

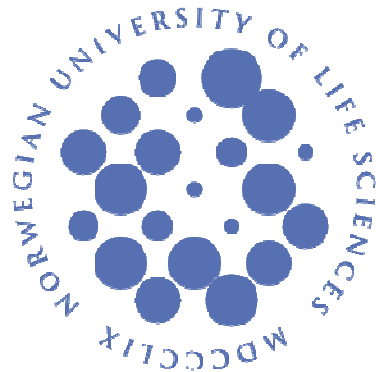
**Politics and Property Rights Regimes in Land in Arsi Negele
and Hetossa, South-Central Oromia, Ethiopia: Late 1880s-
2006**

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Philosophiae Doctor (PhD) Thesis

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Abstract

This study explores the role of politics in shaping changes and continuities in property rights regimes in rural land in Arsi Negele and Hetossa Districts (*Woreda*) in South-Central Oromia, Ethiopia, in historical perspective. The field data were generated from key informant interviews and focus group discussions, supplemented by archival materials. The study was inspired by the current national debate over land tenure policy options, which is not much substantiated by empirical studies on both current issues and historical events. The core argument of the study is that in spite of differing in their political systems, successive Ethiopian governments have been dominant actors in shaping the mode of land ownership and patterns of power relations among various social groups in the country especially in the southern areas, including Arsi Negele and Hetossa. The changes were essentially dictated by the aspirations of the ruling classes to consolidate their power and control rural resources, and were effected through the use of political power, much often relied on military force. The politically imposed changes in property rights regimes in land created classes of winners and losers in which the majority of the peoples in the South were net losers under two out of three successive Ethiopian governments.

The study reveals that the government of Menelik who conquered and incorporated the southern areas in the last quarter of the nineteenth century appropriated the predominantly communal land and converted it to state property. It, then, granted a large portion of the appropriated land to the ruling elite and their associates, initially, for temporary appropriation and allocated a small portion of it to the *balabat* and through them to the local peoples. As a result, the majority of the peoples in the South lost their collective land ownership rights and land management authority, and were converted to *gabbar* on what had been their own land. Haile Sellassie's government inherited and consolidated Meneleik's land appropriation and land allocation policies. Following subsequent conversion of the state land to private property of the grantees or their heirs, mainly under Haile Sellassie's government, the majority of the peoples in the South became landless tenants who were subjected to a number of adverse effects of private ownership of land.

The drastic Land Reform Proclamation of 1975 that was implemented by the *Derg* reversed all these situations. The proclamation nationalised all the rural land in the country, abolished private ownership of land in the South, and eliminated communal ownership in the North. In the South, moreover, it dispossessed the landed-elite of their land, restored

collective land ownership rights and land management authority to the masses of the local peoples, and assigned individual land *use* rights to households.

The EPRDF government has retained the *Derg's* state and public land ownership policy and has incorporated it into its constitution. The retention of such a tenure policy under a market economy has generated heated debate in the country, which is still ongoing.

Findings in this study also illustrate that while sharing the above general experience with other areas in the South, Arsi Negele and Hetossa *Woreda* present a particular historical setting to gain a deeper understanding of the political history of land appropriation and asymmetrical land allocation in the incorporated southern areas. In these two *woreda*, the imperial governments of Menelik and Haile Sellassie appropriated virtually the entire extent of land, through a cunning method, namely land bequeathing, by deceiving the *balabat*. While granting the appropriated land mainly to the royal family and a nobleman, in Arsi Negele and Hetossa, respectively, they nearly totally dispossessed the local people of their land, who then became *gabbar* and subsequently landless tenants, like their fellow peasants in other areas in the South. Following the introduction of mechanised farming, tenants in the two *woreda* under study were, moreover, subjected to large-scale eviction and migration, *inter alia*, which lasted until the introduction of the Land Reform of 1975.

Findings in Arsi Negele and Hetossa support the claim that under the existing land tenure system, peasants have security of tenure over their holdings, and the existing land tenure is not a constraint to peasant investments and access to bank loans. This means that:

Firstly, peasants believe that land belongs to them both collectively and individually, and will remain so. Their confidence in the existing land tenure stems from a number factors. Peasants have use rights and rental rights; the right to bequeath land rights to their children or other family members; the freedom to live anywhere and engage in any activity, without fear of losing their land rights; and perhaps, most importantly, land has not been redistributed since 1976, nor is there a threat to take peasants' land rights away in their areas or in neighbouring areas.

Secondly, the existing land tenure does not constrain peasant investments. Peasants in the two *woreda* under study have been engaged in a variety of investment activities, both short term and long-term investments, since the *Derg* period. However, peasant investments are constrained by a variety of non-tenurial factors, above all, resource constraints.

Thirdly, the existing land tenure is not a constraint to peasants' access to bank loans. Although peasants as individuals cannot borrow from banks, as they do not meet the banks' lending criteria, they receive group loans for investments without showing any collateral to the banks.

Another finding of this study is that unrestricted land lease markets caused a number of problems for poor peasants in Arsi Negele and Hetossa *Woreda*. The free-for-all situation that emerged following the change of government in 1991, led to underground land sales, presented as pledges, and to the dispossession of many poor peasants of their land. It also contributed to land-based conflicts and litigation. All this situation forced the government of the National Regional State of Oromia to impose some restrictions on the operation of the lease system. The restrictions were meant to discourage illegal land transactions and the resultant peasant dispossession and minimise land conflicts. The restrictions appear to have achieved their objectives. Nevertheless, they target symptoms, while the underlying factors that forced peasants to alienate their land rights in the first place, namely financial problems, are still intact.

The study recommends nationwide comprehensive, empirical studies on both historical events and the existing situations. Above all, profound studies on historical experience in the southern areas is necessary not only to shed light on key events of the past, but also for better understanding of the land question and current debate over tenure policy options, particularly the possible social and political consequences of hasty privatisation in the country.

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Acronyms

CADU-Chilalo Agricultural Development Unit

CSA- Central Statistical Authority

EPRDF- Ethiopian People's Revolutionary Democratic Front

FDRE- Federal Democratic Republic of Ethiopia

FDREPC- Federal Democratic Republic of Ethiopia Population Census Commission

GORSO- Government of the National Regional State of Oromia

PA-Peasant Association

PMAC-Provisional Military Administrative Council

SSA-Sub-Saharan Africa

List of Ethiopian Terms

Aaware- land bequeathing

Abba gadda-leader of the gadda administration

Afan Oromo- the Oromo language

Awraja-Sub- Province

Awrash balabat-bequeathing local chief

Balabat- traditional local chief

Bete-rist- the land of the imperial family

Chicka shum- village headman

Derg-Military government, 1974-91

Fered shengo- judicial tribunals, social courts

Gabbar- tribute paying peasants

Gadda- Oromo traditional system of societal administration

Gasha- traditional rural land measurement unit; 1 gasha=40 hectares

Gossa- sub-clan of the Arsi Oromo

Gulemma- land lent to the new couples from the parents of the boys

Gult- a large territory that the emperors, both in northern and southern provinces, granted to members of the royal family and the nobility for temporary appropriation

Gultegna- gult holding overlord

Hayou- wise men

Kagnazmatch- a political title, commander of the right wing, normally civilian officials, rarely also military officials converted to civilian.

Kebele- Village-lowest administrative unit accountable to the woreda administration

Kelad- the system of land measurement

Maderia- land granted by emperors to the balabat and civil and military servants for temporary appropriation

Melkegna- warlord governor

Meret le arashu- land to the tiller

Neftegna-gunmen, landed elite and soldier-settlers from northern provinces in the South

Netch lebash- traditional militia

Ras- the second highest political title next to emperor

Riste-gultegna-owner of riste-gult, aristocratic landlord

Riste-gult-inheritable, private property of the gultegna, privatised gult

Warro-prestigious court clothing

Woreda-District, lower administrative unit above kebele

Zufan Chilot-imperial court

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List of Papers

Paper I: Hussein Jemma & Siegfried Pausewang. Politics and Shifting Property Rights Regimes: Land Tenure in Southern Ethiopia in Historical Perspective

Paper II: Hussein Jemma & Nadarajah Shanmugaratnam. The Politics of Land Appropriation and Land Allocation in Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

Paper III: Hussein Jemma & Nadarajah Shanmugaratnam. Security of Tenure, Investment Incentives, and Access to Credit: The Policy Debate and Experience from Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

Paper IV: Hussein Jemma & Espen Sjaastad. Land Scarcity, Land Leases, and Land Conflicts in Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

General Introduction

1. Framing the Study

1.1. Problem Statement

This study investigates the role of politics in shaping changes and continuities in property rights regimes in rural land (or land tenure) in southern Ethiopia with focus on Arsi Negele and Hetossa *Woreda*¹ in South-Central Oromia, in historical perspective². The government of King Menelik of Shewa (emperor of Ethiopia in 1889), who invaded and incorporated the southern territories in the last quarter of the nineteenth century, appropriated the predominantly communal land and converted it to state property. In the process of land appropriation, masses of the local peoples were dispossessed of their collective land ownership and deprived of land management authority. In addition, asymmetrical land allocation and the subsequent privatisation, mainly under Haile Sellassie's government, subjected masses of the peoples in the South to landlessness and tenancy, eviction and migration of tenants, and dispossession of small landowners of their land. These processes were aggravated by the introduction of mechanised farming.

The existing rural land tenure in Ethiopia is a result of the drastic Land Reform Proclamation of 1975 that was implemented by the Provisional Military Administrative Council (locally known as the *Derg*) that replaced Haile Sellassie's government following the revolution of 1974. The proclamation nationalised all the land in the country and converted it to public property (state property implied), and outlawed land transfers. It restored collective land ownership rights and land management authority to the peoples of the South as a group, and

¹*Woreda* in Amharic means district. Under the current federal structure, a *woreda* is an administrative unit between a zone and *kebele* (village). While a zone is an administrative unit between a regional state (next to federal state) and *woreda*, *kebele* is the lowest administrative unit. *Kebele* peasant associations under the *Derg* were replaced by *kebele* administrations in the post-1991 period, although, like in the past, the administrations are still run by the peasants themselves.

²The designation South-Central Oromia is conventional; it does not imply a precise geographical location. It approximately covers Arsi and West Arsi Zones and southern part of East Shewa Zone.

provided individual households with land *use* rights, free of charge. Although it has recognised certain land transactions, the incumbent Ethiopian People's Revolutionary Democratic Front (EPRDF) government, which replaced the *Derg* in 1991, has, nevertheless, retained the basic features of the state and public land tenure policy. This led to heated debate in the country.

To explain these complex issues in a historical perspective, I consider in this thesis the political trajectory of land tenure in Arsi Negele and Hetossa *Woreda*. The two *woreda* are classic examples of the politics of land appropriation and asymmetrical land allocation and their associated adverse effects in southern Ethiopia. I trace the political history of property rights regimes in land in these two *woreda*, and explain its relation to the current national debate over land tenure policy options. In doing so, I investigate the role of politics in shaping changes and continuities in property rights regimes in land from the late 1880s to 2006. I chose late 1880s because this was the period when Menelik's government incorporated Arsi, to which Arsi Negele and Hetossa had historically belonged, and imposed new property relations.

The study was inspired by the current debate in the country over land tenure policy options, which is more theoretical than empirical. The inadequacy of empirical data in the debate is obvious, especially as regards the views of the peasants, particularly poor peasants, who would be most affected by a drastic tenurial policy change, on tenure security, investment incentives, access to bank loans and, above all, peasants' preferred future tenure policy options. In addition, the debate in Ethiopia also fails to consider the role of non-tenurial constraints to peasant investments, which, indeed, are more crucial than the land tenure system in shaping landholders' investment behaviour³.

Moreover, to my knowledge, there is no synthesised and consolidated work on the political history of land tenure in southern Ethiopia, including Arsi Negele and Hetossa *Woreda*, which for historical reasons deserve special attention. Historical studies are of paramount importance to draw lessons from the past, understand the background to the current circumstances, and predict the possible effects of changes in property rights regime in land in the country.

³Under the existing Ethiopian situation, landholders are peasant households who obtained land through redistribution in 1976, or their officially recognised heirs.

This study addresses both historical events and current issues. It provides insight into the political trajectory of property rights regimes in land and its effects in the southern areas, particularly Arsi Negele and Hetossa *Woreda*. It also examines the factors that have influenced the decisions of successive Ethiopian governments either to change property rights regimes (from Menelik to the *Derg*) or to retain the status quo, while recognising certain land market operations (the EPRDF). Against this background, the study explains modern perceptions of land ownership, access to land, land grabbing, tenure security, and land conflict in Arsi Negele and Hetossa *Woreda*. The study contributes empirical material to the literature on the debate over property rights regimes in developing countries.

1.2. Objectives of the Study

The overall objective of this study is to investigate the role of politics in the changes and continuities in property rights regimes in rural land in southern Ethiopia with focus on Arsi Negele and Hetossa *Woreda*. The study has the following specific objectives:

(1) To explore the role of politics in shaping changes in property rights regimes in southern Ethiopia from Menelik to the *Derg* period (Paper 1). The questions posed were: What had been the role of politics in the changes in property rights regimes in land in southern Ethiopia under the imperial governments of Menelik and Haile Sellassie? Who won and who lost in the process? What were the major outcomes of the Land Reform Proclamation of 1975 in the southern provinces?

2) To examine the politics of land appropriation and land allocation in Arsi Negele and Hetossa *Woreda* under the governments of Menelik and Haile Sellassie and discuss the impact of the Land Reform Proclamation of 1975 on the masses of the local people in the two *woreda* under study (Paper 2). Under this objective, the following research questions were posed: What mechanisms did the governments use to appropriate land in Arsi Negele and Hetossa? How did land appropriation and land allocation in these two areas

differ from the experience in other areas in Arsi? What were the effects of land appropriation and land allocation on various social groups, especially the local people? How did peasants in Arsi Negele and Hetossa perceive and respond to the Land Reform Proclamation of 1975?

3) To investigate the relevance of the current national debate over land tenure policy options to Arsi Negele and Hetossa *Woreda* (Paper 3). To address this objective, the following research questions were posed: What are the main points of the current debate over rural land tenure policy options in the country? In the light of the national debate, how do peasants in Arsi Negele and Hetossa perceive the links between the existing land tenure system, tenure security, investment incentives, and access to bank loans? What are the main non-tenurial constraints to peasant investments? What types of future land tenure policy options do peasants in the study areas prefer?

4) To examine problems associated with land lease markets in Arsi Negele and Hetossa *Woreda* and discuss the recent regional policy measures (Paper 4). The questions posed were: What are the problems associated with land lease markets in Arsi Negele and Hetossa? What policy measures has the government of the National Regional State of Oromia taken to address similar problems at the regional level? Have the policy measures achieved their objectives in the study areas? What are the root causes of and triggering factors for land conflicts in Arsi Negele and Hetossa, and how are the conflicts resolved?

1.3. Organisation of the Thesis

The thesis is organised into two parts. The first part is a general introduction. This part of the thesis elaborates on the main issues (historical, theoretical, and methodological) that are briefly discussed in individual papers. It has seven sections.

Section 1 presents a framework of the study that consists of problem statement, objectives of the study, and organisation of the thesis. Section 2 analyses the theoretical perspectives. Included are descriptions of the concepts of property, property rights, and property regimes,

investigation of the link between shifting political and property rights regimes as applied to rural land, and analysis of the debate over property rights regimes in developing countries. Tenure security, investment incentives, and access to bank credit by small landholders or owners are core points of the debate⁴. Section 3 describes the study areas. Section 4 deals with methodological issues, including sources and methods of data collection, entry to the field, approaches used to get acceptance in the research communities, sampling procedures, site selections, methods of data recording and processing, and limitations of the study. Section 5 explores the evolution of land policies in southern Ethiopia. Section 6 summarises main findings of the study. Section 7 presents conclusions of the study.

