western imperialism, most Afghans continue to suffer under an exploitative land tenure system which is at the heart of their country's problems.

In 1978, 82% of the peasants farmed 35% of the land, while 5% of the biggest landowners held 45%.[1] And while landlords made fat profits from opium, millions of peasants laboured under a system of debt bondage which was *de facto* slavery.

For when the Marxists assumed governmental power, they proved as helpless as their "capitalistic" predecessors in their efforts to end human degredation. The peasants were betrayed and alone, and this played straight into the hands of the mullahs, resulting in bandit-style opposition which was the reason for the Russian invasion.

THE LONDON-based Anti-Slavery Society had established beyond doubt the connection between narcotics and the landlord system of exploitation. One of their investigators, English schoolteacher Peter Willey, disclosed

> **"a squalid and corrupt system, based on the total supremacy of the landlord, in which all forms of economic pressure, intimidation, blackmail and personal violence are used in ensuring the permanent subjection of the peasant in order to obtain a rich profit from the sale of illicit opium and other harvests."[2]**

To understand the current problems, it is important to note another feature of that society: the deep conservatism of the Islamic mullahs, who were closely identified with the landlord class and the political power structure.

Writing in 1971, before Khomeini had overthrown the Shah of Iran, Willey offered an account of Afghanistan which helps to explain why the Iranian "revolution" is bereft of a constructive programme for change.

> **"The linch-pins of the religious establishments are the mullahs, who wield enormous power. They are deeply opposed to any change in the religious or social structure of the state and are determined to protect their own powers from the erosion that has occurred in Iran. For this reason they fight fiercely against any proposals for land reform, the establishment of a Literacy Corps and all foreign influence. The alliance of mullah and landlord has effectively blocked any Bill presented to Parliament to introduce reforms. In the country districts the mullahs hold undisputed sway together with the landlords."**

A flourishing narcotics trade with the West increased the profits of the landlords, who employed ruthless methods against the peasants to increase output of their death-dealing crops. Wrote Willey:

> **"In order to protect accumulated hereditary wealth, land ownership is kept within a small and exclusive club of landowners. Probably no more than five or six great landlords control each province. The landlords appoint the headmen of the villages and have absolute control of their tenants . . . . summary justice is often administered before a case even reaches the courts. The tenant is told exactly what crops to grow (wheat, fruit, opium, etc). He cannot move to another village without the permission of the landowner or his representative, and if he does he will be unable to gain further employment . . . and runs the real risk of starvation."**

Poverty could not be explained in ecological terms. Valleys of the Hindu Kush and Badakhshan offered enormous potential for growing corn, fruit and vegetable

crops; water was abundant, and a properly-educated labour force would have been capable of turning the area into a rich granary. But:

> "Only the landlords working with the government can provide the necessary capital; instead, the majority prefer to cling to their old methods, fortified in their beliefs by prejudice and the vested interests of the mullahs."

BETWEEN 1945-55, the US pumped aid into Afghanistan. This was cut off with the rise of Mohammed Daoud, the so-called "Red Prince" who was Prime Minister for 13 years.

Washington, however, during its time of influence, failed to promote an enlightened programme of land reform which could have solved two problems:

- create geo-political stability in a region which had strategic attractions to the USSR (offering a potential route to the warm waters of the Arabian Sea);
- reduce – if not eliminate – the attractions of opium-growing, the costs of which, in terms of human misery to American citizens, has now assumed appalling proportions.

So, if western ideology was not able to promote economic reform, the conditions were evidently ripe for flirtation with the Marxist alternatives. The first important left-wing newspaper was founded in 1966. *Khalq* (The People), published by Nur Mohammad Taraki, articulated the need for land reform. It immediately became the target of reactionary elements in Afghanistan, who held such notions to be contrary to Islam and the constitution.

Khalq was banned after six issues, a move even held to be a mistake by many non-leftist Afghans.[3] For now the possibility of evolutionary transformation of the socio-economic system, based on the free play of ideas, was suppressed.

THE FALL of the monarchy and the rise of Marxism was not engineered by a proletarian revolution or a peasant uprising. In 1973, the 40-year reign of King Zahir Shah came to an end in a mud-bath on the island of Ischia, off Naples, where he was on holiday. His cousin, Daoud, the former Prime Minister, declared himself President.

