

The World Bank and Land Rights in Africa – an analysis of the Policy Research Report on Land (PRR 2003)

Birgit Englert

Introduction

In the past two decades many African countries have been involved in land reform processes in one way or another. In countries as South Africa, Namibia and Zimbabwe the redistribution of land has been the dominant factor, in others however, such as for example Tanzania and Uganda, emphasis has been on the privatization of land ownership. The main impulse for the privatization of land has come from donors such as the World Bank who has rediscovered land reform as an issue of importance in the past few years.

In almost all African countries land is mainly held by different forms of „customary systems“ which have for long been regarded as static and a hindrance to development by some researchers but more so by policy makers and donors. The term “customary” is problematic because of the image of “unchanged tradition” it projects but alternative terms in use, such as “indigenous”, do not make much difference in this regard. Almost more problematic from my point of view is the term “system” which suggests a homogeneity within „the system“ which does not allow for choices taken by individuals.

Privatization of tenure in the form of formal titling was expected to be the most efficient road to increased land tenure security which would contribute to the modernization of the agricultural sector. However, experiences from countries such as Kenya, where titling has been practiced for several decades, showed that certain assumptions concerning the consequences of titling such as higher rates of investment and thus increased productivity do not hold true. Instead, land concentration and landlessness have been on the increase and the practice of registering land in the name of the head of household, predominantly men, led to a further erosion of the marginal land rights many women held within most “customary systems” of land tenure.

By now there is widespread acknowledgement of the fact that land tenure within "customary systems" is basically dynamic and flexible. However, in many of the new land policies and land acts, its treatment is still ambiguous, to say the least. Privatization in order to encourage credits, investment and the land market seems to be the driving motivation behind the respective governments and those who largely finance their policies - not the enhanced security of tenure for the poor in general, and women, who have in the majority of East African societies much weaker rights to land, in specific.

Whereas in the past communal forms of landholding dominated in most African societies, individualization of rights to land within "customary systems" has been a process which has been going on for long and which has been influenced by various factors such as population growth and the growth of the non-agricultural work sector. Privatization however, i.e. the registration and titling of rights to certain plots of land, is a more recent development - apart from freehold titles to land which were introduced during colonialism but intended only for a very limited part of society.

The current politics of privatization of land make it a likely outcome that the availability of the resource land will be reduced to a smaller portion of the population as the politics of privatization offer more possibilities to the powerful and less security to the powerless.

The World Bank has been a highly influential player in the drafting of new land laws in many African countries during the last decade. While other donors take similar positions the focus in this analysis will be on the World Bank as the most influential one.¹

First I will give some brief background on the institution World Bank in general and the role of its research reports in specific. I will then turn to the position of the World Bank towards land reform and land tenure reform and look more closely at the process which led to the formulation of the Policy Research Report (PRR) which was finally published in 2003. The main part of this paper will be taken up by a critical analysis of the PRR which will highlight the contradictions therein.

Background to the World Bank

As is well known, the World Bank is mainly controlled by one nation: the United States of America. The World Bank, together with the International Monetary Fund (IMF) can be called the instrument of American influence in the so-called developing countries. At the election of the President of the World Bank the USA hold 17% of the votes, the second and third most influential countries having far less (Japan 6% and Germany 4.7 %).

¹ Cp. for example the Food and Agriculture Organisation, FAO, (2002: 14) who in their report "Gender and access to land" clearly take position for "documenting customary tenure", i.e. titles and who employ a similar style of argumentation when they state that "there is increasing interest in several African countries in documenting customary rights (e.g., Uganda's Land Act of 1998)" leaving open as to who in *several* African countries is taking increasing interest. However, the FAO Report - in contrast to the World Bank Report - reveals a certain degree of self-reflection when it asks on page 16 "[...] in the midst of obvious need for changes, who has the right to demand that these changes be made or to force another community to adopt its values? This raises ethical dilemmas for the land professional."

Moreover, the USA are the only member state of the World Bank which holds a veto and they pay the biggest contribution to the International Development Agency which again funds the credits which are handed out by the World Bank. Wade points at other interesting factors which contribute to the dominance of the USA within the World Bank: the majority of the economists working with the bank have been educated in the USA, and last but not least the World Bank Office Building is situated in Washington D.C. close to the White House, the Treasury and several of the most influential US think-tanks – a fact „[which] helps to contribute to the way in which American premises structure the very mindset of most Bank staff, who read American newspapers, watch American TV and use American English as their lingua franca.“ (Wade 2001: 127, cp. also Cammack 2002)²

The making of the World Development Report (WDR)

The politics of the World Bank are legitimised by their claim to be based on research of high quality. Wade provides a detailed discussion of the relationship between research and politics in the World Bank by taking the example of its flag-ship publication, the World Development Report (WDR) whose “independence” is claimed with reference to the empirical studies which underlie it. The WDR, which usually comprises between 200-300 pages, is dedicated to a new theme every year and the average budget for its compilation is 2.5 to 5 Million US-Dollar. In English alone a minimum of 50.000 copies are printed and in addition it is translated into seven languages (Chinese, German, French, Spanish, Japanese, Russian, Vietnamese) The Chief Economist plays the main role in the compilation of the WDR. He decides about what kind of research will be conducted by who, which connections are to be drawn and how the data is to be presented.³

In his article Wade tells the story of the WDR 2000 of which the first draft version „contained much that was anathema to Treasury thinking“. The Chief Economist in charge of the report, Ravi Kanbur, had been appointed by Joseph Stiglitz who had been made to resign from his work at the World Bank because of his criticism and later won the Nobel Price for Economy. The WDR of 2000 was the first who emphasized „Empowerment, Security and Opportunity“ as key elements – and not, as usual, „Growth“. An important source had been the so-called „Consultation with the Poor“, participative studies as well as an online-discussion of the draft version. This approach

² Wade concludes that the World Bank would be a better Development Agency if the control of the USA would be reduced, from the side of the government as well as from the side of the NGOs. In his perspective, the only way to achieve this is a shift of the headquarters from the US to Europe, a not too realistic point of course. The Scandinavian states put much money in the Trust Funds of the WB which are dedicated to the „social aspects of development“. This is in the interest of the US-Treasury because, as Wade points out, while the USA do not have to pay themselves, American NGOs are kept happy. (Wade 2001: 136)

³ The Director of the WDR project is selected by the Chief Economist with approval of the President of the World Bank. Some five to ten people are employed for working on the WDR and additional assistants and consultants are contracted. Usually it takes 18 months to prepare the report whose draft version is then circulated within the bank and to the governments of the member states. (Wade 2001: 130)

certainly has its deficiencies as will be discussed later in the context of the Land Policy PRR, but at least there was some degree of openness which received positive responses from several NGOs. Responses from other sides were less positive but asked: „Why is this stuff being given priority over growth?“ (cited in Wade 2001: 132)