In the second part of the thesis, four individual papers are presented. The first two papers focus on historical events, and the last two deal with current issues. While the first paper, which investigates the political history of land tenure in southern Ethiopia, is essentially a review paper, the remaining papers are empirically-grounded. Again, while the first three papers are about the politics of property rights, the last paper treats mainly problems associated with land lease markets and the resultant political intervention. Taken together, the four papers provide a general picture of the political trajectory of property rights regimes in rural land in southern Ethiopia, as applied to Arsi Negele and Hetossa *Woreda*.

2. Politics and Property Rights Regimes in Land: Theoretical Perspectives

In developing countries, political power and property rights regimes in rural land are closely intertwined. In these societies, control over land is not merely a mechanism of wealth acquisition or ‘revenue maximisation’, but it is also a basis of political power. Conversely, loss of political power implies loss of control over land. Politicisation of property rights in land must be understood in this context. Politicisation of property rights occurs in the process of changes in

⁴ In this study, while smallholders refer to legitimate users of communal or state land, small owners are those who have individualised property rights over land.

property rights regimes, which often follow changes in political and ideological regimes⁵. The shift in property rights regimes in this context implies a swift, top-down approach, not evolutionary, bottom-up development. During such drastic changes, governments often pursue discriminatory policies, appropriating land from some social groups and allocating it to others, implying the emergence of classes of winners and losers, which is the essence of the politics of property rights. As to who wins and who loses in the process depends on the class interests that the ruling elite represent and their related political ideologies. Moreover, governments have the ultimate power to define and enforce property rights, regardless of the form of property rights regime – whether state, communal, or private.

Property right in rural land in developing countries is, therefore, an intricate political issue of great importance that stems from the role of land in these societies. In these societies, land is a basic economic asset. Especially agricultural land is a permanent source of livelihoods, capital, and insurance for the rural communities. It is also a crucial asset that parents can bequeath to their children. However, for the rural communities, land is not merely an economic asset. It is also a place, i.e, the land of their ancestors and a symbol of pride. As Platteau (1995: 22) remarks, ‘Land thus represents far more than a mere input into an agricultural enterprise and it is impossible to abstract it from all the social, ritual, affective and political meanings associated with it’. Land also has national significance. This is because agriculture is a source of raw materials for industries and a major source of foreign exchange earnings and a source of food for the urban dwellers. Besides its role as a major means of employment and source of agricultural production, land is also a source of natural resources, such as rivers, forests, and minerals.

Against this complex background, I investigate in this theoretical section the link between politics and property rights regimes in rural land in developing countries. In doing so, I describe property, property rights, and property regimes, investigate the role of politics in the changes in property rights regimes, and analyse the debate over land tenure policy options, particularly arguments for and against individualisation of communal land through titling. It must be noted at

⁵To enforce and protect the newly introduced property rights regimes, governments introduce new rules and regulations, often coupled by the use of force to suppress resistance from losers of property rights. They may also set up new agencies or modify the existing ones to enforce the newly introduced property rights rules.

the outset that although most of the literature on individualisation of land rights through titling and related issues focuses on common property rights regime, it is also applicable to state property rights regime. Like in the case of common property rights regime, tenure security, investment incentives, and access to bank loans are also main points of the debate over state property rights regime. Hence, I adopted in this thesis, where applicable, the literature on common property rights regime as a theoretical background to my empirical analysis of the Ethiopian experience that symbolises state property rights regime.

2.1. Property, Property Rights, and Property Regimes

2.1.1. Property and Property Rights

Property and property rights are complex concepts that refer to the relationships between individuals, not between a person and a thing, which arise in the process of exercising property rights through possession, use, receiving income from a resource, and transferring these rights to the third party (Eggertsson, 1996; Stevenson, 1991). For a property right to function properly, it should be defined and enforced by pertinent authorities – both customary and governmental. Bromley (1992: 4) explains the fundamentals of property and property rights as follows: ‘Property is a claim to a benefit (or income) stream, and a property right is a claim to a benefit stream that some higher body – usually the state [government] – will agree to protect through the assignment of duty to others who may covet, or somehow interfere with, the benefit stream’. The relations among different groups occur in the process of determining who has the right to a resource in question and who has the duty to refrain from interfering into those rights (Bromley, 1989a; Furubotn & Pejovich, 1972; Meinzen-Dick & Mwangi, 2008; Ribot & Peluso, 2003; Tsing, 2002 ; Vatn, 2005). In short, well-functioning property rights link three entities, namely rights holders, duty bearers, and rights-defining and protecting authorities.

This implies that property rights are social and legal, as well as, political in nature. They are social and legal because they are a bridge between people who have property rights, namely ‘right holders’ and those who have the duties to honour those rights, namely ‘duty bearers’. And property rights will operate successfully only if the duty bearers recognise and honour the claims of the rights holders (Riker & Sened, 1996; Shanmugaratnam, 1996). Where there is no duty to

respect the rights of others, holders of a piece of land, for example, merely enjoy '*privileges* rather than *rights*' (Sjaastad & Bromley, 2000: 367, italics in the original). This means that there can be no right in the true sense of the term where there is no corresponding duty (Bromley, 1992). Property rights are also political, because for property rights to be honoured, there must be a political authority at various levels to define, sanction, and enforce property rights so that the duty bearers will refrain from undue interference into others' property rights or risk punishment. Nevertheless, the presence of an enforcing authority in itself is not a sufficient condition for the protection of property rights. Enforcement and adequate protection also require political commitment and capacity on part of the authorities concerned.

2.1.2. Types of Property Rights Regimes

What is a property regime? 'A property *regime* is the structure of rights and duties characterizing the relationships between individuals ... with respect to a specific good or benefit stream' (Vatn, 2005: 255). There are three property rights regimes, and one non-property resource regime, which is, however, often presented in the literature as a form of property rights regime (e.g. Hanna *et al.*, 1996: 4, 5-Table 1.1). Property rights regimes include state property, common property, and private property. Below I briefly discuss each of these and describe non-property resource regime, which is open access.

State property: concerns the ownership of a resource by a state on behalf of all citizens. Under this system, the government, who controls the resources on behalf of the state, provides individuals – normally households – with the rights to use and earn income from a resource (Feeny *et al.*, 1990). However, resource users may not have the rights to alienate the resources in question through pledges or sales.

Common property: refers to a resource owned collectively by all members of a community. It has three features: (i) Members have equal rights to use the resource involved (Feeny *et al.*, 1990), although they may differ in their resource use capacity; (ii) Members have the rights to exclude non-members (or the 'outsiders') from using the resource (Binswanger *et al.*, 1993;

Ciriacy-Wantrup & Bishop, 1975; Sjaastad & Bromley, 2000). In this sense, common property is ‘*private property*’ for members of the community as a group (Bromley, 2002: 345, italics in the original); and (iii) The community regulates and monitors the use of the common resources by its members (Feeny *et al.*) to discourage resource overuse or destruction.

Private property: regards the situation where individuals or group of individuals (e.g. corporations) have the authority to regulate the use of the resources and exclude non-owners from benefiting from the resources. It also concerns owners’ ability to transfer their rights over the resources to others through various mechanisms of their choosing (Feeny *et al.*, 1990; McCay, 1996), including pledges and sales.

Open access: implies absence of any property rights. This is the situation where access to and use of a natural resource (e.g. high seas fisheries, the atmosphere) is unregulated and left open to everybody (Feeny *et al.*, 1990). This is because there are no rights holders to manage the resource in question (Bromley, 1989a), which implies the likelihood of dwindling natural resources.

However, classification of property rights regimes and associated owners’ rights must be understood in relative terms. Feder & Feeny (1991) warn that the general assumptions about such rights as exclusion, for example, should be treated carefully as they are imprecise and deceptive, particularly in developing countries. That is to say, there may be multiple and overlapping rights and interests over one and the same piece of land. Actually, this is also true for some developed countries. In Norway, for example, everybody has the right to move freely in a privately owned land, as long as he or she does not interfere with agricultural activities; and everyone has full access to forests and non-cultivated areas. One may even freely pick berries and wild fruits in the forests. The rights of entry are apparent especially to the coastline, the shores. Here, even the owner of a cabin with special permission to enclose his or her private area has to allow people to enter the shore, particularly in case of an emergency (Siegfried Pausewang)⁶.

⁶Siegfried Pausewang is Senior Research Fellow, Christian Michelsen Institute, Bergen, Norway, personal communication, July 15, 2010.

2.2. Politics and Shifting Property Rights Regimes

Politics plays a vital role in shaping the changes in property rights regimes. This role is particularly evident as regards property rights regimes in rural land in developing countries. However, before exploring the role of politics, I will briefly look into the role of economic, technological, and demographic aspects. The perspective that Bromley (1989a) terms as ‘the property rights school’, or Platteau (1996) terms as ‘the evolutionary theory of land rights’, tends to attribute the causes for the changes in property rights regimes to economic and technological factors. Demsetz (1967), for example, argues that technological progress and the changes in relative price are important factors in shaping the emergence of private property (and also state property) rights regime.

According to this perspective, there are a number of factors that make possible the conversion of land from communal to individualised property rights. These include land scarcity stemming from population pressure (Atwood, 1990, for Sub-Saharan Africa; Boserup, 1993; Feder *et al.*, 1988a; Otsuka & Place, 2001a; Ruttan & Hayami, 1984); steadily rising land price, resulting from increasing land value (Feeny, 1988), changes in agricultural technologies, and the development of ‘agricultural markets’ (Feder & Noronha, 1987: 143). All this leads to conflict of interests over land, causing a demand for tenure security that makes individualisation of the communal land necessary (Deininger, 2003). The implication is that the causes for the changes in property rights regimes in land are evolutionary, endogenous factors, namely changes from below. I do not intend to discuss this widely studied and well-articulated issue in detail here. Suffice it to say that this perspective tends to overlook the political dimension and power relations that normally surround the changes in property rights regimes. For an extensive review and critical comments, see, for example, Platteau (1996).

My emphasis in this thesis is on the role of politics in shaping changes in property rights regimes as applied to rural land in developing countries. It must be clear at the outset, however, that emphasising the role of politics does not intend to neglect the importance of economic, demographic, and technological attributes in shaping changes in property rights regimes under certain conditions. My argument is that under other conditions, as the experience of several

developing countries and former socialist countries shows, the changes are so determined politically and imposed swiftly from above that they allow little room for local evolutionary transformation. Here, politics becomes a driving force of the changes.

The significance of politics becomes more obvious when it is viewed in line with the effects of the changes in property rights regimes on different social groups. Hence, it is of paramount importance to identify winners and losers in the process, specifically when political decisions result in changes in property rights regimes, where some groups gain at the expense of other groups (Huntington, 1968; Sikor & Lund, 2009; Vatn, 2005). For example, if a government appropriates communal land and allocates it to the wealthy and politically connected groups or their associates, peasants and pastoralists will be dispossessed of their land and lose their collective land management authority. This will lead to the creation or aggravation of inequality in land allocation. The dispossessed collective owners will mostly become landless tenants subjected to, among other things, surplus appropriation, insecurity of tenure, eviction, and migration⁷. Conversely, when sweeping land reforms that emanate from socialist or socialist-oriented revolutions happen, the formerly underprivileged classes gain while the formerly privileged classes lose their property rights alongside political power. I will return to this shortly.

Nevertheless, a large body of earlier literature on changes in property rights regimes emphasises only one side of the coin, i.e., economic aspect, and tends to neglect the crucial role of politics in shaping changes in property rights regimes and related patterns of power relationships between the social groups involved. Eggertsson (1990: 250) terms this perspective as a 'naïve theory of property rights' because the theory views the government as playing a passive, not active, role in the process of changes in property rights regimes.

⁷Note, however, that appropriation of the communal land in agrarian societies normally does not immediately lead to displacement of the dispossessed owners of the land. There are two steps. The first step is the appropriation and concentration of land. However, the new owners initially need peasants to cultivate the land, so they will not evict them, rather, make them pay tributes, which normally increase over time, or they will have the peasants work for them as sharecroppers. Hence, although peasants lose their ownership rights, they retain access to the land as tenants. The second step is when agricultural mechanisation becomes more financially rewarding than cultivating by manual labour. This allows the landlords to replace labour with machinery; hence they evict the tenants in large numbers, who then lose access to land even as tenants.

Governments introduce changes in property rights regimes to achieve certain objectives. These objectives can be social, economic, or political motives to get 'popular support, which they acquire by ideological appeals' (Riker & Sened, 1996: 286). In fact, ideology plays a crucial role in influencing the decision of the political elite. That is why the inquiry of the role of politics in the changes in property rights regimes should also take the role of ideology seriously (Feeny, 1988; North, 1979; Platteau, 1995, 1996). In other words, ideology plays a remarkable role in advancing or retarding changes in property rights regimes, depending on the values and class interests that the ruling elite represent.

While the ruling elite generally play a critical role in advancing changes in property rights regimes, they sometimes also play a critical role in retarding the potential changes. This is particularly apparent when the wealthy and politically powerful landowners use their leverage to hinder changes in property rights regimes in land. For example, in many Latin American countries, there were strong movements and prospects for 'redistributive land reforms' in the late 1960s and early 1970s. However, such hopes were dashed in the mid 1970s due to increasing political domination of the landlords and the emergence of 'authoritarian' governments (de Janvry & Sadoulet, 1989). This shows the extent to which there is mutual influence between political power and control over land in developing countries. Just as political power shapes the changes and patterns of control over land, control over large tracts of land sometimes enables landowners to influence political decisions concerning patterns of landholdings.

Moreover, politics also plays a vital role in reversing the changes that have been made⁸. The newly emerging pro-landed elite governments in Guatemala, in 1954, and Chile, in 1973, reversed the gains of the land reforms, in Guatemala fully and in Chile to a large extent (de Janvry, 1981). The recent privatisation of rural land (and other major means of production) and restitution in the former Soviet Union and East European countries, following the shifts in political and ideological regimes, provides another example of the role of politics in reversing changes in property rights regimes.

⁸The change in a property rights regime is not always a forward movement. This means that a reversal of the changes that once took place is itself a change in the final analysis, although it is a backward movement, e.g., conversion of the formerly nationalised land from state property rights regime back to private property rights regime, as is currently practiced in many former socialist countries.

In general, politicians often employ a top-down approach in introducing changes in property rights regimes. Changes are often swift; they are not evolutionary developments initiated by the local communities resulting from economic and technological changes or population pressure, as the mainstream economic theory of property rights would suggest. In Sub-Saharan Africa (SSA), for example, changes in property rights regimes in land cannot be fully attributed to evolutionary changes from below, ‘because some of the changes were the results of government intervention (either colonial or postcolonial)’ (Feder & Noronha, 1987: 163). A top-down approach in the process of changes in property rights regimes, often coupled by the use of force, becomes more obvious, particularly when the changes involve drastic land reforms. I turn to this below.

2.2.1. Land Reform and Politics

Before analysing the role of politics in drastic land reforms, I will briefly introduce types of land reforms. What is land reform? There is no single or agreed upon definition of land reform. There are, however, two general categories of definitions, i.e., narrow and broad definitions. In a broader sense, land reform means many things. For example, Thiesenhusen (1989) equates land reform with agrarian reform that involves not only land redistribution, but also provision of extension services, infrastructures, credit facilities, and marketing support to the beneficiaries of the land reform. According to other authors, however, although agrarian reform is a necessary condition for the success of a land reform, it is not synonymous with it (e.g. Tai, 1974). Yet other sources view land reform as an element of agrarian reform (Thiesenhusen, 1995, Tuma, 1965), suggesting the presence of divergent views among researchers.

Land reform also concerns measures such as ‘the establishment of secure and formalized property rights in land’ (Brink *et al.*, 2006: 1), i.e., ‘formalization and privatization of traditional land rights’ (Hunt, 2006: 31) through titling; market-led or market-assisted land reform⁹;

⁹Market-led or market-assisted land reform, in the ideal world, involves the situation where land transactions take place between ‘willing sellers’ and ‘willing buyers’ in which government’s role is limited mainly to facilitating or mediating the interactions between potential land sellers and buyers. This type of land reform is currently a topic of

government-initiated resettlement schemes (Griffin *et al.*, 2002; Tai, 1974); and land tenancy reforms (World Bank, 1975). Tenancy reforms involve regulation of landlord and tenant relationships aimed at assuring a fair share of produce, protection of tenants from arbitrary eviction, and the like.