Daoud's rise to absolute power was made possible by his close links with Moscow-trained leaders of the Afghan Army. But a family feud rather than an international conspiracy is the best explanation for Afghanistan's transition to the status of a republic.

Daoud, however, proved to be ineffective. The restless army officers, many of them members of the Communist Party, overthrew him in May 1978. The new head of state was Nur Mohammad Taraki, the 61-year-old poet and former journalist.

Taraki's programme of reforms was calculated to antagonise the mullahs and the peasants. His Prime Minister, Hafizullah Amin, explained in an interview that land reform would be based on the collectivist model.[4]

Western communists were at first delighted at the determination of the new regime.[5] Moscow, however, soon realised that their puppet was pulling his own strings – and jerking them hard, at that.

Decree No. 8 called for the redistribution of 3.4m. acres of land to 680,000 landless peasants. On the face of it, this attempt to undermine the feudal structure should have been welcomed by the peasants. But an inept bureaucracy successfully antagonised people with its high-handed methods.

Decree No. 6 cancelled or reduced agricultural debts in a bid to break the grip of moneylenders. About 80% of the

● **OPIUM SMUGGLER**: on his way to the black market, the deadly wares on a donkey's back.

population are rural families chronically in debt. The government, however, failed to simultaneously provide an alternative credit system for the impoverished people (per capita income: $180). So many peasants continued to honour their debts for fear of being deprived of the credit which they needed to buy seed for the 1979 planting season.[5]

THE CLEAR Marxist philosophy of the Taraki regime was interpreted as anti-Islamic by the mullahs, some of whom were arrested. Moscow counselled caution; the USSR was not pleased when 30 Russian advisers were decapitated by rebels.[6] Still, Marxist apologists continued to justify the Taraki regime on democratic grounds. Bert Ramelson, a leading British communist who visited Kabul last September, argued that Daoud was not toppled by a military coup:

> "It was a people's revolution . . . . While army personnel took the initiative, it had the backing of the vast majority of the people, and was inspired by the People's Democratic Party of Afghanistan (the Communist Party)."[7]

Within a few days of those words being written, Taraki was dead and his hard-line Marxist Prime Minister, Amin – a post-graduate of the Universities of Columbia and Wisconsin – was in power. Anthony Hyman summarised the Marxist strategy:

> "Reforms meant to create a model socialist society in one of the most conservative of Muslim lands have been seriously affected by the Government's loss of control in many areas. Many observers believe that behind the brutal military action against opponents of rural reform lay the certain knowledge by the eager reformists in Kabul that their socialist revolution only had a chance of success if they broke down tribal resistance at once."[8]

On Oct. 11, 1979, Amin announced that "small property owners would be left alone and Afghan-owned industry encouraged," but this attempt to placate the rebels failed (Amin did not define the size of holdings which would be exempt from nationalisation). Two days later he suffered the humiliation of seeing a 1,600-strong army brigade surrender to rebels in Kunhar province.

Amin was still wedded to the principles of scientific socialism. He was not sufficiently disturbed by the Islamic revival in neighbouring Iran and Pakistan. Moscow, however, believes in pragmatic Marxism. It was therefore only time before the Russians had to do something about their devoted acolyte. Amin was killed last January. Babrak Karmal, 50, was flown back to Kabul from Moscow as the new head of state, a President without responsibility – the Russians assumed direct control, pouring 100,000 soldiers and tanks in to combat the rebels.

THE ATTEMPTED secular modernisation of Afghanistan failed because the Marxists placed their ideology above sociological realities.

Change, of course, has to be inspired by idealistic goals. Another imperative, however, is that the attempt at change will fail (unless backed by overwhelming coercive force), if it seeks a total rupture of the existing social structure – i.e., if revolution rather than evolution is chosen.

Afghanistan may be a deeply conservative society, but her traditions did offer the prospect of progress. For example, the vexed problem of land reform is only seemingly intractable. Existing institutional arrangements could have been built upon to break up the large estates owned by absentee landlords, and increase government revenue with which to deal with other fundamental social problems (e.g., there is 90% illiteracy, and 50% of all children die before the age of five).

Agricultural land in Afghanistan is subject to a land tax. Had government policy selected this fiscal system as a tool for change, it would have been both understood and regarded as sensible by the majority of peasants, and it would not have represented an innovation threatening to undermine the established system.