The short version of the story is that despite several changes he made in response to his critics, Kanbur was urged to change even more of the WDR. As he was not prepared to do so, but did not want to risk the World Bank totally distancing itself from the report either, he chose to step back in order to save the WDR as the work of independent social scientists. The WDR was eventually published, however with some considerable changes. An additional first chapter on „Growth and Poverty“ was added whereas the part on the importance of the control of capital was shortened to a minimum and the example of Malaysia left out altogether. (Wade 2001: 131-135)

The World Bank and land reform issues

This background to the making of one of the WDRs also helps to understand the Land Policy Research Report. The way the World Bank dealt with questions of land reform and land rights in general has been criticised by many. Robin Palmer, land policy advisor of Oxfam GB, wrote - with reference to Latin America - that civil society is outrightly hostile to the Bank which, however, „is hardly surprising, since the Bank has an extremely chequered history on land reform, manifesting a dangerous combination of arrogance and ignorance, coupled with an unwillingness to listen seriously to others or to contemplate redistribution until a decade after the end of the Cold War. *Idées fixes* have proved remarkably difficult to shake, while looking critically at perceived successes has not been a characteristic feature of the Bank's approach.“ Palmer concludes his paper on „The World Bank, Civil Society, and Land Reform“ with the comment that: „Reality has failed to match rhetoric at other levels as well. A desire for greater inter-donor cooperation on land reform, while appearing to offer engagement in serious dialogue, is seen by some as merely a cynical ploy to retain Washington's dominance. As for its proclaimed desire to work more fully with civil society, this has often in practice meant the Bank trying to dominate and control civil society actors while deploying the discourse of 'empowerment'. So, although there have been some modest signs of improvement in recent years, the civil society jury remains rightly critical, hostile and suspicious of the Bank's motives for supporting land reform. It demands a much more listening and responsive Bank.“ (Palmer 2000)

The World Bank' policy on land reform has undergone some changes in the past few years during which a new Policy Research Report on land has been drafted. As the drawbacks of pure privatisation had become too evident even institutions such as the World Bank which had been advocating privatisation and titling of land as the only path to development have adopted their position towards „customary systems“. In the first draft version of the PRR on land policy „Lessons learned and new challenges for the Bank's development agenda“ the Bank's previous land policy has been reviewed and it

was realized that "customary systems" are „far from static and evolve in response to exogenous changes." (World Bank 2001: 6)

The new paradigm, according to the Bank, is thus the „legal recognition for customary forms of tenure" and the Bank now advocates the registration of "customary" land rights including the issuing of certificates of ownership. (World Bank 2001: 15) This however, is no real difference from former approaches and raises the question about the ultimate goal of this new policy: is it the absorption of the "customary" into the freehold system of land tenure or are there realistic chances for the establishment of the so-called „articulation paradigm" which, defined by Lavigne Delville, means that „[the] State does not try to incorporate local rights in a systematic framework of legally recognized rights, but offers pragmatic solutions to the main issues, beginning a evolutive process of interpenetration between law and practices."? (Lavigne Delville 2002)

While there are certain indicators for a more differentiated thinking on land issues within the World Bank, the practical consequences for the Bank's policies remain to be seen. Palmer's scepticism expressed with reference to Africa seems without doubt valid: "Although it was clearly evident in many other African countries that the recording mechanisms needed to make land titling work on the scale envisaged simply did not exist, *still the Bank persisted in pushing it in the early 1990s in Uganda and Tanzania.* Even now, although many serious Bank thinkers⁴ have long departed from rigid adherence to titling and have come to acknowledge some of the benefits of indigenous African tenure systems, their thinking has all too frequently failed to 'trickle down' to Bank Representatives at the country level, where Kenyan-model plans are still peddled as though nothing has changed, such as recently in Rwanda." (Palmer 2000)

So while there might be changes in thinking on the highest level, this does not necessarily mean that it also reaches the level which is responsible for implementation.

The making of the Policy Research Report (PRR) on Land

But what actually is a PRR? "Policy Research Reports are designed to draw together insights from research and innovative operations within and outside the Bank in order to inform policy makers and practitioners but, unlike Policy Papers, do not bind the operations of the World Bank." (cited after Palmer 2002: 2) In the PRR itself one can read that it aims to "strengthen the effectiveness of land policy in support of development and poverty reduction by setting out the results of recent research in a way that it is accessible to a wide audience of policymakers, nongovernmental organizations, *academics in World Bank client countries*, donor agency officials, and the broader development community." (ix)

It is interesting that the World Bank states explicitly the origin of the academics who are the focus group of the PRR, namely those in the "World Bank client countries". The Bank

⁴ Palmer here refers to the compilation of case studies edited by John W. Bruce and Shem E. Migot-Adholla in 1994.

thereby indicates very clearly that research findings incorporated into the report are mainly from the Western countries and that the possibility of including research findings from "client countries" for the benefit of the Bank's policy is not really considered.

I now want to throw a closer look at the final version of the Policy Research Report (PRR) on land which was published in spring 2003 - after a number of draft versions had been discussed more or less widely. The final version of the PRR admits many more complexities than its predecessors. However, I start my analysis from the hypothesis that despite several changes and apparent acknowledgement of the need for differentiation, the overall intention of the Report has not been changed: growth and facilitation of access to land for investors.

Consultation and its deficiencies

The first draft version was discussed at the four regional workshops on land policy which were held in the first half of 2002 in Africa, America, Asia and Europe as well as an online discussion. The Online Consultation of the second draft of the World Bank PRR on land policies, which was made available on the internet on November 27, 2002, was originally scheduled to run from December, 30 2002 to January 10, 2003. As most of this period fell into what people usually take as Christmas holidays, participation was extremely low in the beginning and eventually, in response to several requests by participants, the discussion was extended for one additional week which, from my point of view was not enough either. On June 12th Klaus Deininger, the author of the PRR, informed the participants about the existence of its final version.