In its narrow and classical sense, land reform refers to a drastic political measure in which land is confiscated from the landed classes and redistributed to poor peasants and landless tenants (Brink *et al.*, 2006; Dorner, 1992; Lahiff, 2007a), thereby substantially changing the social status of various groups¹⁰. Alongside property rights, land reform also transfers political power from losers to the winners of property rights (Borras, 2005; Huntington, 1968; World Bank, 1975). Although fundamental shifts in political regimes may not always lead to shifts in property rights regimes, historical experience, nevertheless, shows that drastic land reforms do result from fundamental shifts in political regimes (Khan, 2004) and related ideologies.

Needless to say, the success of a land reform requires concerted and organised efforts, which go beyond decrees. Above all, it depends on political commitments on part of the reforming governments and all-round support to the beneficiaries of the land reform, together with sincere implementation of the reform measures (e.g., Ghimire, 2001; Griffin *et al.*, 2002). In addition to political commitment, the success of a land reform also depends on the presence of well-organised peasant associations and active participation of peasants through their associations in the implementation of the reform measures (Griffin *et al.*, 2002; Huntington, 1968; World Bank, 1975), but also in defending the gains of the land reform in an organised way.

It should be noted, however, that a drastic land reform may or may not lead to a change in property rights regime, i.e., from private to state property regime. A land reform will lead to a change in property rights regime, if it results from drastic social revolutions, such as in the former Soviet Union in 1917, China in 1949, or Ethiopia in 1974. On the other hand, a land reform may

debate. While supporters praise it as an efficient means of land redistribution (e.g. Brink *et al.*, 2006), critics consider it a ‘failed project’ (e.g., Borras, 2003, 2005) or, at least, a project that is not working well (Lahiff, 2007a, 2007b).

¹⁰Drastic land reform here implies the intensity of the measure through which the change in property rights regime occurs. It does not imply the actual implementation or sustainability of the reform measures, which can be affected by structural factors, such as inadequacies of resources, both financial and human.

be drastic by its nature, but may simply redistribute land within the existing private property rights regime. Such a reform intends to create broad-based private property relations in the rural areas, that is, to create a class of small property owners, or owner-operators. Examples are Japan, South Korea, and Taiwan subsequent to WWII, where governments had taken away ‘excess’ land from the landed elite, with some compensation, which means ‘compulsory purchases’ (Griffin *et al.*, 2002: 303) and redistributed it to tenants and ‘land-poor’ peasants at a ‘low’ price.

There are internal and external causes for a land reform to happen. Among the internal causes, social revolutions are the foremost (Griffin *et al.*, 2002; Tai, 1974). Political and ideological commitments aimed at containing the threat of rural ‘communism’, as in South Korea (Huntington, 1968) are other causes. An external cause for a land reform arises from foreign intervention. Classic examples come from Japan, South Korea, and Taiwan, where land reforms were undertaken through direct intervention of the United States (Dorner, 1992; Griffin *et al.*, 2002; Hunt, 2006). Several other post-war land reforms that were sponsored by the United States and its allies were likewise motivated by political and ideological objectives of containing the spread of ‘communism’ and to prevent ‘revolutions from below’ (Courville & Patel, 2006: 15).

2.2.1.1. Objectives of Land Reform

Although governments introduce drastic land reforms for various reasons, political objectives are often in the forefront (e.g. de Janvry, 1981; Tuma, 1965), such as strengthening the power base of the newly emerging governments and weakening the power base of the expropriated landed classes (Ellis, 1992)¹¹. This is because a drastic land reform would obtain peasant support for reforming governments, which is crucial for legitimacy of their political power and political stability (Huntington, 1968; Tai, 1974). This means that while undermining the power base of the

¹¹On the other hand, governments may introduce ‘minor’ changes, like in Egypt, Iran, and Pakistan (Tai, 1974: 52), to pre-empt the emergence of a radical land reform.

landed elite, a drastic land reform will provide reforming governments with a wider opportunity to suppress resistance to their authority by wooing, organising, and mobilising peasants¹².

Land reform also has social and economic objectives. In social terms, which are related to political (and ideological) objectives, it aims at undermining sources of land concentration and bringing about 'distributive justice' or to redress past inequities in land allocation (Brink *et al.*, 2006; Ellis, 1992; Tai, 1974; Tuma, 1965) and associated skewed income distribution. In economic terms, a land reform has various targets. Primarily, it aims at making poor peasants and tenants beneficiaries of the fruits of their labour, which will motivate them to adequately invest in their land and enhance productivity (Huntington, 1968; Tai, 1974). Land reform is also an important factor for employment creation and 'poverty reduction' (Quan, 1997: 1). Nevertheless, to achieve its economic objectives, a land reform must be supplemented by agrarian reform measures (Tai, 1974; Thiesenhusen, 1989), such as outlined earlier.

2.2.1.2. Redistributive Land Reform and Farm Size

There is an ongoing debate about whether conversion of large farms to small family farms, as a vital aspect of redistributive land reform, is justified on productivity grounds. Supporters argue that as small farms intensively use unpaid family labour, they are more efficient (e.g. Thiesenhusen, 1995), unless market imperfections constrain them (Deininger *et al.*, 2003), than large farms that depend mainly on hired labour, which is costly to supervise (e.g. Griffin *et al.*, 2002)¹³. This is called an 'inverse farm size-productivity relationship' (Brink *et al.*, 2006: 19), or simply an inverse relationship, which according to supporters, causes efficiency to increase with the decrease in the farm size and vice versa. The World Bank has often been supporting small,

¹²At times, the reverse may also be true. That is to say, 'Land reform can also open the door to increased instability' (de Janvry, 1981: 219), caused by non-reform beneficiary peasants or the 'expropriated landed elites' who are encouraged by foreign interventions.

¹³Analysts, meanwhile stress that large farmers by virtue of their wealth and political connection, have more access to market information and technological innovations, and receive support from governments, such as subsidised credit, which small farmers can hardly obtain (e.g., Brink *et al.*, 2006).

instead of large, farms since 1975 based on such a belief (Brink *et al.*, 2006). Outstanding accomplishments in China, Thailand, and Costa Rica are examples of ‘the most successful agricultural systems in the world’ (ibid: 20) that are based mainly on small farms.

Countering the above claim of the supporters of small farms, several authors argue in favour of large farms. Sender and Johnston (2004) remark that the argument for redistributive land reform on the assumption that small farms are more productive than large farms is not adequately supported by empirical evidence, especially in SSA. It is, therefore, synonymous with ‘an ideologically driven search for something that does not exist’ (ibid: 144). Supporters of large farms, furthermore, maintain that the advancement in agricultural technologies has reversed the advantages that small farms had once enjoyed. Now, as large farms use agricultural mechanisation, they do not need much labour, nor do they expend large resources in labour supervision. With the expansion of agricultural technology, ‘owners of large farms will frequently reduce their labor force and move in the direction of capital intensive, mechanized operations with a relatively small force of skilled workers (supplemented when needed by seasonal labor)’ (Dorner & Kanel, 1971: 46; see also Chimhowu & Woodhouse, 2006; Thiesenhusen, 1989). This is because agricultural mechanisation is useful as ‘labor-saving’ technologies, thereby, lessening the costs of supervision. In other words, large farms are beneficiaries of economies of scale, and, thus, much more cost-effective than small farms that lack these important attributes (e.g. Byres, 2004)¹⁴.

Nevertheless, other authors hold that small farms themselves can use modern machinery appropriate to their size and other inputs coupled by intensive use of the available land (e.g. Brink *et al.*, 2006). The East and Southeast Asian experience supports this claim. For example, ‘the Japanese case shows that technology can be adopted to fit small farms if research is specifically directed to achieve these results’ (Dorner & Kanel, 1971: 48). Alongside labour-saving technologies, small farms, like large farms, can also effectively use ‘land-saving’

¹⁴However, economies of scale as applied to agricultural technologies must be understood in relative terms. While being applicable to technologies such as dams and large irrigation structures, they do not apply to land- saving technologies, which can be divided and ‘applied equally well and efficiently on small farms’ (Dorner and Kanel, 1971: 50).

technologies, such as fertiliser, improved seeds, pesticides, and herbicides¹⁵. For this to happen, however, small farmers must have access to and be able to pay for such inputs, obtain adequate credit, and access irrigation water (Thiesenhusen, 1989). They must also be supported to develop their managerial skills, access output markets, and receive fair prices.

Thus far, I have mainly examined the role of politics in shaping changes in property rights regimes in land from private to state and public property. This is one side of the coin, however. The other side of the coin, which remains a topic of intense debate, is whether or not to convert a common property rights regime (and by extension, also state property rights regime) to private property rights regime through individualised land titling. I examine this aspect in the remaining parts of this literature review.

2.3. The Debate over Property Rights Regimes in Land in Developing Countries

2.3.1. Criticisms against Common Property Rights Regime and Suggested Alternative

Policy: Land Individualisation through Titling

The criticisms against common property rights regime (or the ‘commons’, as it is conventionally called) and the call for its alteration stem from the notion that this regime is defective. Hardin’s (1968) famous article, ‘The tragedy of the commons’, was for some years seen as a vital tool in the analysis of the defects of common property rights regime. Hardin used the tragedy of the commons ‘as a metaphor for the problems of overuse and degradation of natural resources including the destruction of fisheries, the overharvesting of timber, and the degradation of water resources’ (Ostrom, 1999: 493). Hardin maintains that common property resource is subject to overuse and destruction, resulting from rivalries among members of the community involved. He views common property as nobody’s property, for there are no rules and regulations to monitor the access, use, and maintenance of such a resource. Moreover, absence of ownership and

¹⁵Nevertheless, it can be argued that in developing countries where labour is cheap and imported technology expensive, and expensive to maintain, even the economic argument for labour saving becomes inadequate.

controlling mechanisms encourages self-centred individuals to over-exploit the common resources without considering the harm that such an action will do to other members of the community. The overall implication is that individual rationality leads to 'universal ruin' (Hardin, 1968: 1248). As a remedy for 'the tragedy of the commons', Hardin suggests two policy options. While the first is outright privatisation, the second regards government intervention through rules and regulations to prevent further tragedy.

Like Hardin, Demsetz (1967) tends to take communal land for an open access situation and holds that in the final analysis, it is nobody's property. Demsetz's thesis is that communal land is subject to overuse and degradation, whose costs are borne by all members of the community. However, unlike Hardin, Demsetz, in principle, accepts the possibility for negotiation. He, nevertheless, stresses that it is hard to reach agreement among all members of a community to regulate the access, use, and preservation of the common resources. Further, even if agreement is reached in principle, the enforcement costs will be too high for the community to bear. As a cure for what he perceives as the defects of the 'commons', Demsetz (1967: 356) proposes privatisation, because

private ownership of land will internalize many of the external costs associated with communal ownership, for now an owner, by virtue of his power to exclude others, can generally count on realizing the rewards associated with husbanding the game and increasing the fertility of his land. This concentration of benefits and costs on owners creates incentives to utilize resources more efficiently.

Demsetz reinforces his theory of property rights regime change in an article published in 2002. Here, while acknowledging the role of 'collective action' in the management of the resources that are difficult to divide up, he maintains that individualised property is superior to collective property in enhancing agricultural efficiency. Likewise, North and Thomas (1977) explain the need for changing land tenure system from communal to private property. They hold that private property, unlike communal property, provides landowners with strong incentives to invest in their land.

The current argument for land titling in developing countries traces its origins to early writings of the property rights school (e.g. Alchian & Demsetz, 1973; Demsetz, 1967). However, nowadays, unlike in the past, there is a tendency of a change in the use of terminology, while the core arguments are yet retained intact. Now, instead of privatisation, the term land titling (namely individualised, not group, titling) is frequently used. In the literature that advocates land titling, the same arguments for privatisation are forwarded.

Moreover, the mainstream thinking maintains that land titling will alleviate conflict over land, because landowners will have legal documents to claim land in case of challenges (Griffith-Charles & Opadeyi, 2009). It will also remove ambiguity in property rights and radically reduce the transaction costs associated with defending land rights (Feder and Nishio, 1998). Below, I will elaborate on security of tenure, investment incentives, and access to credit as justifications for land titling.

2.3.1.1. Security of Tenure

Migot-Adholla and Bruce (1994) define security of tenure as the situation where the possessors of parcels of land perceive that they have uninterrupted rights to the land. This means that no one interferes to impose his or her will and landowners have unrestricted rights to deal with their land in any manner of their choosing. They also have the freedom to enjoy the fruits of their labour and capital. Sjaastad and Bromley (2000: 370) offer a more cautious definition of security of tenure. In their view, security actually means ‘assurance’ and the conventional view that associates it with ‘breadth of rights’ and ‘duration of rights’ is less relevant¹⁶.

The arguments of the mainstream economic theory of property rights for land titling is based on the supposition that individually titled land is superior to communal land (and also state land), which creates insecurity of tenure for landholders¹⁷. As holders of untitled land have only *use* rights, not ownership rights, they fear that they may lose their land rights any time, for

¹⁶By breadth of rights is meant ‘the number of different activities captured under the right, in effect the ‘size of the bundle’ (Brink, 2006: 4) of rights.

¹⁷With regard to land use rights, communal land such as in many SSA countries is of two types. There is the land that the chiefs allocate to households for farming, which is inheritable; and one that the communities put aside for common grazing and other collective purposes.

example, through confiscation by the government (Feder & Nishio, 1998). According to this perspective, the problem of insecurity of tenure will be addressed through land titling, which will provide landowners with superior security of tenure. Many authors are of the opinion that security of tenure also involves transfer of land rights, both short-term and permanent transfers, including land sales (Ault & Rutman, 1979; Johnson, 1972; Schlager & Ostrom, 1992) that permit transfer of land to more efficient users (Feder & Feeny, 1991; Griffith-Charles & Opadeyi, 2009; Jacoby & Minten 2007). Restrictions on such transfer rights imply the absence of tenure security.

However, the concept of tenure security is so complex that it is difficult to define, leave alone measure, it implying that tenure security should not be taken at a surface value. This is because ‘tenure security is multidimensional and subjective so that many of the relevant elements are not easily observed or measured by outsiders’ (Deininger & Ali, 2008: 871-72; see also Deininger & Jin, 2006; van Gelder, 2010). Bruce *et al.* (1994), therefore, emphasise that term tenure security needs to be used cautiously. To determine whether there is tenure security, researchers should thoroughly examine the views and feelings of landholders or owners in a specific area, in a given time period, rather than merely arguing on the basis of theories or principles.

2.3.1.2. Investment Incentives

The argument for individualised land titling is based on the conviction that tenure insecurity under untitled land discourages landholders from investing in their land. Feder *et al.* (1988a: 5) stress that ‘The most obvious effect of insecurity of landownership is increased uncertainty whether the farmer will be able to benefit from the investments that he makes – in equipment, structures, irrigation infrastructure, or land conservation measures – to retain or improve the productive capacity of his farm’ (see also Johnson, 1972). Conversely, investment incentives of titled landowners are superior to those of holders of untitled lands (Feder & Feeny, 1991; Feder & Nishio, 1998; Furubotn & Pejovich, 1972; Smith, 2004). The often cited success story comes from Thailand, where titled small landowners in the majority of the areas studied, performed far ahead of their untitled counterparts in similar areas both in terms of the level of investments and

volume of production (Feder, 1987: 174)¹⁸. There are similar findings in SSA. Holden *et al.* (2009) find positive links between land use certification, tenure security, and a variety of investment activities in northern Ethiopia. Deininger and Ali (2008) for Uganda, and Smith (2004), for Zambia's southern province, report likewise.