Improvements in the tax system were urgently needed. For example, taxes were assessed only on land declared by the owners: and less than half the arable land was included on the tax rolls in 1968.

Just before its demise, the Royal Government instituted an ambitious programme to register titles to land. The cadastral survey was intended to

- identify boundaries and minimise disputes over land;
- improve the land tax administration and increase revenue; and
- provide statistics for development programmes.

At the time, it was believed that 20% of government revenue would be raised from improved administration of the land tax.[9] Given the constraints – principally a shortage of valuers – all land was to be graded into one of five rating values calculated on the basis of water availability, soil classification and location. The calculation of tax was to be by electronic processing equipment, and billed automatically according to tax rate, value factor and site area.

The virtues of land value taxation as a model for socio-economic development in Third World countries have been described in detail elsewhere.[10] They were not to be given a chance in Afghanistan: the western liberal ideology failed to promote these possibilities in time. The King fell, and the Marxists tried to bulldoze their alien alternative into the system. They, too, failed.

Once again, there are no ideological winners. The losers, as ever, are the ordinary people who just want the freedom to lead their individual lives without the hindrance of others.

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Social problems & the land tenure system

THE LAND tenure system is linked to all of Guatemala's social problems, reported Arqueles Morales from Panama City.

Of every 1,000 children born, 95 die. Over 300,000 children between the ages of five and 10 form part of the labour market, receiving wages three times less than adults.

There are 500 children to every teacher. Illiteracy gets worse every year: over 72% of Guatemalans do not know the alphabet.

The country has to import vast quantities of staple food because the large landowners use the best lands to grow cash crops for export. According to a recent census, the capital alone has a shortage of 356,000 dwellings.

"Linked to all these social problems, and fundamental to the backwardness of the country, is the land tenure system. Seventy-five per cent of cultivable land is in the hands of 2% of the population." (The Guardian, **22.12.79**).

* * *

IN A REPORT presented to President Carter, the Commission on World Hunger said that 500m. people throughout the world live in abject poverty and starvation. Developing countries grew about 87% of their food, but by the end of the century, on present performance, the figure would have fallen to 74%.

'Land reform' too late?

EL SALVADOR is close to civil war. Left-wing groups are trying to put an end to the oligarchic rule of the dominant "Fourteeen Families". They own most of the land. Two per cent of the 4.5m. population owns 60% of the land. This has left the country with a teeming landless population unable to earn decent wages.

To try and head off further bloodshed, Col. Adolfo Majano, a member of the ruling junta, announced on Feb. 12 that they would nationalise private banks and implement land reform. But he did not specify details of the land reform.

Meanwhile, the National Security Council in Washington has tentatively approved a plan to give up to $7m. worth of arms to the junta.