The second draft version included references to the importance of history but it remained highly depoliticised. Palmer (2002) concludes his analysis as follows: „While there is much in the PRR that is positive, and while there have certainly been signs that its author has listened to the research which was presented earlier this year in the 4 continental workshops, it will be important in the real world of politics that land policy strategy is set within a broader vision of social goals relating to poverty reduction. And, as we surely all know, pro-poor land reform, laws and policies are of limited value as long as trade rules and subsidies remain rigged in favour of the rich. How does a broader vision get designed and through what process? And how might the World Bank's own procedures ensure that more attention is paid to these questions of process? Will the whole PRR process remain a mere academic exercise? The e-mail discussion might usefully address this area.“ (Palmer 2002: 3) Ambreena Manji (2004: 1) writes that "the workshops were dominated by consultants chosen by the World Bank. This was perceived by many as an attempt to rubber-stamp the report. As a number of NGOs pointed out, this throws into question the legitimacy of the World Bank's consultation."⁵

⁵ "Groups working on land rights in Africa, including South Africa's National Land Committee and Landless People's Movement, wrote an open letter to the World Bank criticising its approach and pointing out that this is not the way to decide future land policy." (Manji 2004: 1)

It seems that the consultation process did remain an academic exercise, or even worse, an exercise which mainly served the consolidation of power. The way the consultation process was conceived leads one to assume that consultation rather served the purpose to give more weight to what the World Bank wants to say and to defend itself against its critics by pointing at the consultation process. Instead of genuinely listening to different opinions and looking for further input, consultation in this sense is a strategy to strengthen power and not to increase knowledge.⁶

In his foreword to the final version of the PRR, Nicholas Stern, the Senior Vice President and Chief Economist of the World Bank, notes that despite interest in research into land questions for a long time the weak point has been the dissemination of results to policy makers and "other key stakeholders" and that:

"As a result, discussions on land policies are often characterized by *preconceived notions and ideological viewpoints rather than by careful analysis* of the potential contribution of land policies to broader development, the scope for interventions in the area, and the mechanisms that can be used to achieve broader social and economic goals. Given this lack of analysis, *the potential for using land policies as a catalyst for social and economic change* is often not fully realized." (ix)⁷

"Given the cross-cutting nature, far-reaching implications, and often long time horizon of interventions in the area of land policies, effective dissemination of knowledge and experience *requires that research be informed by the broad range of problems policymakers face and be integrated into a broader dialogue with the Bank's development partners.*" (x)

This basically means that research has to adopt to the needs of the World Bank and not the other way round, i.e. the World Bank taking into account also research which does not necessarily underline its own position.

Also in the very first paragraph of the Executive Summary deficits in the cooperation of researchers and practitioners are blamed on the side of the researchers:

"Research has long pointed to the need for a careful and differentiated approach as a precondition for making clear policy recommendations in relation to land that can help improve both efficiency and equity. Frequently, however, *this message does*

⁶ Compare the thoughts on consultation by Liz Alden Wily, herself consultant on land issues, who recently stated with reference to Kenya that "the standard consultation & dissemination approach that has been quite widely pursued around the continent by the land sector and yet has borne so many dry fruits. [...] My concern is that classical (and actually, now rather outdated) consultation cannot be expected to yield the level of public ownership of change needed to deliver useful strategies or to challenge the generalised bureaucratic malaise and chronic disempowerment that tend to accompany corruption and elite capture. In short, consultation does not engender the necessary power-sharing. No matter how frequently asked his or her opinion, the majority client landholder/aspirant landholder is still rooted as passive beneficiary, needfully waiting for government to hopefully deliver positive change." (thoughts formulated by Liz Alden Wily, forwarded in an e-mail by Robin Palmer to the Women's Land Rights List Server on June 11, 2004)

⁷ Italics in this quote, as well as in all following quotes in this chapter, have been added by the author, B.E.

not seem to have been clearly communicated to policy analysts and decisionmakers, with negative consequences.” (xvii)

That policy makers were (are) not particularly interested in recommendations, which emphasised the complexities is not even considered.

Before I turn to the discussion of the final version of the PRR on land, I want to discuss shortly one source which had tremendous influence on the World Bank and the making of the Policy Research Report and governments all around the world. (cp. Manji 2004: 1)

Hernando de Soto and the Mystery of Capital

“The big idea can basically be summed up as: “It’s property law, stupid.”
(Bunting 2000: 1)

“The Mystery of Capital. Why Capitalism triumphs in the West and fails everywhere else”, written in the year 2000 by the Peruvian economist Hernando de Soto, is probably the most influential work on property rights in a long time. On 276 pages de Soto explains what he sees as the solution to poverty in the “Third World”: “enabling the poor to turn the vast assets they possess into wealth.” (de Soto 2000: backcover)

The book received many enthusiastic reviews by mediums like *The Times*, *The Wall Street Journal* or *The Economist* whose praise also sums up nicely the main message of de Soto: „The most intelligent book yet written about the current challenge of establishing capitalism in the developing world. Mr. de Soto draws lessons from America’s capitalist development to show what needs to be done. Above all, developing nations must recognise and protect the property that many poor people have created, but which is currently of uncertain legal validity, and thus is of little use in securing the loans necessary to invest in personal or business development.” (The Economist cited in de Soto 2000, unnumbered)

But the number of reviewers who criticised de Soto and pointed at the dangers inherent in the simplicity of his idea is at least as high as the number of those who praised him.⁸ Carlos Lozada summed up the enthusiastic reviews of de Soto’s book as follows: “Gushing reviews have affirmed de Soto’s position as the darling du jour of the global-development crowd. Some observers are touting the author as a possible Nobel Prize candidate, while even the usually sceptical Economist claims that “after reading this book, it is hard not to feel hopeful about the potential waiting to be tapped in poor countries. Lost amidst the adulation, however, is the small fact that *The Mystery of Capital* is not a particularly good or useful book. By overselling the power of his ideas, de Soto does a great disservice to other crucial antipoverty efforts and understates the challenges facing the poor nations he seeks to help.” (Lozada 2001: 1)

⁸ In the following short discussion reference is made to only a fraction of the reviews which deal with de Soto’s “Mystery of Capital”. Here the purpose is only to demonstrate the background of the work which had such a profound influence on the World Bank’s Policy Research Report.

Another reviewer, Tim Padgett for time.com, brings it to the point: "If de Soto's thesis is simple, registering extralegal property is not." He concludes with references to the enormous success of the book: "Since its release last fall, *Mystery* has had five hardcover U.S. printings, and is already the best-selling book in the history of Peru. De Soto almost ran for President last month, when polls showed him coming in third. But he decided he could have more influence working from the outside – and from underground." (Padgett 2001: 2)

The crucial weakness of de Soto's book is that he hardly ever says what he is referring to. Although he states at one part that he "will show, with the help of facts and figure that my research team and I have collected, block by block and farm by farm in Asia, Africa, the Middle East and Latin America, that most of the poor already posses the assets they need to make a success of capitalism" (de Soto 2001: 5-6) he asserts a few pages later (de Soto 2001: 27) that the research of him and his team was mainly carried out in five cities: Lima, Port-au-Prince, Cairo, Manila, Mexico City. This however does not prevent him from drawing much broader conclusions which also refer to rural areas all over the World.