2.3.1.3. Credit

Access to bank loans is another argument for land titling. Several authors maintain that by providing landowners with the authority to officially transfer their land rights, titling enables them to borrow from banks for investments by pledging land. According to this perspective, titled land is advantageous for both borrower and lender. It enables a borrower to access bank loans at comparatively low interest rates and in large quantity, as compared to borrowings from informal sources of lending, which are both expensive and small in quantity. Land titling also assures a lender that the potential borrower is actually the owner of the land involved, who has legally sanctioned rights to transfer land in case of default (De Soto, 2001; Feder, 1987; Feder & Nishio, 1998).

2.3.2. Defence of Common Property Rights Regime and Critical Perspectives on Individualised Land Titling

Supporters counter the criticism against common property rights regime and the suggested privatisation of land by Demsetz and others on two grounds. The first, which they view as the main shortcomings of the criticism against common property rights regime, is the misunderstanding about the essence of this property regime and likening it with open access resources (Bromley 1989a; Ciriacy-Wantrup & Bishop, 1975; Stevenson, 1991). According to its supporters, common property has defined communities of owners who have the capacity to

¹⁸The study compares squatters on state land with peasants who have title deeds over land in Thailand. However, the experience of the Thai squatters appears to be less relevant to the experience of legitimate, although not necessarily titled, holders of both communal and state lands, such as in SSA.

manage their resources. The communities have the capacity to successfully exclude non-members (or the outsiders) from accessing or using the resources involved, and such exclusion is ‘the rule rather than the exception’ (Feeny *et al.*, 1990: 7). Alongside excluding non-members, the communities also control the behaviour of their own members in the process of resource access and use.

This implies that there can hardly be tragedy under common property rights regime, unlike under open access resources (Vatn, 2005). For example, experience from the Japan’s ‘common lands’ (Ostrom, 1987: 257) and the Swiss Alps (Stevenson, 1991) has shown the capacities of the village communities to manage their resources. These communities, through rules and social norms, have regulated rights and duties of members with regard to access and use of common resources. The regulations are used not only to monitor the behaviour of resource users but also to punish wrongdoers. In this way, the local communities have proved themselves capable of controlling overgrazing and destruction of other common resources.

The second point concerns exaggeration of the role of private property rights regime and underestimation of the role of common property rights regime in resource use and management. Experience shows, however, that while owners of common property successfully manage to control resource overuse, as discussed above, private owners overuse their resources, which has led to ‘the obvious destruction of privately-owned lands the world over (e.g. soil erosion)’ (Bromley, 1989b: 868, see also Otsuka & Place, 2001b). A good example of the criticism against Demsetz and others comes from Bromley (1989a: 14-15), who stresses that:

By failing to understand the concept of property and therefore being unable to comprehend the notion of common property as a constellation of rights for the co-owners – including the most fundamental right to exclude non-owners – Demsetz is led to elevate private property to the status of a major institutional defense against resource destruction. By positing a false polarity between the free-for-all of open access and the presumed wisdom of private property, Demsetz and others distort institutional arrangements and, more importantly, elevate one particular institutional structure (complete private property) as the only efficient institutional form.

Based on empirical findings from several developing countries, particularly SSA countries, several authors oppose individualisation of communal land presented as land titling. In the remaining portion of this sub-section, I will analyse the criticisms against land titling, with the

focus on security of tenure (analysed in the framework of titling and property rights regimes), investment incentives, and access to credit. I will also briefly discuss some other pertinent issues, including land rental markets, costs of titling, and alternative perspectives to conventional land titling.

2.3.2.1. *Security of Tenure*

2.3.2.1.1. *Land Titling and Security of Tenure*

Critics challenge the thesis that land titling will provide small owners with higher security of tenure than untitled land. They argue that individually titled land, rather than assuring security of tenure, may create or aggravate the already existing insecurity of tenure for small landholders. This is because titling may create conducive conditions for the rich and politically powerful to grab land at the expense of the local communities or small landholders (Atwood, 1990; Brink *et al.*, 2006; Feder & Nishio, 1998; Peters, 2004; Platteau, 2000; Toulmin, 2008)¹⁹. A recent finding in Thailand supports this argument. In the early 1990s in a number of areas in Thailand, community lands were registered in the names of the wealthy individuals in the urban centres. The local communities realised that their land had been appropriated only when the new landowners started to enclose the land (Leonard & Na Ayutthaya, 2006).

Land grabbing by manipulating the process of titling is apparent, especially in SSA countries (Platteau, 1996; Holden *et al.*, 2009). According to a World Bank publication, ‘In many African countries title deeds create room for opportunistic behavior. Political and economic elites can use their influence with the land administration agencies to acquire title deeds in non-transparent manner, confiscating existing informal property rights of local communities or

¹⁹Individualised titling will also adversely affect ‘secondary land rights’, such as limiting pastoralists’ access to grazing land, and excluding women (e.g., Musembi, 2007), unless joint titling is issued for couples, as in the Punjab State in India (Deininger & Feder, 2009) or as has recently been introduced in Ethiopia. Enforcement of women’s land rights in developing countries is a complex subject, however. It depends on how organised and assertive the women are to defend their land rights. It also requires the presence of an efficient and impartial judiciary to which women can appeal and receive justice.

unregistered state lands' (Brink *et al.*, 2006: 12). Borras (2006) argues likewise regarding state and public land everywhere in developing countries. This suggests that unless cautiously handled and implemented in a transparent and participatory manner, individualised land titling may do harm to its supposed beneficiaries²⁰.

Land grabbing in the process of titling is, nevertheless, only one way through which the poor will lose their land to the rich. It is also likely that they will lose land through distress sales that result from 'income shocks' caused by factors such as 'crop failure, death of animals, price fluctuations, and job loss or illness' (Ruben & Masset, 2003: 482; see also Platteau, 1996, for additional causes of distress sales). Land sales under such circumstances will lead to land concentration (Deininger, 2003) and create or aggravate the existing inequalities in asset and income redistribution (Otsuka & Place, 2001b; Vatn, 2005). As Lemel (1988: 275) remarks, 'where ... private property exists and land becomes a commodity to be freely exchanged, title may actually smooth the path toward property loss', instead of serving as a mechanism for assuring tenure security for small landowners²¹.

²⁰One of the means through which to minimise land grabbing both in the process of titling and thereafter is issuance of land use certificates through 'first-time registration' to holders of both state and communal lands, without changing property rights regimes. Besides discouraging land grabbing, this approach is also cost-effective, as compared to conventional titling. Arguably, if cautiously designed and successfully implemented, which are challenging tasks in developing countries who lack both financial assets and skilled manpower, land use certificates provide landholders with life-long use rights together with transfer rights (except for mortgages and sales), including bequeathing rights. The current Ethiopian experience supports this assertion. For detailed review, see Deininger *et al.* (2008). Moreover, as a recent experience from China shows, reforming land use rights under state property rights regime can have 'a significant and quantitatively important impact on increasing the security of property rights' (Deininger & Jin, 2009: 23).

²¹In addition to insecurity of tenure, and contrary to the supposition of the mainstream thinking, individualised titling and associated land concentration may also result in land-based litigation (Boserup, 1993) and even violent conflict (Atwood, 1990; Binswanger *et al.*, 1993; Broegaard, 2009). Platteau (1995: 18) stresses that, 'titling opens up **new** possibilities of conflict and insecurity that can have disastrous consequences for vulnerable sections of population **at a time when their livelihood crucially depends on their access to land**' (emphasis in the original). Insecurity of tenure and land-based conflicts are only two aspects of negative effects of land titling and private property rights regime in developing countries. Others include increased rents, eviction, and migration, especially rural-urban migration, of landless tenants. Where alternative means of employment opportunities or sources of income are

It must be stressed that distress land sales means that small landowners have no choice but to sell their last asset, irrespective of the consequences for their future life and that of their children and grandchildren. Thus, while helping peasants address immediate liquidity problems, distress sales will expose them to the loss of their crucial asset and basic means of livelihoods in the long run (Binswanger *et al.*, 1993; Ruben & Masset, 2003; Vatn, 2005). Beyond land loss for the poor, distress land sales may also adversely affect social fabrics because it ‘often threatens community identity, social stability, and sense of place – especially if these permit outsiders to capture control of community land’ (Richards, 2002: 20).

Therefore, it is of paramount importance to protect poor peasants not only from those who grab land using their political power, but also from those who grab land using their financial power. This objective can be achieved by restricting or prohibiting land transactions, both rentals and sales (Ho & Spoor, 2006; Lemel, 1988), where private ownership of land exists.

Politically imposed restrictions have their own drawbacks, though. While such restrictions may generally protect small landowners from losing their land, they discourage potential efficient users from accessing land, implying waste of resources (Johnson, 1972). Moreover, imposition of restrictions is a legalistic approach to a structural problem. While a legalistic approach may help stop or minimise formal land sales, it can hardly stop informal land sales, which are difficult to trace. I argue, further, that political restrictions do not address the fundamental problems that force poor peasants to alienate their land in the first place, namely lack of financial assets to solve their immediate problems and the absence of a fallback ground option. In short, the intention for imposing restrictions on land transactions may be pro-poor, but a legalistic approach will work only if the real causes of the problems that lead to distress land sales are addressed. For example, availability of alternatives such as non-farm employment opportunities may reduce distress land sales.

Moreover, where imposition of restrictions on land transactions is not a policy option, governments must seek mechanisms through which to minimise the adverse effects of private property rights regime in land for the poor. To minimise distress land sales and related

scanty, tenant eviction, particularly when this is of a large-scale type, will have wide-ranging consequences for evicted tenants. It will also create or aggravate insecurity of tenure for those remaining behind.

aggravation of inequality and social problems, governments should assist poor peasants in every possible way, for example, through provision of credit facilities and access to agricultural inputs and outputs markets (e.g., Deininger & Binswanger, 1999), and by also making available ‘safety nets’ at the time of catastrophe (Deininger, 2003).

The alternatives to land sales markets, which are also a means for minimising distress land sales and insecurity of tenure, are land rental markets – sharecropping and fixed rentals. Land rentals are a useful means of transferring land from households that have abundant land but are labour-deficient, to labour-abundant, but landless or land-poor households²². In other words, while serving as a source of income for the land owners, rental markets transfer land to more efficient users (Vranken & Swinnen, 2006). From the perspective of the lessees, land rentals have the following additional benefits, among others²³:

Firstly, where credit market imperfections prevail, land rentals are more advantageous than land purchases (Deininger & Binswanger, 1999; Pender & Fafchamps, 2005; Vranken & Swinnen, 2006), as they require relatively less amount of money to access land. The fact that in a majority of developed countries, ‘between 40 [percent] and 70 percent of all cultivated agricultural areas is rented rather than owned’ (Deininger & Binswanger, 1999: 264), arguably, illustrates the extent to which renting land is more advantageous than buying it in terms of saving money, although buying land may be more useful than renting in terms of asset building.

Secondly, land rentals are a stepping stone to land ownership by the landless, who could subsequently buy land by gaining experience, developing skills, and saving money while working land as tenants (e.g., de Janvry *et al.*, 2001).

Thirdly, where land sales are prohibited, land rentals become a vital means through which the landless or land-poor households would access land to cultivate. In general, properly

²²Nevertheless, shortage of labour is only one possible reason why small owners rent out land. They may also rent land because they lack oxen or financial capital to access other inputs or hire labour, or they may simply need the money for immediate consumption.

²³Note, however, that although these are promising suppositions in the ideal world, in reality, there are some constraints to land rental markets in developing countries. For example, there is no guarantee that land rentals will always lead to efficiency due to market imperfections, such as credit market imperfection.

functioning land rental markets serve both purposes of efficiency and equity (Otsuka & Place, 2001b).

2.3.2.1.2. Property Rights Regimes and Security of Tenure

Security of tenure, as outlined previously, is an intricate concept that must be viewed in a broader sense. It should not be boiled down to individualised land titling, as the presence of formal ownership of land in itself does not guarantee tenure security over it (Brink *et al.*, 2006; Toulmin, 2008). Hussein (2001), therefore, argues that the main source of tenure security or insecurity is not the form of property rights regime *per se*, but rather the class interests that the ruling elite represent. For example, where the ruling elite favour the rich and politically powerful, and where there is no impartial and efficient judiciary, small owners may lose their titled land to the elite. In other words, political power can be used to seize land or ‘assist in unfair acquisition of land by elites’ (Deininger & Feder, 2009: 6), dispossessing small landowners of their land.

Furthermore, tenure security is not all about property rights. A leaseholder is as secure as a landowner during the lease period to make both short-term and long-term investments in land as per the officially sanctioned contractual agreements (Johnson, 1972). Analysts also argue that there is no difference between long-term and short-term leases concerning tenure security, because a short-term lease is as secure as a long-term lease ‘for its duration’. The difference between the two regards the types of investments that one wishes to make, *i.e.*, seasonal or long-term (Bandiera, 2007; Brink *et al.*, 2006; Simpson, 1976), such as tree planting or terracing. In short, ‘Only uncertainty related to the period for which the right is held – not the period itself – will, in this view, cause insecurity’ (Sjaastad & Bromley, 2000: 370). Note, however, that this assertion presupposes the presence of the rule of law, an independent judiciary, and political will on part of the government authorities.

Conversely, where these attributes of a democratic political system are absent or inadequate, a landowner is as insecure as is a leaseholder. Just as a powerful landowner can arbitrarily evict a weak leaseholder by breaking the contractual agreements, the rich and

politically connected leaseholder can *de facto* dispossess a weak landowner of his or her titled land. All this implies that in the final analysis, tenure security or insecurity is essentially about power relations, rather than about property relations. In other words, 'If tenure insecurity is fundamentally due to an inability of rights-holders to get their rights enforced, whether the legal instruments are customary or statutory, then the problem ultimately traces back to powerlessness, and proposed solutions must address this' (Smith, 2003: 219).

It is important to record that the realities on the ground challenge the validity of the argument that titling provides landowners with absolute rights and tenure security over their land. Although land titling enables owners to claim land in case of challenge, it cannot protect them from political interventions. Rights carry with them duties to observe in accordance with pertinent legislation. While granting titles, governments 'reserve' for themselves the power to intervene into titled, privately owned land, for various reasons. One of the justifications for government intervention is the need for appropriation of land with fair compensation for 'public purpose' (Brink *et al.*, 2006; Richards, 2002)²⁴. Another justification concerns the need to monitor that owners use their land appropriately and in a 'socially desirable manner' (Alchian & Demsetz, 1973; Bromley, 2002; Lemel, 1988). In other words, governments want to make sure that landowners 'avoid environmentally or socially harmful outcomes' (Deininger & Feder, 2009: 5; see also Bromley, 1989a). Political intervention, further, refers to the imposition of restrictions on or total prohibition of land sales to foreigners, including in developed countries such as the United States and some Western European countries, e.g., Switzerland and Denmark (Brink *et al.*, 2006: 6).

Land titling can serve the intended purpose of enhancing tenure security only if the government is both willing and capable to safeguard small owners from dispossession by the elite (Feder *et al.*, 1988b). Where the government lacks the will or capacity to protect private land rights, there is little or no justification for individualisation of the communal land (Bromley, 2008). Moreover, absence of recognition or inadequate enforcement of property rights also implies that what is formally private property rights regime may actually become an open access

²⁴While this system may function well in developed countries, one cannot rule out the possibility for the abuse of authority and land appropriation for the benefit of the elite in developing countries, in the name of public purpose or promotion of investments.

resource (Feder & Feeny, 1991) or ‘no man’s land’, making title deeds less relevant (Deininger & Jin, 2006)²⁵. Under such circumstances, title deeds will merely remain an expression of the goodwill of those who grant them, rather than mechanisms for defending small owners’ land rights.