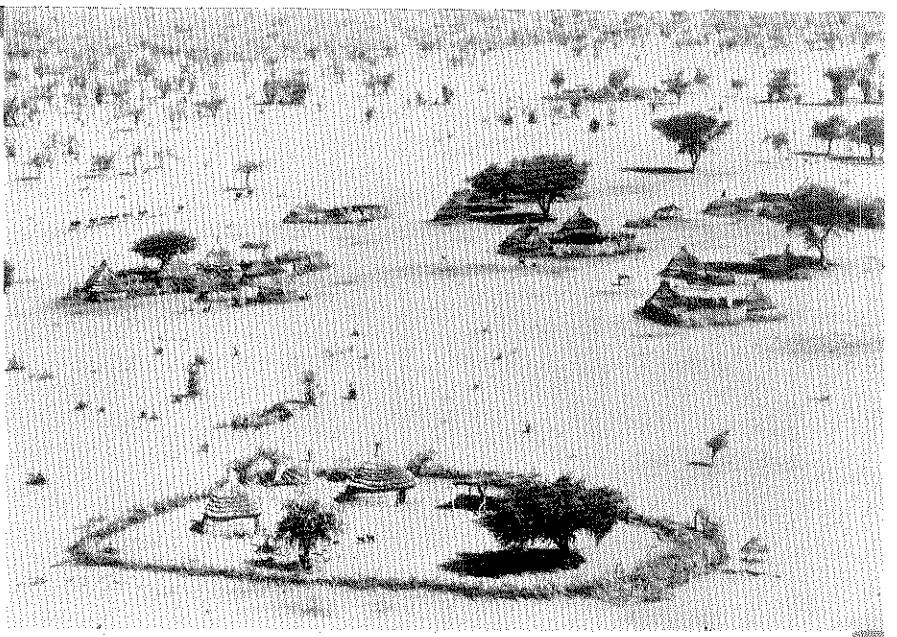
* * *

THE DEAD SEA has been brought to economic life. Israeli engineers have demonstrated a solar power plant which could solve the country's energy problems within 20 years. The plant needs a pond where the density increases with depth. The energy from the sun penetrates the lighter, upper layer, and is retained as hot water at the bottom. The difference in salinity prevents heat loss through convection. The water, holding a temperate of about 80 Centigrade, is then used to power a low-temperate turbine and supply electricity.

* * *

GLASGOW's Labour MP, Michael Martin, wants to know why the Government sold the 600-acre site of an old hospital to a speculator who, a year later, made nearly £2m. profit on the deal. The buyer paid £410,000 for the "agricultural" land, then sold 20 acres for £650,000 and 84 acres for £1.5m. Outline planning permission has now been granted for about 700 homes on the site, which is on the north-eastern fringe of Glasgow.

NEWS IN BRIEF



● **BARE SAND** surrounds this village in Kordofan province, Sudan, on the fringes of the Sahara. The desert expands as livestock trample and graze, and as people cut trees and shrubs for firewood. PHOTO: Earthscan/Mark Edwards.

Magic capsules, LA smog and land value taxation

WE HAVE argued that an annual tax on the value of land would deter further ecological damage. But what about the problem as it already exists?

The deserts can be rolled back, as the painstaking efforts by Israelis in the Negev have demonstrated.

But a great deal of money would be needed to generate an effective global strategy. The UN calculates that anti-desertification investment of $400m. per annum is needed.

This, however, is a drop in the ocean compared with the current loss in output. Degredation of rangelands and non-irrigated farmlands cost the world an annual $12bn. worth of productivity, with an additional loss of $4bn.due to waterlogging and salinity.

So the investment of $400m. p.a. would yield commercial, as well as ecological, dividends!

BUT WHERE is the money to come from? Little of it (in the first instance, at any rate) would originate from the private sector.

The risks are either too high, or too long-term, to attract private entrepreneurs on a scale sufficient to match the scale of the problem. (In Israel, of course, there is an overriding ideological motive which attracts capital from Jewish financiers-philanthropists.)

The cash, therefore, has to be marshalled by the public sector, either through national governments or international agencies. If this were done, however, it would be important to ensure that supporting fiscal policies were operating.

For a start, it would not make sense to tax the wages and interest on the labour and capital investments which are necessary to induce programmes designed to restore fertility to barren land.

Equally important, however, is the need to implement land value taxation. *For "worthless" arid land acquires a financial value once it starts to bear fruit.* Public investments are capitalised into selling values.

Why should private landowners appropriate, as rent, the proceeds generated by public investment? Economic rent, therefore, ought to be taxed at the rate of 100%, providing a self-financing fund with which to expand the environmental rescue operation.

AT PRESENT, without an adequate capture of publicly-created land values, there is direct encouragement *not* to institute environment-improvement programmes.

For such investments, in boosting land values, push up rents which injure, in particular, low-income families.

A case in point is provided by Armen Alchien, a professor at the University of California at Los Angeles, who has been criticised for stating this view in *Fortune:*

"Give me a capsule that will magically clean all the air in Los Angeles if I crush it . . . Beg me to crush it. No, I won't crush it, *I won't crush the capsule.* Because if I do, poor blacks will have to pay $20 a month more for land rental. Why? Because clean air increases the demand for residences and helps the landlord . . . . But the black in Watts, already used to living with bad air, loses his discount for doing that."

Thus, it would be in the interests of landowners to clear up the smog-ladden air of LA, but not in the interests of the poor – under the present fiscal regime.

If the increased land values could be channelled back into socially-desirable activities, however, there would be a clear advantage – on both environmental and social grounds – to crush the magic capsule. For the blacks would directly benefit from the increase in land values! And the richer people would have clean air to breathe!

People concerned with the environment have, in my view, no option but to vigorously promote the case for land value taxation as an intricate and necessary part of their plans for improving living conditions throughout the world. Nature needs it. People need it. Without it, attempts at progress will be self-defeating.

P. E. POOLE

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