As Christopher Woodruff (2001: 1220) pointed out in his extensive review of "The *Mystery of Capital*", "the style of the book is certain to frustrate academics" and indeed the book is written in a very colourful and non-academic language, which certainly explains part of its appeal and why it provoked such an enormous response all over the world. So while Woodruff rightly remarks that de Soto "gives the illusion of rigorous study while providing almost no details" and that "he provides an estimate of the value of informal land in rural areas as well, without ever mentioning any study of rural areas" the book has to be taken serious – not because of its exemplary methodology but because of the enormous impact it had due to its powerful and simple arguments.⁹

The "Mystery" itself

One of the more convincing parts of de Soto's book is the chapter in which he describes the "long and arduous process of integrating extralegal property rights" (de Soto 2000: 158) in the United States. However, as Lozada correctly points out there is an inherent contradiction in de Soto's vision: "If U.S. property rights emerged through such a slow and erratic process, why should we expect poor countries to establish effective property laws any time soon?" (Lozada 2001: 2) But according to de Soto there is a short-cut on the road to "effective" property rights: "My colleagues and I have synthesized what we think they did right into a formula we call the 'capitalization process', with which we are assisting various governments throughout the world." (de Soto 2000: 167)

⁹ This fact is even used to advertise the book. A quote by the Daily Telegraph which points at „the simplicity of its central idea“ is placed on the frontcover of the soft cover version of the book.

Already de Soto's first book „*The Other Path*“ was what Woodruff calls „a smash hit in the popular press“ and although methods and results were challenged by academics also this book „had significant impact on the academic literature on the informal sector in the decade after its publication.“ (Woodruff 2001: 1215)

Roy Culpeper, President of the North-South Institute, points in his review titled "Demystifying Hernando de Soto" at another aspect in de Soto's theory to which it probably owes its popularity with the big players in the global finance sector: "[...] de Soto's titling project is inherently biased against the landless and propertyless tenants." (Culpeper 2002: 3) If one assumes that the poor are already rich there is no need to rethink redistribution or answer calls to it. Following de Soto's thinking one can comfortably refer the poor to their wealth and offer them to „unlock“ it by providing them with the possibility to take up a loan.

Another main argument by the Soto is that it also costs to remain outside the legal sphere as bribes have to be paid to those in power, be they the authorities or someone else. "Contrary to popular wisdom, operating in the underground is hardly cost-free. Extralegal businesses are taxed by the lack of good property law and continually having to hide their operations from the authorities. Because they are not incorporated, extralegal entrepreneurs cannot lure investors by selling shares; they cannot secure low-interest formal credit because they do not even have legal addresses; they cannot reduce risks by declaring limited liability or obtaining insurance coverage. The only 'insurance' available to them is that provided by their neighbours and the protection that local bullies or mafias are willing to sell them." (de Soto 2000: 164, compare 84-85)

While this point may have some validity in an urban context, it does not have much legitimacy in most of the rural areas. However, even though de Soto himself points from time to time vaguely at the urban focus of his study, the thesis presented in his book has been received as the solution to the problems of the whole developing world in general.

From my point of view, the more useful points made by de Soto (2000: 194-195, cp. 197) concern the process of informal formalization ("Although oral traditions may predominate in the rural backwoods of some countries, most people in the undercapitalised urban sector have found ways to represent their property in written form according to rules that they respect and that government, at some level, is forced to accept.") and the necessity of laws to be rooted in realities on the ground instead of having been drafted in some remote offices of (external) experts: "Third, creating an integrated system is not about drafting laws and regulations that look good on paper, but rather about designing norms that are rooted in people's beliefs and are thus more likely to be obeyed and enforced." (de Soto 2000: 166)

There certainly is truth in what he says about the motivation of people to "join the system": „People do not want to get inside the formal property system because they are eager to be mapped, recorded or taxed; they will join the system when its economic benefits are obvious to them and when they are certain their rights will continue to be protected." (de Soto 2000: 216) But by selling his own formula which is based on very limited research as the solution to what he otherwise recognises as a difficult and long process, de Soto undermines the validity of the few more convincing passages of his

book.¹⁰ I would like to conclude with Woodruff who states that "Land titling is made to sound like a free lunch. But without a broad set of complementary reforms, property titling and registration systems are likely to have a more limited effect than de Soto's (very refreshing) enthusiasm would lead one to believe. There is almost certainly something to what de Soto says in *The Mystery of Capital*. The question is, How much?" (Woodruff 2001: 1223)

The PRR "Land Policies for Growth and Poverty Reduction"

But let us now turn to the final version of the Policy Research Report of the World Bank which was published in 2003 under the title *"Land Policies for Growth and Poverty Reduction"* and which has been heavily influenced by *"The Mystery of Capital"*.¹¹

The original idea here was to make a detailed step-by-step analysis of the Executive Summary which comprises 30 pages (xvii – xlvi). The Executive Summary was chosen as it is likely to be the most frequently read part of the PRR and is thus going to have most impact. Underlying the analysis is the hypothesis that the style of World Bank reports and in this case the PRR on land policy, is not due to the incapability of the authors to do better, but a consciously chosen strategy. Therefore it was considered important to analyse at least part of it in detail as contradictions and repetition which are important aspects of this strategy can only be laid open through step-by-step reading and commenting. On the other hand, it was quite obvious that it would not be possible to analyse the whole report with the same accuracy as it is much too long. During the process of writing it turned out that also a step-by-step analysis of the Executive Summary would bore any reader to death and would therefore not succeed to bring across the main points. Therefore I chose the following two-fold approach: first I will comment on two sections at the beginning of the executive summary (*"Importance of Property Rights for Economic Growth"* and *"Role of Secure Property Rights in Poverty Reduction"* pages xix-xx) in the step-by-step modus because I want to demonstrate that I did not simply chose passages which fit into my thesis but that the report itself actually reads the way it does. Then however, I will point out some of the main characteristics of the PRR and bring examples from the Executive Summary which are not in chronological order.

A proper analysis of how the World Bank's thinking on land reform evolved over the last decades could certainly be subject of a separate dissertation. My aim here is to outline

¹⁰ He further does so by pre-emptively accusing his critics through a play with emotions by using a terminology which makes reference to the system of institutionalised racism in South Africa which finally broke down in 1994: *"Who could possibly be against removing so obviously unjust a legal apartheid?"* (de Soto 2000: 200)

¹¹ De Soto's theories have not only had tremendous influence on the World Bank but also on other important donors such as the British Department for International Development (DFID). (cp. Manji 2004: 2) In Africa de Soto has established a "Foundation for Building Capital of the Poor" in Ghana which aims "to establish a regional training center in Accra for the benefit of other countries interested in the property reform programme." and which is also supported by the United Nations Development Programme (UNDP). (Manji 2004: 2)

some of the strategies employed in the PRR and discuss the main points of its content which forms the basis of the discussion of the case study area.