In contrast, tenure security can be achieved under communal land tenure system (Brink *et al.*, 2006; Ho & Spoor, 2006). Under normal circumstances, communal tenure may even provide landholders with better tenure security than individually titled land (Sjaastad & Bromley, 1997), as it is difficult to alienate land under this system. Communal tenure also has additional mechanisms for providing tenure security. That is to say, attributes such as ‘social networks ... [and] local norms ... may actually create a higher degree of tenure security, regardless of the possession of formal land titles’ (Broegaard, 2005: 848)²⁶, as experience from many African countries shows (e.g. Feder & Nishio, 1998; Quan, 1997).

Nevertheless, tenure security that communal ownership of land provides is narrow in scope. While communal ownership may protect smallholders from internal dispossession, it may not protect them from external or political interventions. This is because governments in many countries view communal land as state property and may ‘appropriate’ and allocate it to the ruling elite or their associates by dispossessing small landholders or creating conducive conditions for land grabbing (e.g., Bruce, 2000; Platteau, 2000). This suggests that in many developing countries, the main sources of tenure insecurity for holders of communal land are governments. Many governments recognise common property rights regime only when the land in question is less attractive to the elite or governments (Toulmin, 2008). In contrast, landholders enjoy tenure security over their holdings where governments sanction common property rights regime and these rights are enshrined in national laws, such as in Ghana and Nigeria (Brink *et al.*,

²⁵Likewise, where there is no adequate enforcement, state property rights regime (e.g. forestland) itself may in practice become an open access resource (Otsuka & Place, 2001b). The same logic also applies to common property rights regime.

²⁶Similarly, some authors argue that state property rights regime can be as secure as a private property rights regime. This means that where, for example, there are long-lasting and legally sanctioned lease arrangements, coupled by certain transfer rights, between governments and peasants, there is little difference between private ownership of land and *use* rights under state ownership with regard to tenure security (Deininger 2003; Feder & Feeny, 1991).

2006), and honoured and enforced effectively. The overall implication is that governments are sources of both security and insecurity of tenure.

In general, tenure security can be assured only under a well-functioning political system (Bromley, 2002), regardless of the form of property rights regime. This is because under all forms of property regimes, the government has an ultimate power in defining and enforcing property rights by all means it deems necessary (Ribot & Peluso, 2003), including the use of force. On the other hand, although crucial, government recognition is not the only source of legitimacy of land rights and tenure security. For land rights to be more secure, the communities concerned must also recognise it (Broegaard, 2009; Toulmin, 2008). Community recognition becomes more important, particularly as regards private property rights in land. This is because the absence of such recognition means that it will be costly for small landowners to enforce their land rights (e.g., Vatn, 2005) through fencing or employing guards, for example. Furthermore, in the case of forest land, the presence of guards may not help much, as guards may either be bribed or overwhelmed by those who wish to use the forest resources.

2.3.2.1.3. Costs of Titling

In addition to the effects of land titling on security of tenure for small landholders or owners, the critics also challenge the arguments for titling on the grounds of the transaction costs of titling (Deininger & Feder, 2009; Lemel, 1988; Quan, 1997). This means that even where smallholders are interested in acquiring titles, high transactions costs discourage them from registering their land (Toulmin, 2008). And to encourage smallholders to get their land registered, governments have to subsidise titling projects (Benjaminsen & Sjaastad, 2003). Moreover, if governments impose titling on small landholders, they must cover the entire costs themselves (Bruce *et al.*, 1994). However, covering or even subsidising the expenses of land titling is a heavy burden for the governments of most developing countries who lack financial resources. High transaction costs, then, provide a justification for maintaining common property rights regime (Runge, 1992).

Therefore, even when land titling is demand-driven, governments must weigh the advantages of titling for individual landholders against the costs that titling incurs for the society (Feder, 1987; Feder & Nishio, 1998) before embarking on titling projects. That is to say, even when the demand comes from below, governments should determine ‘whether adjudication, registration, and titling of land, which is costly, is the best way to spend scarce resources’ (Place & Migot-Adholla, 1998: 372). The World Bank suggests that governments in developing countries should find alternative ‘most cost-effective ways’ of enhancing tenure security for smallholders, rather than pursue the conventional way of titling (Brink *et al.*, 2006), which is not only costly, but also mostly counterproductive.

2.3.2.1.4. Alternative Approaches to Conventional Land Titling

There are two alternative approaches to conventional land titling. The first approach is group titling, such as the one currently under way in some SSA countries, e.g., South Africa and Tanzania (Benjaminsen *et al.*, 2008). While the World Bank has been supporting individualised land titling in developing countries for decades, it is currently encouraging group titling. The Bank realised over time that the dominant thinking of the 1970s and 1980s is not working well nowadays. Although title deeds were then conceived as ‘indispensable’ sources of tenure security, enhanced investments, and access to credit by small landowners, their importance is questionable today, requiring ‘empirical research’ (Brink *et al.*, 2006: 12). This apparent shift in stance on the part of the Bank resulted from the recognition that titling projects, by and large, have proved to be a failure (Peters, 2004), ‘with unanticipated results such as increased conflict, greater asset inequality... and the manipulation of the process by an elite to its own advantage’ (Benjaminsen *et al.*, 2008: 28), resulting in marginalisation of smallholders.

Group titling has, at least, two advantages over individualised titling (i) It is cost-effective, for it involves delimiting ‘the boundaries of community land only’ (Brink *et al.*, 2006: 15; see also Toulmin, 2008), and not of lands held by individual households; (ii) It does not affect

property rights regime, meaning, common property rights regime is kept intact²⁷. Unlike individually owned land, communal land is flexible and accommodative. It provides equity in land access to community members (Binswanger *et al.*, 1993; Otsuka & Place, 2001a; Platteau, 2000; Vatn, 2005), and addresses secondary land rights.

The second alternative to conventional land titling is ‘context-specific’ approach. According to this perspective, land titling should be implemented only where there are compelling reasons to do so. And the policy decision to carry out titling must be based on thorough analysis of the realities on the ground in each country and even specific areas in a country (Deininger & Feder, 2009; Deininger & Ali, 2008; Griffith-Charles & Opadeyi, 2009; Hunt, 2006; Lemel, 1988). In other words, land titling should not be based on a one-size-fits-all approach, or ‘preconceived notions of the necessity for land titling’ (Feder & Noronha, 1987: 161). Simply put, there is no cut-and-dried formula to apply everywhere and at all times. Individualised land titling is justified under certain conditions, for example, ‘where indigenous tenure systems are weak or absent [implying the absence of tenure security]’ (Jacoby & Minten, 2007: 461; see also Brasselle *et al.*, 2002; Platteau, 1995, 2000, for additional such conditions). However, even when conditions for individualised land titling are present, to be successful titling should be demand-driven (Place & Migot-Adholla, 1998). A centrally imposed titling project or a top-down approach is less likely to work as intended or to last long.

2.3.2.2. *Investment Incentives*

The critics object the argument that individually titled land is the best mechanism to motivate small landowners in developing countries to invest in their land. They maintain that under the ‘right conditions’ there is no difference between individually titled property and communal property in enhancing investments and agricultural efficiency (Jacoby & Minten, 2007; Musembi, 2007; Sjaastad & Bromley, 1997).

²⁷ Group titling is supposed to protect the community concerned against land claims by the outsiders, such as neighbouring communities (Atwood, 1990; Lemel, 1988).

Analysts argue, moreover, that there are a number of crucial non-tenurial factors that influence smallholders' or owners' investment behaviour (e.g., Binswanger *et al.*, 1993; Migot-Adholla *et al.*, 1991). As Rosset (2006: 320) remarks, 'People need more than land if they are to be successful. There must also be a supportive policy environment and essential services such as credit on reasonable terms, infrastructure, support for ecologically sound technologies, and access to markets and fair prices'. One can also add to the list attributes such as soil fertility, availability of or access to irrigation water (or adequacy of rainfall), peasants' education and training to improve their managerial skills, peasants' industriousness and innovation, favourable terms of trade, presence of agricultural marketing, and savings and credit cooperatives. While emphasising the role of land tenure, the mainstream economic theory of property rights tends to neglect non-tenurial aspects, which are actually much more important than the land tenure system in advancing or retarding agricultural investments. Future debate over investment incentives for small landholders or owners must move beyond land tenure policy; it must also pay due attention to the non-tenurial factors.

On the other hand, several authors challenge the assumption that tenure security is always a prerequisite for investments, for ground realities also show reverse causality in which case investment precedes tenure security (Alemu, 2009, Besley, 1995; Braselle *et al.*, 2002; Brink *et al.*, 2006; Place, 2009; Sjaastad & Bromley, 1997). In a number of instances, small landholders make long-term investments, particularly tree planting, as a means of 'assuring' tenure security over their holdings. For example, in a recent study in Thailand, Wannasai and Shrestha (2008: 223) report that, 'Forest encroachment and the plantation of perennials, e.g. rubber [trees], were found associated with landholders who have insecure tenure and who seek to claim official land documents'.

All this shows that tenure security in itself plays a minor role in influencing smallholders' or owners' investment behaviour (Atwood, 1990; Bruce, 2000; Bruce *et al.*, 1994; Holden *et al.*, 2009; Musembi, 2007; Place & Hazell, 1993). There is, hence, no significant link between land titling and tenure security, on the one hand, and landholders' or owners' investment incentives, on the other, making the relationship between tenure security and investment incentives a complex and controversial issue. Furthermore, 'there is no general theoretical result regarding whether uncertainty over tenure rights increases or reduces investment' (Robinson, 2005: 156).

Therefore, it is only by empirically examining particular conditions in a given time period that it is possible to ascertain whether there is a causal link between tenure security and smallholders' or owners' investment decisions (Atwood, 1990; Deininger & Jin, 2006; Place, 2009). This suggests that individualisation of land rights, which is presented as titling, and the presumed tenure security associated with it can hardly be a panacea for agricultural inefficiency in developing countries. As Hoben (2002: 31) remarks, this is because 'Land tenure policy is not a magic bullet that can jump-start a rural economy. Land reform cannot make more land. But appropriate land policy can facilitate and encourage agricultural intensification, investment and the growth of off-farm employment in small-scale enterprise' (see also Smith, 2003).

The critics also challenge the generalisation that land titling makes it possible to transfer land through sales to more efficient producers. They claim that in developing countries, the wealthy do not always buy land for productive purposes. In a number of cases, they buy land, instead, for 'noneconomic' (Deininger, *et al.*, 2003: 1401) and status-related reasons, which means 'prestige purposes' (Bruce, 1993: 42); or for 'speculative purposes' (Haugerud, 1989: 77), or they simply need land 'as an insurance device' (Ruben and Massest, 2003: 484) or as 'an important store of wealth' (Deininger, 2003: 94).

Why do research findings differ on the links between land titling, tenure security, and smallholders' or owners' investment incentives in developing countries? Analysts attribute the discrepancies in research findings to methodological weaknesses. Brasselle *et al.* (2002) suspect that reports of causal link between tenure security and investment incentives stem from inadequacies in research design. Smith (2003) admits that there are no adequate empirical data in SSA to show such links. Smith (2004) argues, however, that the inadequacies of evidence stem from the methods employed, and do not in any way justify the claim that the links do not exist. Place (2009: 1331), on the other hand, attributes divergences in research findings to the lack of an 'agreed upon way to measure tenure security and results may be related to choice of proxy' (see also Deininger & Ali, 2008). The divergences also imply the fact that 'many of the conclusions in the literature are derived from small samples originating in limited geographical domains' (Deininger & Jin, 2006: 1250).

2.3.2.3. Credit

The critics hold that it is difficult to make a general assertion that land titling in developing countries enables small owners to access bank loans. A number of aspects substantiate this assertion:

i) Landowners may be unaware of the availability of bank credit facilities, as experience from Uganda, for example, shows (Roth *et al.*, 1994).

(ii) For fear of the risk of defaulting and losing their land, landowners may be discouraged from pledging it (Migot-Adholla *et al.*, 1994; Platteau, 1995; Ruben & Masset, 2003; Shipton & Goheen, 1992).

(iii) Even if small owners are willing to pledge land, banks may not accept it. Beyond land ownership, banks by and large, consider dependable non-farm income stream of the potential borrower (Bruce, 1993), 'satisfactory maintenance of a relatively substantial bank account rather than title deeds to small plots of land' (Place & Migot-Adholla, 1998: 360-361), or longstanding 'record of good repayment performance' (Feder, *et al.*, 1988a: 47), or banks may simply request 'group guarantees' (Place and Hazell, 1993: 14), which normally do not require land as collateral.

(iv) Banks may be reluctant to give loans to individual small landowners owing to the high transaction costs that such a lending involves (Atwood, 1990; Musembi, 2007) or because of the high risk associated with land enclosure if borrowers default. That is, enclosure may be difficult to enforce due to popular opposition or the absence of an efficient and impartial judiciary (Platteau, 2000).

(v) Even if banks succeed in enclosing land, they may not find markets to sell it due to inadequate rural land markets or weak financial markets (Atwood, 1990; Bruce, 1993).

A World Bank study on Kenya partly summarises these points of argument. According to this study, 'while the farmers are increasingly reluctant to use the title deed as collateral, formal credit

institutions do not put much faith in the title deed because they find it difficult to sell the land' (Migot-Adholla *et al.*, 1994: 139; see also Hunt, 2004).

For all this reason, the argument that land titling in developing countries provides for small landowners' enhanced access to credit is less realistic (Bruce *et al.*, 1994; Migot-Adholla *et al.*, 1991). In contrast, large landowners benefit from formal sources of credit by pledging their titled land (Carter & Olinto, 2003; Feder and Nishio, 1998). And such a discriminatory nature of titling aggravates 'preexisting inequalities' (Deininger & Binswanger, 1999: 260) in the rural areas. In addition, small landowners' lack of access to adequate credit implies less investments and lower land productivity, even if tenure security is obtained through titling (Feder & Noronha, 1987).

To sum up, the literature reviewed above suggests that the subject of property rights regime in land in developing countries is a complex political issue. Through the use of force and laws, governments shape changes in property rights regimes and power relations among various social groups. As a result of such politically imposed changes, some groups gain while other groups lose their property rights. As to who gains and who loses in the process will be determined by the class interests and related political ideologies of the ruling elite.

The literature also reveals that the question of appropriate property rights regime in land in developing countries is a subject of intense debate. While theoretical positions appear polarised in terms of for and against one or another form of property rights regime, the realities on the ground show that there are critical views that spotlight the complexity of the subject. More specifically, the issue of the links between the form of property rights regime and small landholders' or owners' tenure security, investment incentives, and access to bank loans in developing countries, especially SSA countries, is a debatable subject. All this suggests the need to recognise the fact that each property rights regime 'responses to different local environments in which institutional innovation takes place' (Runge, 1992: 35). As the concept of property rights regime in land in developing countries is quite complex and contentious, more comprehensive, in-depth empirical studies are needed to figure out the merits and demerits of each property regime in time and space, rather than take position based on preconceived ideas or ideologies.

3) Study Areas

The study is based on field research conducted in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia, over the period of January 2005 to May/June 2006²⁸. Historically, both Arsi Negele and Hetossa belonged to the Arsi Province. However, Arsi Negele was annexed into the Shewa Province in 1963 and, in 2006, incorporated into the newly established West Arsi Zone. Hetossa has always remained part of the Arsi Province (now Arsi Zone). The Arsi Oromo form the majority of the residents in the two *woreda* under study. The Arsi are Muslim and are among a number of clans of the Oromo ethnic group. They inhabit mainly the Arsi, Bale, and West Arsi Zones of the National Regional State of Oromia. Some Arsi also live in East Shewa and Guji Zones of Oromia.

Farming is the main activity in the two *woreda*. Agriculture is nearly entirely rain-fed. Peasants practice mixed farming. Crop production is the main livelihoods of the rural communities, followed by animal husbandry. While livestock breeding is the main activity in the lowland areas, crop production is the predominant form of farming in the midland and highland areas. Due to the shortage of land for grazing, peasants in the midland (and also highland) areas do not normally raise much livestock. Alternative means of income or employment opportunities in the rural areas in the two *woreda* is meagre. Only a few peasants are engaged in bee cultivation, handicrafts, and charcoal and firewood production, as well as, some sand production in the Rift Valley areas in Arsi Negele, and petty trade, which is minimal. Most peasants do not have money to do business.

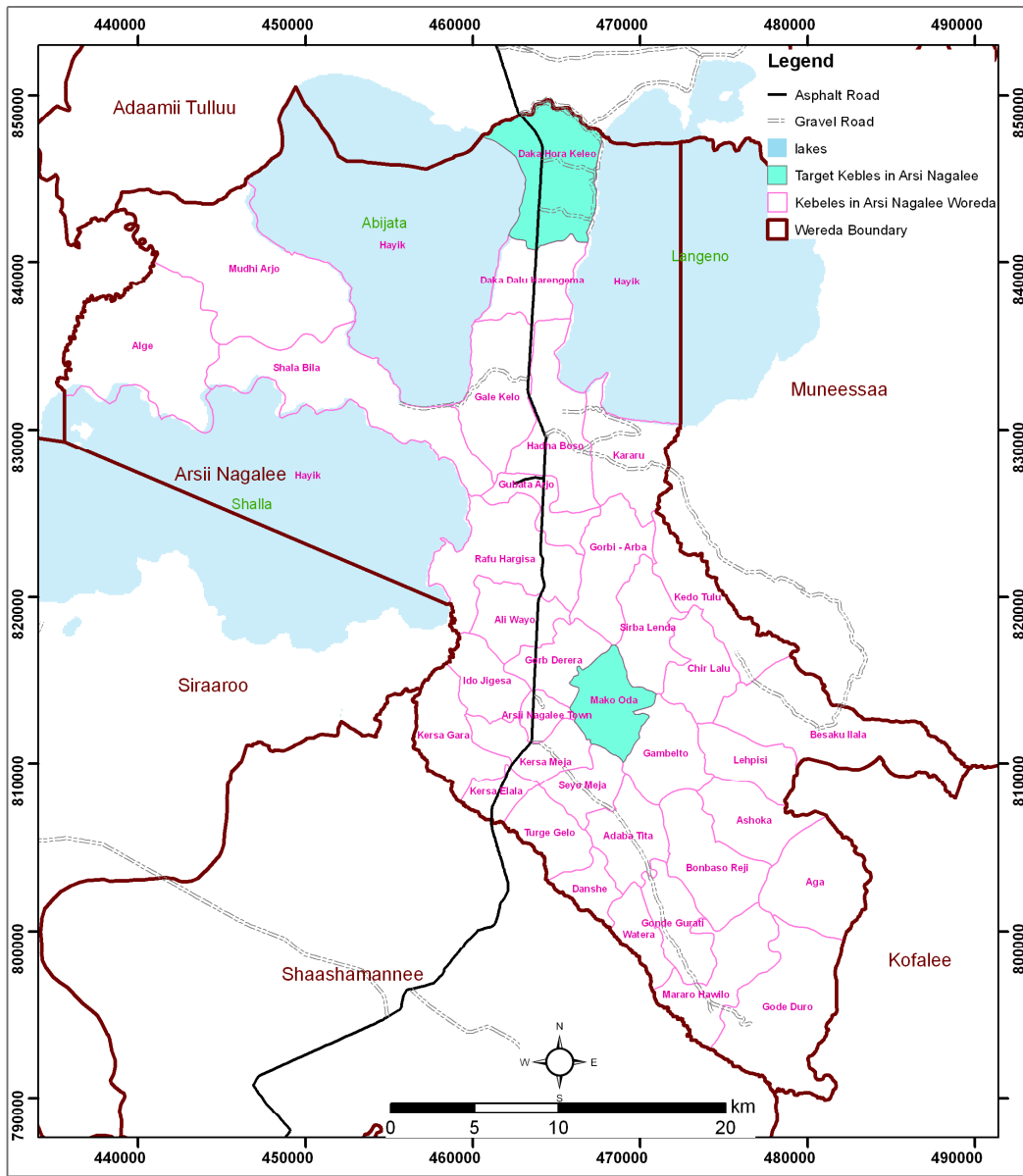
While the above features are common to the two *woreda*, each *woreda* also has its own specific features. I will describe them below.

²⁸The data on climate and altitude are drawn from the Department of Finance and Economic Development, Arsi Zone (2004) and Setegn *et al* (2003), for Hetossa and Arsi Negele, respectively. The rest of the data are obtained from departments of agriculture and rural development and peasants and agricultural experts in the two *woreda* under study, coupled by my own observations, unless otherwise indicated.

3.1. Arsi Negele

Arsi Negele is one of the 11 *woreda* in the West Arsi Zone. It borders Adami Tulu-Jido Komoblcha *Woreda* in the north, Munessa *Woreda* in the east, Kofele *Woreda* in the south and south-east, Shashamene *Woreda* in the south-west, and Siraro *Woreda* in the west (Fig. 1). It has an area of 1,400.16 square kilometres (CSA, 2007: 29). Negele, the administrative centre of the *woreda*, is located 225 kilometres south of Addis Ababa, the capital city of Ethiopia, and 25 kilometres northeast of Shashemene, the administrative centre of the West Arsi Zone. The highway from Addis Ababa to Moyale, on the border with Kenya, divides the town from east to west.

Figure 1: Administrative Map of Arsi Negele Woreda



Source: Bureau of Finance and Economic Development, Government of the National Regional State of Oromia

Arsi Negele *woreda* consists of 33 rural and three urban *kebele* administrations. It has a total population of 204,267, of which 100,635 are male and 103,632 female (CSA, 2007: 29).

The elevation of the *woreda* rises to the south-east from the north, west, and south-west. The elevation generally ranges between 1,500-2,300 metres above sea level. The south-eastern highland part of the *woreda* is located at about 3,000 metres above sea level. The *woreda* is divided into three major agro-climate zones, namely lowland, midland (or moderately cool) and highland. The major part of the *woreda* (about 80 per cent) belongs to the midland category. The average annual temperature in the *woreda* varies between 10-15 degrees Centigrade in the highland areas and between 15-20 degrees Centigrade in the remaining parts. The average annual rainfall ranges between 800-1,400 millimetres.

Forests are found mainly in the south-eastern highland areas. The northern and western parts of the *woreda* are covered by woodland and savannah. Broadleaf forests cover the south-eastern highland areas. The major Rift Valley lakes of Abijata, Langano, and Shala are partly situated in the *woreda*. The *woreda* also has a good number of rivers. Almost all the rivers stem from the south-eastern highland areas.

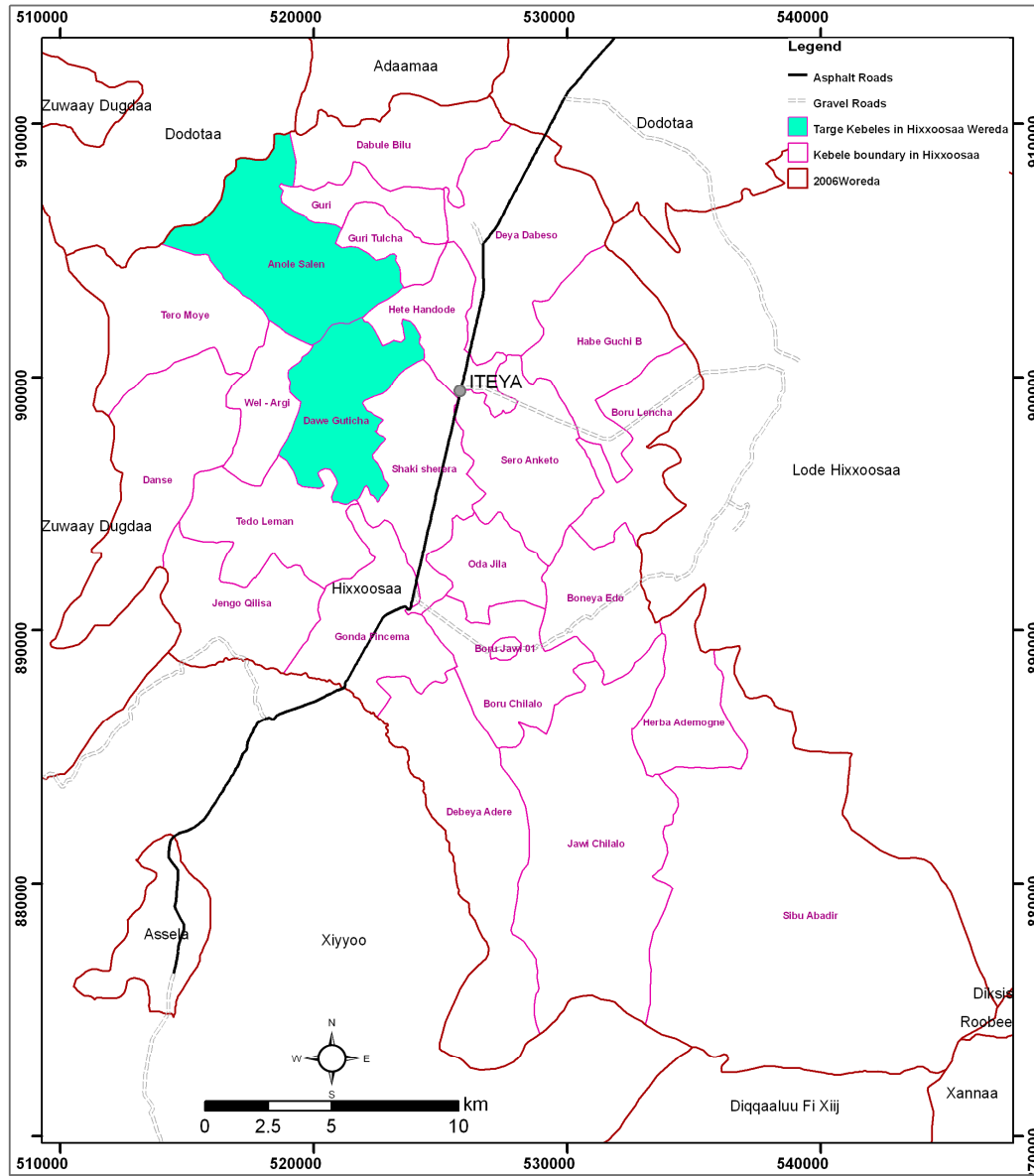
The main cereal crops include maize (35 per cent), wheat (32 per cent), haricot bean (12 per cent), and *teff*, which is a staple food in the urban centres (11 per cent). There are also a variety of fruits and vegetables, such as banana, potato, and sugarcane. The yield for wheat is on average 25 quintals per hectare under traditional cultivation (and up to 40 quintals under mechanised farming) and between 30 and 38 quintals for maize. Yields in mechanically cultivated fields are higher than those cultivated in a traditional way for a variety of reasons, such as adequate use of fertilisers, improved seeds, and chemicals, and managerial skills. Oxen are the main means of cultivation. Peasants in the fertile midland areas and around Negele town use tractors, as well. Nearly 100 per cent of wheat and up to 75 percent of other cereals are harvested by combine harvesters.

Donkey carts are the main means of transporting peasant produce to the market. The topography of most parts of the *woreda* is conducive for carts. Peasants closer to the rural road also use Isuzu trucks as alternative means of transporting produce to markets.

3.2. *Hetossa*

Hetossa is one of the 22 *woreda* in the Arsi Zone. It borders Dodota Sire *Woreda* and East Shewa Zone in the north, Lode Hetossa *Woreda* in the east, Digalu and Tijo *Woreda* in the south, Tiyo *Woreda* in the south-west, and Ziway Dugda *Woreda* in the west (Fig. 2). The total area of the *Woreda* is 1,215.47 square kilometres (CSA, 2007: 30). Itaya, the administrative centre of the *woreda*, is located 150 kilometres south-east of Addis Ababa and 25 kilometres north of Asella, the administrative centre of the Arsi Zone.

Figure 2: Administrative Map of Hetossa Woredaa



Source: Bureau of Finance and Economic Development, Government of the National Regional State of Oromia

Hetossa *woreda* consists of 23 rural and two urban *kebele* administrations. It has a total population of 255,436, of which 127,049 are male and 128,387 female (CSA 2007: 30).

The topography of the *woreda* consists mainly of plains with some small hills. The slope of the *woreda* gradually rises from the south and south-west to Chilalo Mountain. The altitude of the *woreda* ranges from 1,700 metres to 4,030 metres above sea level. There are two major rivers in the *woreda*-Wedecha and Gonde. The rivers are only used for supplying drinking water for livestock and people²⁹. The *woreda* is divided into three agro-climatic zones, namely lowland (21.73%), midland (60.87%), and highland (17.4%). The mean annual rainfall varies from 800 to 1,300 millimetres. The average annual temperature is 10.25 degrees Centigrade.

The major crops produced in the *woreda* include wheat, barley, and *teff* from cereals, and horse beans, haricot bean, and field peas from pulses. The *woreda* is known at the Oromia level for its wheat production. Cereals are the main crops in the *woreda*. Onion, potato, and sugarcane are cash crops for peasants. The yield for wheat ranges between 15 and 21 quintals per hectare under traditional cultivation and 40 to 50 quintals under mechanised farming. The variation in the yield is a result of quality of the soil, inputs used, managerial skill, and weather conditions, especially rainfall. Oxen are the main means of cultivation in the *woreda*, followed by tractors. In the fertile midland areas, some 40 per cent of the peasants use tractors for the first round of cultivation, when the soil is comparatively hard for oxen, and use oxen thereafter. Up to 75 per cent of wheat is harvested by combine harvesters. The remaining portion of the wheat and all other cereals are harvested manually.

Donkeys are the main means of transporting peasant produce to the market. In the midland areas, Isuzu trucks are also penetrating the villages. The rugged terrain in the highland and lowland areas makes it almost impossible for peasants in remote *kebele* to take their produce to the market, even by donkey. Peasants, thus, sell produce at a cheaper price in their localities for consumption.

²⁹There are no documents to my knowledge that explain the situation of the forests in the *woreda*.

4. Methods

This study employs a multiple or comparative case study approach, which focuses on specific cases, but also considers situations ‘across cases’ (Punch, 1998: 152), which means ‘case studies (of a broader class of units)’ (Gerring, 2004: 352). However, there is no standard or agreed upon definition of a case study. Pointing out the limitations of earlier definitions, Gerring (2004: 342) gives a working definition of a case study in political science as ‘*an intensive study of a single unit for the purpose of understanding a larger class of (similar) units*. A unit connotes a spatially bounded phenomenon – e.g. a nation-state, revolution, political party, election, or person – observed at a single point in time or over some delimited period of time’ (italics in the original). I adopt Gerring’s definition in this study. While it is difficult to generalise from this case study about the political history of land tenure in southern Ethiopia, our findings, nevertheless, show how the general strategy of land appropriation is applied to particular contexts. The findings will also complement future similar studies in other areas.

The field research is essentially an opinion survey. It mostly investigates peasants’ views about the existing land tenure system and related issues, including tenure security, investment incentives, access to credit, and peasants’ preferred future tenure policy options in the light of the current national debate over the issues, and examines problems associated with land lease markets in Arsi Negele and Hetossa *Woreda*. It also explores peasants’ experiences and perceptions about the role of politics in shaping changes in property rights regimes in land and how this has historically affected peasants in the two *woreda* under study.

4.1. Sources and Instruments of Data Collection

I used a multi-method or triangulation approach to data collection and also tried to diversify sources of data even within each method. Diversification was necessary to check findings of one method against the findings of other methods. Because land tenure is a complex issue, it is difficult to depend on a single method to obtain adequate and credible data on the subject.

Accordingly, I collected data from both secondary and primary sources. Secondary sources included books, scientific journals, federal and Oromia constitutions, and proclamations.