Growth or what is it all about

"Land Policies are of fundamental importance to sustainable growth, good governance, and the wellbeing of and the economic opportunities open to rural and urban dwellers – *particularly poor people.*"

(First sentence of the Foreword by Senior Vice President Nicholas Stern of the Land Policies for Growth and Poverty Reduction, PRR 2003, p. ix)

"[...] hope that the report will be widely used in the policy debate on land and provide the basis for integrating land into broader strategies and *implementing specific land policies that will help increase growth in a way that benefits poor people.*" (xi)

(Last sentence of the foreword by Senior Vice President Nicholas Stern of the Land Policies for Growth and Poverty Reduction, PRR 2003, p. ix)

It is not surprising that the foreword of the PRR opens and ends with a reference to growth as „growth“ finally also found its way onto the title in the third and final version of the document. The second draft of 2002 carried the title „Land Policy for pro-poor development“ while the first draft of 2001 had the much more self-reflective name „Land Policy and Administration: Lessons learned and new challenges for the Bank’s development agenda“. What lies behind this considerable change in title-giving can only be guessed and fits into the picture drawn by Wade in his writing about the background to the World Development Report of the year 2000 whose authors attempted to challenge the priority given by the World Bank to growth over anything else.

The key elements: security, credit and investment

On page xix the Executive Summary of the PRR makes reference to the linear logic of security leading to investment leading to growth.

Importance of Property Rights for Economic Growth

Property rights affect *economic growth* in a number of ways. First, secure property rights will *increase the incentives of households and individuals to invest*, and often will also *provide them with better credit access*, something that will not only help them make such investments, but will also *provide an insurance substitute in the event of shocks.*(xix)

From my point of view it remains quite incomprehensible how credit should serve as an insurance substitute in the event of shocks – it is more likely that “events of shocks” will result in failure to repay the rates of credit and result in the loss of the “secured” land in the first place.

Neglect: leaving aside redistribution

Second, it has long been known that *in unmechanized agriculture*, the operational distribution of land affects output, implying that *a highly unequal land distribution will reduce productivity*. Even though the ability to make productive use of land will depend on policies in areas beyond land policy that may warrant separate attention, *secure and well-defined land rights are key for households' asset ownership*, productive development, and *factor market functioning*. (xix)

The limitation of the statement to unmechanised agriculture leaves the economies of Southern Africa with their large-scale operation out of consideration. The text thereby suggests that unequal distribution of land is only harmful to growth if people have to till their land by hand. Reference to demands for redistribution, a dominant feature of land reform in many parts of the world, is thereby carefully avoided. The second part of the paragraph which rightfully points at the importance of price policies and provision of infrastructure is more convincing.

Contradictions and utopias part 1 or the Holy Grail called transferability

If property rights are poorly defined or cannot be enforced at low cost, individuals and entrepreneurs *will be compelled to spend valuable resources on defending their land*, thereby *diverting effort from other purposes such as investment*. Secure land tenure also facilitates the transfer of land at low cost through rentals and sales, improving the allocation of land while at the same time supporting the development of financial markets. Without secure rights, landowners are less willing to rent out their land, *which may impede their ability and willingness to engage in nonagricultural employment or rural-urban migration*. (xix)

Here again is the assumption that rights to land are per se insecure and everyone is constantly struggling to defend his or her rights. This however is still the exceptional situation. In the majority of cases where no one is spending valuable resources for this purpose, the additional "low cost" spending required in case of getting a "secure title to land" might well be the real diversion from investing resources in productive areas.

The second main pillar of the World Bank's land policy is addressed in this paragraph: the transferability of land. The question arises as to what is meant by "improving the allocation of land"? That land is allocated to the more efficient producers, or to the more powerful investors or to those most in need of land? In any case it does not reveal whether equality or efficiency is the determining aspect here.

First it is implied that rental markets or even sales markets are not functioning without secure rights – which here mean title because otherwise there were no need for policy

changes if the World Bank would take the security offered within customary systems as security.

The more worrying conclusion drawn by the authors, however, is that landowners lack incentives to engage in non-agricultural activities or to migrate to the cities. The tiny formal job market and the ever-growing urban centres where unemployment or activities in the informal sector are the rule rather than exception are certainly no pull factor – quite cynical to search for “one’s fortune in the city”¹²

Contradictions and utopias part 2 or the Holy Grail called market

Poorly designed land market interventions and the regulation of such markets by large and often corrupt bureaucracies continue to hamper small enterprise startups and nonfarm economic development in many parts of the world. Such interventions not only limit access to land by the landless and poor in rural and urban areas of the developing world, but by discouraging renting out by landlords who are thus unable to make the most productive use of their land, they also reduce productivity and investment.

In other parts of the text there has been talk about securing rights to land also through non-market mechanisms, now the “poorly designed land market interventions” sound less positive towards anything but an open land market. Why do interventions in the land market limit the access to land to the landless? How are the landless expected to participate in the land market? Landless people normally also lack financial resources and are therefore in a poor condition to participate in the market - if one does not assume that the authors are talking about landless people who have a full bank account but just lack land to buy. Interesting also that renting out of land is considered the most productive use of land. In the view of the World Bank land is a resource which is most productively used when rented out or sold and thus used to generate financial profit - speculative purposes are given priority over productive purpose in the literal sense of the word.

The arbitrary example

High transaction costs in land markets either make it more

¹² The same nice thesis that was found in The Economist Supplement on Africa from January 2004. The Economist „Breathing Life into Dead Capital: Why Secure Property Rights Matter” in How to Make Africa Smile: A Survey of Sub-Saharan Africa 17 January 2004, 10-11. This article basically reads like a short version of de Soto 's “The Mystery of Capital”, which is unsurprisingly also the only source cited. The article contains the statement that „(in Africa) owners who have not cultivated their farm for two seasons risk having it confiscated” (which is another nice example of generalisation based on no empirical ground whatsoever), which makes „even the most ambitious think twice before seeking their fortune in the city”. In the wake of ever-increasing migration from the rural into the urban areas which very rarely offer anything else then poor housing and unemployment it reads quite cynical to advocate the benefits of a title deed as the option to look for „one’s fortune” in the city.

difficult to provide credit or require costly development of collateral substitutes, both of which constrain development of the private sector. *A recent study estimates that in India*, such land market distortions reduce the annual rate of gross domestic product growth by about 1.3 percent. (xix)

This is the first example which is just thrown into the text and which does not contain any hint as to whether contrasting examples do exist and if they do, whether they are more numerous or not. Even the source of the study is not indicated but the phrase “recent study” should serve to underline the validity of a study, which *estimates...*

The question of agency and more contradictions

Role of Secure Property Rights in Poverty Reduction

For most of the poor in developing countries, land is the primary means for generating a livelihood and a main vehicle for investing, accumulating wealth, and transferring it between generations. Land is also a key element of household wealth. *For example, in Uganda land constitutes between 50 and 60 percent of the asset endowment of the poorest households.* Because land comprises a large share of the asset portfolio of the poor in many developing countries, *giving* secure property rights to land they already possess can greatly increase the net wealth of poor people. *By allowing them to make productive use of their labor*, land ownership makes them *less reliant on wage labor*, thereby reducing their vulnerability to shocks. (xx)

In the beginning of the next part of the subchapter another example without reference to any source is added – this time from Uganda. But in this case the source is not even of much interest as the value of the example is questionable as such. First we were told that people use land to accumulate wealth and then we are told that by *giving* them secure property rights – again a very clear sender-receiver relation – we can increase this wealth of poor people. In this paragraph the aspect of agency in the text becomes most evident: *by allowing them* to make productive use of their labour – apparently before the kind intervention of the World Bank the *poor people* were not allowed to use their labour for their own good – who inhibited them from doing so?