I obtained most of the literature from Noragric library, as well as, online and from Addis Ababa University libraries – especially Kennedy and the Institute of Ethiopian Studies libraries. Addis Ababa University was also the main source of legislation and archival materials³⁰. Primary sources of data included mainly key informants and participants of focus group discussions, supplemented by archival materials³¹.

I conducted the field research in three phases. First, I made a preliminary field trip in January 2005 (two weeks). The trip was useful for me in many ways: (i) to make a preliminary assessment of and get general impression about settings of the study; (ii) to identify, determine, and visit the study sites; (iii) to identify and contact some of the potential key informants; and (iv) to familiarise myself with an overall research environment. In general, the preliminary field trip was a door-opening step for my subsequent visits to the study sites and contacts with the interviewees. Based on the information I obtained during the preliminary field trip, I consolidated the interview guidelines (Appendix I) for in-depth interviews during the main field visits. I started the main field research during the second round of the field trip, March-May 2005 (two months). I conducted extensive fieldwork during my final field trip, October 2005 to May/June 2006 (eight months)³². Overall, I spent some ten and a half months on the field research, which involved a series of contacts with *kebele*, *woreda*, and zonal level informants. I continued with empirical data collection until the end of July 2006, through interviews with key informants at the Oromia and federal levels, alongside consulting archival materials and the literature.

Below, I will elaborate on key informant interviews and focus group discussions, as main sources of primary data. I will also present pertinent factors that have facilitated data collection,

³⁰There were no archival materials at the *woreda* level to my knowledge. I realised that documents under Haile Sellassie's government were destroyed during the revolution of 1974, as they were considered irrelevant. For similarly reason, records under the *Derg* were demolished during a change of government in 1991.

³¹ All the names cited in this study are real names. The interviews were entirely based on the goodwill of the interviewees. The interviewees were well aware of the purpose of the interviews and I got their verbal consent to quote them in my thesis.

³² Both during my second and final rounds of field visits, I was assisted by two research assistants whom I recruited one each from the two *woreda* selected for the study. The research assistants played an important role in facilitating meetings with oral historians in remote areas, organising focus group discussions, and also in taking pictures.

including entry to the field, participation in social activities, and acceptance among the research communities.

4.1.1. Key Informant Interviews

The key informants for the historical aspects of the study (especially Paper 2, but also Paper 4) were oral historians (from among community elders), as main sources of information, former landowners or their representatives, and former village headmen-or *chika shum* (former *balabat* are not alive). The interviews were supplemented by archival materials. Key informants for the current aspects of the study included community elders (not necessarily oral historians), officials of *kebele* administrations, officials of *kebele* social courts – former *fered shengo* or judicial tribunals (officials of *kebele* administrations and social courts were peasants, as well), leaders of agricultural marketing cooperatives, and land lessors and lessees³³.

Moreover, I interviewed ‘district’ bank managers, *woreda* and zonal heads of offices of women’s affairs (*kebele* women’s and youth committees were merely under formation during my field visits), officials and experts at *woreda* and zonal departments of agriculture and rural development, leaders of agricultural marketing cooperatives, ‘district’ bank managers, officials and experts at the Bureau of Agriculture and Rural Development-the government of the National Regional State of Oromia- *woreda*, zonal, regional, and federal party and government officials, leaders of main opposition political parties in the country, and some other individuals.

From among the key informants, community elders, especially oral historians, by virtue of their knowledge, age, experience, and social status, were crucial sources of information on the unrecorded political history of property rights regimes in land in and across the two *woreda* under study. This remarkable role of oral historians is in line with the literature, which argues that oral history intends ‘to give voice to what would otherwise remain voiceless even if not traceless’ (Connerton, 1989: 18). One of the factors that make oral history a crucial research methodology is its capacity to provide ‘significant and sometimes unique information from the past’ (Thompson, 2000: 172; see also Dunn, 2000; Yow, 2005) through the medium of oral

³³ There were no agricultural investors operating in the two *woreda* under study during my field visits.

historians³⁴. Interviews with community elders were also useful sources of data on ‘life history’, in which elders narrated their own personal involvements and experience in events, such as tenant eviction and migration.

I met with some of the community elders through *kebele* administration officials during my preliminary field visit. This created an opportunity for me to locate and establish contacts with some of the potential key informants. I also identified some of the oral historians before travelling to the two *woreda* under study, as they were well known at the zonal level. Subsequently, I identified many other community elders, especially oral historians, through the elders with whom I had already established contacts, which constitutes a ‘snowball sampling’ (Bryman, 2004: 100). In fact, some oral historians recommended to me their counterparts to participate with them in the interviews, as ‘recall-aiding’ and/or to fill the information gap (Fig. 3).



Figure 3: Holding Discussions with Community Elders

³⁴While acknowledging that there is no standard definition of oral history, Yow (2005: 3), nevertheless, gives a working definition of oral history as ‘the recording of personal testimony delivered in oral form’.

I also realised that while all the oral historians I interviewed had general knowledge about the subject under study, each also had areas of ‘specialisation’. Some were ‘experts’ on the pre-occupation period, others on the conquest and local resistance, others on the politics of land appropriation and land allocation, some others on land-based litigation, and yet others on eviction and migration of tenants, and land appropriation and displacement of small landowners. Indeed, I learned a lot from the diverse, long-standing experiences and untapped knowledge of oral historians in Arsi Negele and Hetossa *Woreda*.

In line with the literature (e.g. Ritchie, 1995), I was flexible in administering the interviews with the community elders (both oral historians and others). The interview questions were semi-structured, open-ended type to enable me pose further questions following the responses of the elders, on the basis of the formally designed interview guidelines. I only posed some fundamental questions to the elders to provoke discussions and asked for clarifications or elaborations or reminded them of certain events.

Furthermore during the interviews with elders, I behaved as their son, as a good listener and learner (in the Oromo society, we use the term *aaboo*, meaning ‘the respected father’, and not the formal Mr., when addressing knowledgeable and respected community elders). Actually, the elders themselves guided the conversations, which was an ‘informant-focussed’ interview approach. It was more of informal talk. Mostly, I was more of a listener than an interviewer. Such an approach was crucial in obtaining me more acceptance among the elders and collect valuable data. It was also a departure from the old approach in which an interviewer ‘plays the role of authoritative scholar’, while the interviewee is the ‘passive yielder of data’ (Yow, 2005: 1). This should not imply, however, that I was a passive listener in the process. It means, rather, that the conversations were based on mutual recognition and respect between the interviewees and myself, which meant a ‘collaboration’ (Yow, 2005: 2) project.

4.1.2. Focus Group Discussions

Focus group discussions (or group interviews) were other valuable sources of primary data. They were indispensable sources of data on shared perceptions, views, and opinions about the existing

land tenure and associated issues in the study areas. While holding discussions with group interviewees, I focussed on such issues as tenure security, investment incentives, access to bank loans, land rights, conflict and litigation, peasants' preferred future tenure policy options, and means of access to land, particularly land markets – both rental and sales markets and associated problems (e.g. land alienation)³⁵. I held focus group discussions with participants from four *kebele*, namely Mekko Odda and Dakka Harakdho from Arsi Negele, and Dawie Guticha and Annole Salan from Hetossa. There were twelve groups in the four *kebele* (i.e., three from each *kebele*), and each group was composed of six to eight members. Focus group discussions involved a total of 91 participants.

I identified and selected participants of focus group discussions with the assistance of community elders and officials of *kebele* administrations, partly based on a 'wealth-ranking' categorisation as locally perceived, namely rich, medium, and poor peasants. In the study areas, land size, number of cattle, oxen, and annual cereal crop production are the main measures of wealth. Nevertheless, the concept of wealth-ranking in the study areas must be understood cautiously for two reasons: (i) Among the three categories of participants of focus group discussions, mostly only men are landholders (joint titling was merely underway during my field visits) and also have control over other household resources³⁶; and (ii) Perceptions of wealth-ranking differ from one area to another even among the *kebele* that have similar land quality and agro-climatic conditions. For example, while rich peasants in Mekko Odda *kebele* own between 50 and 60 cattle, their counterparts in Dawe Guticha own between 30 and 40. Both *kebele* belong to the fertile midland category. We found similar situations within each *woreda* when considering land as a measure of wealth. In Hetossa, while middle peasants in Dawe Guticha *kebele* hold between two and three hectares of land, their counterparts in Annole Salan *kebele* hold 1.5 hectares. Moreover, while annual crop production is the most important measure of

³⁵ Although land sales are prohibited constitutionally, peasants in the study areas, like in many other areas in Oromia, sell land underground under the guise of pledges presented as leases, although pledging land itself is illegal (see Paper 4, and also Paper 3).

³⁶Note, however, that according to the Oromia 'first level certificate book of rural land holding', there is only a landholder, not holders, in a household, which is by and large male head of the household, and partners are registered as spouse(s). Women are considered landholders only when they receive holding certificates in their own names. On the other hand, the fact that wives are registered on the certificates as spouses itself has raised their confidence, and now husbands do not dare to ignore the consents of their wives while officially leasing land out.

wealth in the fertile midland (and, by and large, also highland) areas in both *woreda*, in the lowland areas, in contrast, cattle, not crop production, are the most important measure.

For all this reason, women and youth participants of group interviews were primarily selected for their knowledge about the subject under study, not on the grounds of their wealth status. They were also selected with the understanding that they would best represent their respective groups.

Demographically, participants of focus group discussions were classified into three categories: male, female (Fig. 4), and youth (Fig. 5) of both sexes. Given the prevailing customs of the rural communities in the study areas, categorising participants and organising separate forums were necessary to encourage both women and the youth to express themselves freely. Besides, I tried to encourage women participants of focus group discussions to freely and openly air their views about their situations as compared to those of men (e.g. land rights). Similarly, for cultural reasons, the youth in the rural communities such as my study areas are socially considered as juniors, and generally do not dare to publicly forward opinions that challenge or contradict opinions of the elders (the 'seniors'). This experience supports the literature suggesting that a researcher can hardly expect active participation of all members of focus group discussions by 'bringing together people in a hierarchal relationship to each other' (Bryman, 2004: 360). Categorisation was also useful to ascertain that all the concerned categories of the peasant communities of the study sites were fairly represented.



Figure 4: Meeting with Female Participants of Focus Group Discussions

Why group interviews? Today, group interviews are increasingly becoming one of the key methods of conducting qualitative research. Punch (1998: 177) summarises the attributes that demonstrate the crucial role of group interviews in qualitative research as follows:

Well facilitated group interaction can assist in bringing to the surface aspects of a situation which might not otherwise be exposed. The group situation can also stimulate people in making explicit their views, perceptions, motives and reasons. This makes group interviews an attractive data gathering option when research is trying to probe those aspects of people's behaviour. They are inexpensive, data-rich, flexible, stimulating, recall-aiding, cumulative and elaborative.

In line with the literature (e.g. Fontana & Frey, 2008), I organised focus group discussions in such a way that the interactions would take place mainly between the group members themselves, rather than between me and them, unlike in the case of key informant interviews. I played the role of moderator or facilitator of the group interactions rather than that of an interviewer. My role was mainly to supply topics and questions to the participants to initiate and provoke discussions and ask for clarifications. As in the key informant interviews, I used an open-ended, semi-structured interview technique when conducting group interviews. In fact, I

was quite impressed by the intense debate that the participants, above all male participants, held at times among themselves. They not only reminded but also corrected one another, negotiated, and reached consensus in virtually all the cases, before conveying to me their shared views and positions³⁷.



Figure 5: Youth Participants of Focus Group Discussions

Nonetheless, following Fontana and Frey (2008: 128), but also Bryman (2004), I occasionally intervened in group discussions for three reasons: (i) to ensure that the discussions did not deviate from the objectives of the study and related research questions, and that all the topics were covered as planned; (ii) to ensure that the groups were not dominated by some ‘influential’ individuals, especially among male participants; and (iii) related to point number (ii), to encourage quiet participants, especially among female participants, to speak out and, thus, make sure that all participants contributed to the conversations.

³⁷I concluded each interview session within a maximum of two hours, so as not to bore the participants.

4.2. *Entry to the Field, Participation in Social Activities, and Acceptance in the Research Communities*

Entry: I followed the existing formal channel of communication and procedure to facilitate my entry to the field, based on my past research experience among rural communities. Accordingly, I first obtained a letter of support from the Addis Ababa University, which was addressed to the government of the National Regional State of Oromia. Subsequent to that, I obtained a letter of support, which was actually, an entry permission, from the Office of the President of the Regional State that was addressed to the zonal administrations. I obtained similar letters from the zonal administrations to the *woreda* administrations and from the *woreda* to the concerned *kebele* administrations. Likewise, I also got letters from the zonal and *woreda* administrations that were addressed to pertinent departments at both levels.

Participation: Participation in different social activities in my research communities, although symbolic, was useful in obtaining me more confidence of the local people and enabling me to collect more reliable data. By participating in communities' social activities, I obtained the status of an 'insider'³⁸. I passed some nights in the huts of peasants (Fig. 6), participated in harvesting (Fig. 7), attended open markets, and walked in the fields and forests to get more knowledge about the research environment and also to meet ordinary people arbitrarily and chat with them. Moreover, I participated in important social events, including wedding ceremonies and funeral services. Participation in social activities also provided me with good opportunities to chat with peasants, understand local people's perceptions of the problem under study, listen to what the ordinary people and the disadvantaged (landless or land-poor peasants, women, and youth) feel about such issues as land rights and access to land, land registration and certification, and future land tenure policy options.

³⁸This is relative, however. I was still an outsider. Although I am their fellow Oromo, I am from another *woreda*, which is far away from my study areas. Hence, I was conscious of my status and was, thus, cautious in my informal interactions with individuals in my research communities.



Figure 6: Departing from the Hut of a Peasant Family



Figure 7: Participating in Harvesting

Acceptance: In theory, it is a challenging task for someone who comes from far away to do research in rural communities among individuals of different background and characteristics, e.g.

age, ethnic identity, and gender. However, I had a number of advantages, besides those noted above, that helped me build a relationship of trust and acceptance with the communities under study and facilitated my endeavours to collect reliable data. In terms of age, I am an adult man, *inter alia*, who would be socially accepted and respected. Ethnically, I am their fellow Oromo, who speaks *Afan Oromo* (the Oromo language) fluently. Actually, elders sought during my first contacts with them, and I told them candidly everything relevant about my background, including my home province and district. Along with this, I always explained to my interviewees from the start where I came from, what I was doing before joining the Ph.D. programme, the purpose of my research, why I was interested in the topic and chose the study areas, and how I intended to disseminate my research findings. It is customary among the Oromo elders to seek detailed information about the background of a stranger with whom they wish to undertake a serious business. I shared similar information about me with participants of focus group discussions to obtain their confidence.

Furthermore, the fact that I had a rural background and research experience among rural communities in different parts of southern Ethiopia also helped me adapt easily to the research environment. My preliminary field visit was crucial for establishing contacts with my research communities. A number of meetings and discussions I held with community elders and leaders of *kebele* administrations, and informal meetings with some residents, created awareness about me among my research communities. Above all, community elders were eager to share with me their 'forgotten' history and 'untold' stories, particularly with regard to the political history of land appropriation and asymmetrical land allocation, as well, as tenant eviction and migration. According to them (and I was convinced), this was because I was the first researcher to show interest in doing research on such crucial issues in those areas, especially in Arsi Negele. Hence, they welcomed me warmly when I went back to undertake the main field research and cooperated with me throughout.

To address the issue of difference in sex, I approached potential female participants of focus group discussions through *kebele* administration officials. This approach was a result of my awareness that when conducting a research among the rural communities, such as my study areas, stranger male researchers need to be careful in contacting women for interviews. They should first of all understand societal culture and follow the socially accepted norms and channels of communication.