Interesting also the argument that people who own their land might be less reliant on wage labour. Just a paragraph above the presumably same people were seen as better off in the city where the constant flow of non-farm income would expose them to less risks as reliance on agriculture. Now we shall be convinced by just the opposite argument – giving them ownership of land should free them from the burden of wage labour which is apparently so vulnerable to shocks.

Given the key role of land as a determinant of access to economic opportunities, the way in which land rights are defined, households and entrepreneurs can obtain ownership or possession of it, and conflicts

pertaining to it are resolved through formal or informal means will have far-reaching social and economic effects. The implications not only influence the structure of governance at the local level, but also affect (a) households' ability to produce for their subsistence and to generate a marketable surplus, (b) their social and economic status and often their collective identity, (c) their incentive to invest and to use land in a sustainable manner, and (d) their ability to self-insure and/or to access financial markets. For this reason, researchers and development practitioners have long recognized that *providing poor people with access to land and improving their ability* to make effective use of the land they occupy is central to reducing poverty and empowering poor people and communities. (xx)

While the first part of this paragraph is simply a ranking of benefits, the second offers again nice insights into who according to the World Bank are the agents in the game of property rights: access to land is seen as something which poor people have to be provided with – no doubt that they cannot find mechanisms to secure their rights to land on their own or might have good reasons to reject what they are provided with. In light of the fact that access to land is for the World Bank going to be achieved through market mechanisms it seems especially cynical to use the term *providing*. *Providing, improving, empowering* – the agents are always other than the “poor people” – the assumption being that researchers and development practitioners have to do something for the “poor people” because they cannot do anything for themselves.

Referring to women

Control of land is particularly important for women, whose asset ownership *has been shown to affect spending, for instance, on girls' education*. Yet *traditionally, women have been disadvantaged* in terms of land access. *Ensuring that they are able to have* secure rights to one of the household's main assets will be critical in many respects. This includes meeting the challenges arising in the context of the HIV/AIDS epidemic, where the absence of clear land rights can lead to costly conflict and hardship regarding possible loss of land by widows.

The last paragraph under this heading is dedicated to women whose rights to own land are immediately linked to a cause, in this case “girl's education”. It is established that women have been traditionally disadvantaged, with no differentiation whatsoever, for example to matrilineal societies where women can be said to have been “traditionally advantaged”, to paraphrase the World Bank terminology. And one more time the direction of agency is determined: it is the responsibility of the World Bank to *ensure* “that they are *able* to have”.

Structure and Strategy of the PRR

There is a certain structure underlying the design of the Policy Research Report (PRR) which I want to summarise on the following pages. The main point is that although it

claims legitimacy because it is based on excellent research, the report itself is not scientific at all – a characteristic it shares with de Soto's „The Mystery of Capital“.

Selection of cases and arbitrary use of examples

In the two pages analysed we have come across examples which have been added to the text without giving any source in the first place and without comparison in the second place.

Throughout the PRR singular cases are used to illustrate statements. No attempt is made to compile all known experiences in a systematic framework, rather examples that fit into the overall philosophy of the World Bank are being brought up in various contexts. It seems that this strategy was chosen in order to present facts in the most incomparable way (a classic strategy used by companies in advertising their products) which makes it impossible to make useful statements about “what worked and what did not work” as this report aims to do. The following paragraph illustrates this well:

A first benefit from increased tenure security that can easily be measured is the increase in land users' investment incentives. *Some studies have reported a doubling of investment, and values for land with more secure tenure are reported to be between 30 and 80 percent higher than those for land where there is a higher probability of losing it. Transferability of land will greatly increase this effect, something that will be especially important in situations where the scope for transacting land between less and more productive producers has increased, for example, because of development of the nonagricultural economy and rural-urban migration. Higher levels of tenure security, not necessarily formal title, will also reduce the time and resources individuals have to spend trying to secure their land rights, thereby allowing them to invest these resources elsewhere. For example, in Peru the formalization of land rights increased the supply of labor to the market by more than 50 percent.* (xxv-xxvi)

In this paragraph data without a source is given, reference is made to studies who are not further indicated and the expression *some studies* suggests that some other studies might claim just the opposite or no changes as such; not even the name of the country or area to which the studies make reference are given.

The second holy grail, next to investment, is *transferability*. The direction is clear: not transfers to the landless or almost landless but from the less productive to the more productive. But those with the resources to buy land, might not use it for productive purposes at all. Reason to worry gives especially the final sentence with the example of Peru, which most likely is taken out of de Soto, although, as usual, the authors do not indicate their source. We are told that the supply of people to the labour market rose by 50%, but not whether these people actually also *found* labour at the labour market. This

is in fact less likely, bearing in mind that Peru does have a high unemployment rate and tremendous underemployment.¹³

One-sided agency

The next example is taken out of the foreword to the PRR written by Nicholas Stern. He explains the three principles on which the message of the World Bank Policy rests: The first sounds very much à la de Soto with the necessary dose of gender thrown into it:

“First, *providing secure tenure to land* can improve the welfare of the poor, in particular, by *enhancing the asset base of those*, such as women, whose land rights are often neglected. At the same time it creates the incentives needed for investment, a key element underlying sustainable economic growth. In addition to highlighting these advantages, the report discusses different mechanisms that can be used to *promote tenure security*, their advantages and disadvantages, and the ways in which they can fit into a broader development strategy.”
(ix-x, Foreword by Nicholas H. Stern)

Investment is singled out as the key element of sustainable economic growth and interestingly the provision of secure tenure – the term *provision* does not leave any doubt as to who is dominating the game – is not connected with any possible disadvantages such as the exclusion of certain parts of society or increased conflicts over land due to measures intended to increase security of tenure. The report explicitly aims at “highlighting the advantages” of providing tenure security - disadvantages are only mentioned in relation to the *different mechanisms* for the *promotion* of tenure security, like *provision* a term which indicates strongly the direction from where the need for increased security of tenure comes from.

Playing with emotions and the lack of examples

The play with the emotions of the reader is another characteristic of the PRR and further proof of its unscientific character. The following paragraph of the Executive Summary has been chosen as example:

¹³ In the country statistics on Peru of the UNDP all indicators of unemployment rates are missing. http://hdr.undp.org/statistics/data/cty/cty_f_PER.html (22.12.2004) On the page <http://worldfacts.us/Peru.htm> (22.12.2004) the unemployment rate is estimated to be 13.4% for 2003 and widespread underemployment is noted. The CIA World Factbook <http://www.facts.org/docs/factbook/fields/2129.html> (22.12.2004) gives an unemployment rate of 9% for 2002 and the same comment on high underemployment. On the webpage on the Economy of Peru by wikipedia, a free encyclopedia, http://en.wikipedia.org/wiki/Economy_of_Peru (22.12.2004), it is noted that “Peru's stability brought about a substantial reduction in underemployment, from an average of 74% from the late 1980s through 1994 to 43% in the 1995-96 period, but the rates began climbing again in 1997-2002 to over half the working population.”

Exogenous demographic changes, especially in the absence of economic development, will increase the scarcity and value of land. This can challenge traditional authorities and institutions that previously had unquestioned authority over land allocation and dispute resolution. *If they coincide with land claims by outsiders and are overlaid with race and ethnicity issues, such situations can lead to serious crises of governance, including civil war.* Even neglecting broader noneconomic impacts and possible indirect effects, the direct costs of land conflicts that may arise in this context are high and are borne mostly by the poor, who are generally least able to afford them. Land conflicts often generate large, negative, external effects. In the extreme, they can undermine the state's authority and effectiveness by leading to the creation of a multiplicity of parallel institutions, as illustrated by the fact that *unresolved land conflicts have in some cases escalated to become a significant contributor to state failure.* (xxiv-xxv)

In this paragraph a real horror scenario is built up which appeals to the reader at an emotion level: at the beginning stand challenges to traditional institutions, followed by land claims by outsiders. Then issues of race and ethnicity are brought into the game and eventually a crisis of governance and civil war are envisioned.

Interestingly, whereas the PRR is full of examples which do not make any point at all, there often is no example where it would be needed or at least useful. For example, it would be useful to know which cases the World Bank has in mind when it talks of land conflicts which have escalated to become a significant contributor to state failure. Does Zimbabwe for example fall into this category? An answer would be revealing with respect to the perception of a highly unequal distribution of land in former settler colonies.

Referring to women, herders and the indigenous

As has been already argued in the first, chronological part of this analysis, land rights for women are inevitably brought into relation with a specific purpose. This is also the case in the example below where we are pointed at the social benefits of land rights for women: to enable them to care better for their children, invest in their education, health and food - and thereby reduce the state's responsibility in this sector.

Second, ensuring secure land tenure will be of particular relevance for groups that were traditionally discriminated against. In addition to being warranted based on basic considerations of equity, *attention to women's land rights will have far-reaching economic consequences where women are the main cultivators, where out-migration is high, where control of productive activities is differentiated by gender, or where high levels of adult mortality and unclear inheritance regulations could undermine women's livelihood in case of their husbands' death.* The importance of doing so is reinforced by strong evidence suggesting that the way in which assets are distributed within the household will affect spending patterns. *Greater control of assets by women often translates into higher*

levels of spending on children's education, health, and food. (xxvi-xxvii)

Instead of talking about the benefits for women, the World Bank focuses on the benefits which society and the state, and as a further consequence "donors" like the Bank itself, are expected to derive from giving women rights to land. And even the context when this seems to make sense is given more precisely: Economic consequences are expected for example where women are the main cultivators, raising the question whether the World Bank sees no need to emphasise women's rights to land where they are not the main cultivators as the economic benefits to be expected in that case are not going to be worth it?

To avoid such consequences, the institutions managing land rights will need to be able to re-interpret traditions and social norms authoritatively and in a way that protects the poor and vulnerable from abuse of their rights by those with political power and economic resources. This requires attention to legal provisions that can instantly eliminate traditional rights or *the rights of specific groups, such as women or herders*. Even where an appropriate legal and regulatory basis is in place, operational mechanisms for putting laws into practice in a way that protects vulnerable members of society and precludes the elimination of secondary rights will be important. *Seemingly simple alterations of the property rights regime can have far-reaching impacts on the poor. (xxv)*

The formulation „specific groups such as women or herders“ is self-revealing. Women are of course not a group but more than half of the total population and society. The usefulness to put them apart actually amounts to a negation of the whole concept of gender. The last sentence in this paragraph sounds like a warning the Bank directed (most likely unconsciously) at itself: yes indeed, alterations in the property rights regime might have far-reaching impacts on the poor which might also include negative impacts, and some which might not have been considered before. The belief to have the "right" solution might not be sufficient to ensure that it is not the policies by the Bank itself which might cause such negative impacts. The first sentence points in the same direction: yes, indeed, the poor need protection from those with political power and economic resources to which institutions such as the World Bank belong. The least controversial argument of the paragraph remains the truism that putting law into practice is a different challenge.

Having dealt with women, the second group of marginalised people is tackled: the indigenous people, a term, which in the context of Africa is quite useless, and herders who appear to be somehow more "indigenous" than agriculturists although this might not be based on any historical experience whatsoever. To take an example from Tanzania, Maasai people who predominantly base their existence on pastoralism, settled much later in Tanzania than most of the Bantu-speaking people whose main economic hold is agriculture. For these people land is not just an economic issue we are told (leaving the presumption that this is the case for the rest of the world who are not considered "indigenous").

Similarly,
even though the significance of land for indigenous peoples and herders goes beyond economics, even its economic impact has often been underestimated. Transferring property rights to indigenous communities, especially if combined with technical assistance, *can allow them to manage* these better or to derive greater benefits from the resources associated with their land. (xxvii)

Allusions to “development”

The main aspect of the land policy intended by the World Bank – to provide peasants through formal titling with the possibility to mortgage their land – is presented as the key to success of the “developed economies”. Through consistent repetition of “developed economies” with the possibility to use land as a collateral, the reader is made to believe into the connection between “development” and “land-based credit”. I first want to bring an example which is taken out of the second draft version of the PRR:

“Land is a key component of the wealth of any nations. Since the beginning of mankind and throughout history, virtually all civilizations have spent considerable time and energy to define land rights and to establish institutions to administer such rights which have been a driving force for the organization of society. *Records to document land ownership, assign rights, and record transfers of land were among the first written documents in history.*” (First three sentences of the Introduction of *Land Policy for pro-poor development*, second draft of the PRR 2002)

In this very first paragraph of the second draft, written titles are said to be “among the first written documents in history”, thereby evoking a connection between history and written sources and denying systems where land ownership and land transfer are/were based on oral “contracts”– in fact the main feature of forms of customary tenure - their functionality. The lack of written proof of such actions does not mean that they are of less value to the people concerned. What is pursued here is a strategy of legitimising the argued need for written titles by bringing them into connection with “historical practices” right from the beginning.

The following example has been chosen from the final version of the PRR. Here, allusions to development and history are expressed much more careful than in the earlier draft:

Evolution over Time

Unless there are clear externalities that can be dealt with most effectively by groups, the relative advantage of group, as compared with individual, land rights *will generally decrease in the course of development because of a number of factors*. Technical progress reduces the risk of crop failure while at the same time increasing the potential payoff from investments; *development of the nonfarm economy provides access to more predictable income streams*; and greater access to physical infrastructure reduces not only the risk, but also the cost, of publicly providing property

rights. *Thus one would expect to see a move toward more individualized forms of property rights with economic development. At the same time, historical evidence suggests that transformation of property toward increased individualization is not automatic. To the contrary, it will be affected by political and economic factors, and thus will often coincide with major conflicts, upheavals, or power struggles.* (xxiv)

First group rights are agreed to be useful in certain contexts, but then their benefits are narrowed to certain conditions and eventually they are presented as a solution that somehow has to be accepted for the time being but will prove of disadvantage as development carries on and individual ownership will emerge as the single most useful way to own natural resources such as land.

The paragraph contains a turnback to the argument that the value of property rights actually lies in the development of nonfarm economy which is more predictable, thus standing in contrast to the argument that the benefit of titles to land lies in the possibility to become independent of wage labour which is apparently so vulnerable to shocks. Neither wage labour nor agriculture can in the context of adjusting measures be secure sources of income. It is interesting to note how the World Bank outplays them against each other when they just fit into the argument. The following hint at "historical evidence" is a good example for the sentences which serve first and foremost one purpose: to confuse the reader and weaken the ability to critically follow the text.

What is left out

But it is not only interesting to see which cases are brought up in certain contexts, but also which cases are being left out. Again I first want to bring an example taken from the second draft of the PRR.

Where other economic opportunities are scarce, inequality in the distribution of land, *often as a legacy of historical processes*, can lead to social tension and eventually manifest itself in conflict and violence. *In fact, landlessness and inequality in access to land has long been one of the driving forces underlying revolts, civil wars, and other forms of violent conflict in countries such as Rwanda, Mozambique, Cote d'Ivoire, Guatemala, El Salvador, Nicaragua, Cambodia, Vietnam, to name just a few.* Large differences in the extent to which countries have managed to make a peaceful transition suggests that, in addition to taking measures to avoid that land inequality will create large scale conflict, the way in which land is dealt with in post-conflict societies will be critical for the scope of a peaceful transition.

(Land Policy for pro-poor development, second draft of the PRR, p. 3-4)

I find it striking that where reference is made to the connection between inequality in the distribution of land and social tensions and the eruption of conflicts and violence, Zimbabwe which provides one of the most obvious examples for this otherwise correct reasoning, is being left out while eight other countries are being mentioned. Although "to

name just a few" is being added, it is nevertheless revealing that not a single former settler colony is named.

The other example, which stems from the published version, carries also another characteristic of the PRR, which it seems to share with other World Bank publications and which can be termed as "blame the state".

In many countries the state continues to own a large portion of valuable land despite evidence that this is conducive to mismanagement, underutilization of resources, and corruption. Broad and egalitarian asset ownership strengthens the voice of the poor, who are otherwise often excluded from political processes, allowing them greater participation that can not only increase the transparency of institutions, but can also shift the balance of public goods provision, especially at the local level. As appropriation of rents from land appreciation through discretionary bureaucratic interventions and controls remains a major source of corruption and a barrier to the startup of small enterprises in many developing countries, this can help to significantly improve governance. (xxi)

In this paragraph blame is put on the state which "continues to hold a large portion of land" – the large-scale farmers, who "continue to hold a large portion of land" in many parts of South America and Southern Africa are not mentioned in anyway – although in these regions they are far more a hindrance to "broad and egalitarian asset ownership" than the state.

And finally: the awkward conclusions

'Empirical Evidence on the Impact of Tenure Security'
In many countries of the developing world, insecure land tenure prevents large parts of the population from realizing the economic and noneconomic benefits, such as greater investment incentives, transferability of land, improved credit market access, more sustainable management of resources, and *independence from discretionary interference by bureaucrats*, that are normally associated with secure property rights to land. For example, *more than 50 percent of the peri-urban population in Africa and more than 40 percent in Asia* live under informal tenure and therefore have highly insecure land rights. *While no such figures are available for rural areas, many rural land users are reported to make considerable investments in land as a way to establish ownership and increase their perceived level of tenure security. This illustrates not only that tenure security is highly valued, but also that in many contexts existing land administration systems fail to provide secure tenure. (xxv)*

In the context of rural Africa discretionary interference by bureaucrats is likely to be created in the first place with the installation of a land rights register. In the middle of the paragraph some vague statistical data is given, as usual without source and only in

reference to peri-urban areas. The assumption that "informal" equals "highly insecure" is again confirmed without a question mark. Of special interest here however is the next sentence: rural land users do make considerable investments in land as a way to establish ownership and increase their perceived level of tenure security – strange the conclusion drawn by the World Bank that this "illustrates not only that tenure security is highly valued, but also that in many contexts existing land administration systems fail to provide secure tenure." From my point of view this rather illustrates that strategies to achieve security are being employed in the absence of such a system and that people do invest in their land as a strategy to make it more secure. They thereby turn the argument of the World Bank which claims that first secure rights have to be established in order to make investment possible up side down – to the contrary: investment defines ownership and not the other way round.

In conclusion...

... I want to argue that the above analysis of the PRR on land supports the hypothesis that the unsystematic and intransparent way of writing and the blurring language used are a conscious strategy chosen to strengthen the acceptability of the main ideas which have basically not changed: titling of land and the use of titles as collateral for loans. It remains doubtful whether this policy will be of any use for the alleviation of poverty.

Abstract

In the past two decades many African countries have been involved in land reform processes in one way or another. In most emphasis has been on the privatization of land ownership. The main impulse for the privatization of land has come from donors such as the World Bank who has rediscovered land reform as an issue of importance in the past few years. This paper offers a critical analysis of the World Bank's Policy Research Report on Land (PRR) which was published in 2003. It argues that the unsystematic and intransparent way of writing and the blurring language used, are a conscious strategy chosen to strengthen the acceptability of the main ideas which have, basically remained the same: titling of land and the use of titles as collateral for loans – both with doubtful benefits for the poor.

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About the Author:

Birgit Englert who has written her doctoral dissertation on land rights in Tanzania, is currently researching and teaching at the Department of African Studies at the University of Vienna. She is co-founder and main editor of the Africanist journal Stichproben. Vienna Journal of African Studies.

Contact: birgit.englert@univie.ac.at

Institut für Afrikanistik / *Department of African Studies*
Universität Wien / *University of Vienna*
UniCampus Hof 5
Spitalgasse 2-4
A-1090 Wien /*Vienna*
Österreich / *Austria*
Telefon: +43(0)1-4277432-01
Fax: +43(0)1-42779432
Mail: afrikanistik@univie.ac.at
Web: www.univie.ac.at/afrikanistik



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