4.3. Sampling Procedure

I used a purposive or judgmental sampling procedure. This is because ‘The idea of qualitative research is to **purposefully** select informants ... that will best answer the research question. No attempt is made to randomly select informants’ (Creswell, 1994: 148, emphasis in the original). In other words, in a qualitative research, purposive sampling is essential to identify knowledgeable individuals for interviews (Punch, 1998). This objective can hardly be achieved by using a random or probability sampling procedure, which is appropriate for quantitative research (Cameron, 2000). The principle of purposive sampling applies to the selection of both key informants and participants of focus group discussions. I chose this sampling procedure based on the nature of the problem under study and the type of data I needed. As discussed elsewhere in this thesis, the study seeks to collect and analyse data mainly pertaining to experiences, perceptions, and views of peasants who had historically been (and will be) most affected by changes in property rights regimes in land.

I pursued a multi-stage sampling procedure. First, for historical reasons, I purposely selected the National Regional State of Oromia, which was well known in the country for widespread land concentration, landlessness, and tenancy in the pre-land reform period, from among nine regional states in the country. Then, I identified two zones, namely Arsi and West Arsi Zones, from 12 (now 17) zones in Oromia. Likewise, I identified two *woreda* from a number of *woreda* in the two zones selected. Following that, I identified and selected four *kebele* from among several *kebele* in the two *woreda* (see Section 3 in this introduction for the total number of the *woreda* and *kebele* from which I selected the study areas). Finally, I selected individuals whom I, community elders, and officials of *kebele* administrations thought would best represent the views and attitudes of the majority of the peasants in the two *woreda* under study³⁹.

³⁹The four *kebele* were selected for the purpose of focus group discussions, as I have outlined earlier. Community elders for the interviews were drawn from everywhere in the two *woreda*, and at times from neighbouring *woreda*, i.e., Shashemene and Tiyo.

4.4. Site Selection

I selected the study areas mainly for historical reasons. Arsi Negele and Hetossa *Woreda* present a particular historical setting for gaining a deeper understanding of the political history of land appropriation and asymmetrical land allocation in the incorporated southern territories under the imperial regimes of Menelik and Haile Sellassie. Hetossa was also one of the areas in Arsi that were in the forefront in experiencing land-based conflict and litigation under these regimes. Furthermore, historically, both Arsi Negele and Hetossa belonged to the Arsi Province, whose people, like those in Kaffa and Wolaita, stubbornly resisted aggression by the army of the government of Menelik. Arsi's resistance was probably the fiercest in southern Ethiopia (Paper 2).

Like in the case of the two *woreda*, I also selected the four *kebele* under study purposely, in consultation with community elders and officials of *woreda* administrations. Among the four *kebele* selected, Dawe Guticha and Mekko Odda are classic examples of massive tenant eviction and migration in Arsi and probably in the southern provinces in general. Annole Salan was one of the two areas in Arsi (the other was Azule) known for the massacre of the local population by the invading imperial army of the government of Menelik (Paper 2). Dakka Harakedho was selected to represent the lowland areas in Arsi Negele where the local people were virtually entirely dispossessed of their communal land under Haile Sellassie's government. Finally, I also considered agro-climatic conditions and agricultural production in selecting the four *kebele*. While Dawe Guticha and Mekko Odda represent fertile and more productive midland and highland areas, Annole Salan and Dakka Harakedho represent the arid and less productive lowland areas.

4.5. Data Recording and Transcription

For recording the interviews, I mainly took notes, which were occasionally supplemented by tape recordings. Often community elders, especially oral historians, did not appreciate the use of a tape recorder, which they felt would distract their attention and affect smooth flow of the narrations. When they deemed it necessary, however, they advised me to record their voices. During informal conversations in the fields or in open markets, I avoided both note taking, on the

spot, and tape recording to allow free flow of ideas. I recorded highlights of the conversations in my notebooks afterwards, and whenever possible, immediately.

To facilitate data analysis, I transcribed the taped data into written text. When time allowed, I started transcription as soon as each interview session was completed. I did this to minimise the risk associated with the failure of the tape cassettes, which I, fortunately, did not encounter. I also supplemented the data by my fresh memory of the conversations.

4.6. Data Processing

I analysed the empirical data I collected after reducing and thematising information. I performed data reduction (or data ‘cleaning’) at different levels that involved editing, categorising, and summarising the data. However, I was cautious not to lose significant information while reducing the data. Subsequent to the analysis, I interpreted the primary data in combination with secondary data, where applicable.

4.7. Limitation of the Study

The study has a limitation that is associated with oral history as a source of data. The problem with oral history, especially when this involves long-standing occurrences, is that informants narrate historical events as passed down orally from the preceding generation, i.e., which they draw from a pool of ‘collective memory’ or ‘social memory’ (Yow, 2005: 36). Thus, one cannot rule out the possibility that oral historians may misinterpret or forget certain historical events or ‘they remember selectively’ (Ritchie, 1995: 92), which implies the unavoidable subjectivity of oral history (Yow, 2005). All this reminds us of Feeny’s (1992: 274) argument that, ‘Although earnest archival work, parsimonious modelling that makes minimal data demands, creativity, and good luck can sometimes overcome the drawbacks, the limitations [of historical studies, especially those based on oral history] are still very real’ (p. 274).

Partly to compensate for this limitation of oral history, I used a combination of methods, supplementing the data I obtained from oral historians with archival sources and literature. This approach was useful to enrich the data and make it more reliable by checking the findings of one method against the findings of other methods. There are consistencies among the data I obtained from various sources.

5. Evolution of Land Policies in Southern Ethiopia

This section has two parts. The first part presents the political history of land appropriation and land allocation in southern Ethiopia, during the period between the late 1880s and mid 1970s, i.e., ‘the imperial period’. The second part deals with the more recent past land policies covering the period between 1975, when a drastic land reform was introduced, and 2006.

5.1. The Historical Past: Late 1880s to mid 1970s

The formation of the Ethiopian Empire in the last quarter of the nineteenth century by Menelik’s government was effected through territorial conquest and incorporation of the formerly independent southern territories inhabited by several ethnic groups (Arsi, Bale, Gamo Gofa, Hararghe, Illubabor, Keffa, Sidamo, Wolega, and southern parts of Shewa and Wollo) into the newly emerging empire⁴⁰. In such a process of empire building, the government introduced state structures in place of traditional structures of societal administrations, e.g., the Oromo *gadda* (Paper 2), and imposed new property relations. Central to this top-down process of political and economic restructuring and consolidation of imperial power was the appropriation of land.

⁴⁰The designations ‘north’ and ‘south’ are based on historical and political considerations, and do not imply precise geographical locations.

Land appropriation was followed by asymmetrical land allocation and the resultant emergence of classes of winners and losers. The government allocated a large portion of the appropriated land to the nobles, warlords, soldier-settlers, and other followers from the North (Gojam, Gonder, Tigray, and northern parts of Shewa and Wollo). It allocated only between one-third and one-quarter of the land to the *balabat*⁴¹ (and through them to the local peoples) in the form of *maderia*⁴². Apparently, the land ‘grant’ was both a reward for the *balabat*’s cooperation with the imperial government and an incentive for them to fully support the regime in controlling the population in the occupied territories⁴³. This transformation had far-reaching adverse effects for the majority of the peoples in the southern areas, who were effectively marginalised and

⁴¹The *balabat* were originally traditional chiefs who, at the request of Menelik’s government, were delegated by their respective communities to serve as a link between the government and the local people. The government afterwards designated them as *balabat* and incorporated them into the political system to serve as a class of intermediaries and the local arm of the government in their territories, assisting the warlord governors. Following subsequent changes in local administrative structures, the *balabat* became accountable to *woreda* governors. The *balabat* status was inheritable and continued under Haile Sellassie’s government, until it was abolished through the Land Reform Proclamation of 1975 that uprooted local administrative structures of Haile Selassie’s government. Note, however, that this is a working definition as understood in the Arsi context, and not a standard or universal definition of the term *balabat*. The term may be understood differently in different settings. For example, an equivalent of a *balabat* in Arsi was *burka* in neighbouring Bale Province. Moreover, while in Arsi Negele there were seven *balabat* representing each major *gossa* in the *woreda*, in Genale Awraja (sub-province), Bale Province, in contrast, there was only one *balabat* for the entire *awraja* consisting of four *woreda* (own observation). Here, it appears that the *balabat* was initially delegated by his own *gossa*, and subsequently imposed by the government on a quite large number of *gossa* in the *awraja*.

⁴²*Maderia* in Amharic is literally a means of living. As applied to land, it means a category of the state land that the emperors granted either to the *balabat* (in the South) or government employees, particularly soldiers, in lieu of salary. Originally, the land was granted for temporary appropriation. Subsequently, however, the grantees in the South, unlike their counterparts in the North, were allowed to convert the *maderia* land to their own inheritable private property rights under Haile Sellassie’s government.

⁴³Close investigation, however, shows that the *balabat* were compelled to surrender a large portion of the land in their respective traditional territories to the invaders and ‘retain’ only a smaller portion of it (Paper 2).

deprived of their collective land ownership rights and land management authority. They were converted to tribute-paying peasants (*gabbar*) on what had been their own land (Paper 1)⁴⁴.

The experience in southern Ethiopia largely resembles colonial land appropriation and land allocation in other SSA countries. As Toulmin (2008: 11) remarks, ‘Emperor Menelik’s conquest and settlement of southern Ethiopia in the 19th century also brought large tracts of land under feudal authority, to be allocated to loyal generals. Similarly, the colonial conquest enabled the British to acquire land in eastern and southern Africa for settlement by white farmers’, who ‘appropriated for themselves the best pieces of land ... [and] then turned the indigenous black peasants into tenants or wage laborers, or simply expelled them’ (Brink *et al.*, 2006: 23; see also Hunt, 2006, for Mozambique under Portuguese rule). Moreover, as in the case of the European colonial powers (Bassett, 1993), land appropriation and land allocation were imperative for Menelik’s government to achieve its twin objectives of revenue maximisation and political control over the peoples in the conquered southern territories.

The southern Ethiopian experience probably differs from experience in other SSA countries mainly as regards the magnitude of land appropriation. Unlike colonial governments who classified land into ‘occupied’ and ‘unoccupied’ (Berry, 1993; Feder & Noronha 1987; Platteau 1992), Menelik’s government claimed or appropriated all land in the conquered territories outright, without such classification.

The imperial government of Haile Selassie (1930-1936, 1941-1974) retained Menelik’s land appropriation and land grant policies. Moreover, the government introduced (and in a few cases endorsed what had already been there) private ownership of land in the South, while retaining communal ownership in the North. As a result, the *gabbar* became landless tenants who were subjected to a number of adverse effects of private ownership of land (Paper 1). Furthermore, the introduction of mechanised farming, especially in the Oromo areas such as Arsi Negele and Hetossa, led to massive eviction and migration of landless tenants, dispossession and displacement

⁴⁴Over time, the term *gabbar* in the southern provinces came to represent owners of private land in general, regardless of their social background or class status, whether small landowners or members of the royalty and nobility, and their land became known as *gabbar* land, like any privately owned land. In other words, in the southern provinces, the term *gabbar* gradually lost its original meaning and class content, while class differences remained intact.

of small landowners, and increased insecurity of tenure for the remaining tenants and small landowners (Paper 2). All these problems lasted until the introduction of the Land Reform Proclamation of 1975.

5.2. *The Recent Past: 1975-2006*

The drastic Land Reform Proclamation of 1975 nationalised all land in the country. It abolished private property rights regime in land in the South, without any compensation to the landowners, and restored collective land ownership rights and land management authority to the local peoples, along with individual use rights. It also eliminated common property rights regime in the North. In doing so, it provided for public ownership of land (and *de facto* also state ownership) as a ‘collective property of the Ethiopian people’ (PMAC, 1975: 94, article 3, sub-article 1)⁴⁵. Land was redistributed by the newly emerging *kebele* peasants associations (PAs) to landless tenants and poor peasants free of charge⁴⁶. Nonetheless, beneficiaries of the land reform obtained only private *use* rights, not private *ownership* rights. The proclamation outlawed private ownership of land by individuals and ‘corporations’, and prohibited land transfers by any means. The imposition of such restrictions was essentially a result of the philosophy that public land was not a trading commodity. This was coupled by the political and ideological concern that if land markets (especially land sales and pledges) were allowed, they would cause the revival of land concentration and its associated adverse effects for poor peasants.

⁴⁵The existing land tenure in Ethiopia differs from the experience in most other SSA countries. That is, while there is common, state, and private property side by side in many other countries, in Ethiopia, *de jure*, there is only state and public property since the Land Reform of 1975.

⁴⁶However, land was redistributed in 1976, not immediately after the issuance of the reform proclamation. This was because time was needed to consolidate the *kebele* PAs and to also measure the land in each *kebele*. Until then, households kept the land that they had cultivated as tenants or small owners before the issuance of the proclamation. Perhaps, the exceptions were the formerly migrated returnees who were given land from the appropriated estates of the absentee landlords, as in Arsi Negele and Hetossa.

The current land tenure policy is, in effect, a continuation of the *Derg*'s policy, in spite of the change in the political regime. Nevertheless, unlike under the Land Reform Proclamation, the current constitution (Article 40, sub-article 3) explicitly provides for state and public co-ownership of land. And its incorporation into the federal constitution gives strong legal grounds to the existing land tenure system. The constitution also assures landholders security of tenure. Sub-article 4 of the constitution states that, 'Ethiopian peasants have the right to obtain land without payment and the protection against eviction from their possession' (FDRE, 1995: 98). Sub-article 5 carries a similar provision about the land rights of pastoralists. Such constitutional provisions are also reflected in Proclamation No. 456/2005 that assures life-long land use rights of peasants, semi-pastoralists, and pastoralists (FDRE, 2005: 3138, article 7, sub-article 1). Furthermore, the current government, although it prohibits land sales and land pledges, nevertheless, recognises rental and bequeathing rights (FDRE, 2005, article 8). By the same legislation, the federal government authorises regional governments to administer land in their respective territories (Article 17, 1, p. 3143), within the broader framework of federal land policies.

In spite of the above constitutional provisions (and other pertinent laws) that assure security of tenure, land tenure policy is a topic of heated debate in the country. Opponents argue that the existing land tenure system does not provide peasants with tenure security and, thus, discourages them from investing in their land, and hinders their access to bank loans. As a remedy for what they view as the shortcomings of the existing system, they propose that land should be mainly privatised. Supporters of the existing tenure counter these arguments and the proposed privatisation on two grounds: (i) the claims are not substantiated empirically, and (ii) most importantly, privatisation will be counterproductive under the prevailing circumstances in the country. They maintain that where alternative employment opportunities or sources of income are scanty, privatisation will adversely affect poor peasants who will lose their land through distress sales. In this view, the current trends in informal and illegal land sales, under the pretext of leases and pledges, and associated social problems are all strong indications of the probable negative effects of hasty privatisation of land (see Paper 3 for details of the debate).

The regional governments adopted federal land policies in their respective constitutions. For example, Article 40 (4) of the Enforcement Proclamation of the Revised Constitution of the National Regional State of Oromia states that, 'Any farmer of the Region shall have the right to

obtain, without any pay, the use of land and shall not be dispossessed thereof' (GNRSO, 2001: 19). Furthermore, like the federal government, the regional government of Oromia acknowledges peasants' land use rights, along with transfer rights through bequeathing to family members and leases, although there are some restrictions since 2002 on the operation of the lease system (GNRSO, 2002: 3, 2007: 3). The types of restrictions and the arguments for imposing such restrictions are discussed in Paper 4.

In another attempt to enhance tenure security for small landholders, the regional government of Oromia introduced a land registration and land holding certification project in 2005⁴⁷. Until then, peasants had merely held the land that they obtained through redistribution in 1976, or inherited from their deceased parents, with no official documentation to claim the land. The federal and regional party and government officials maintain that land certification is useful in three ways: (i) It is a further assurance that the land held by peasants will not be redistributed, and the rich and powerful will not dispossess the poor of their land⁴⁸; (ii) Land certificates will provide peasants with legal evidence of land use rights to present to courts in case of conflict over land rights; and (iii) Landholders receive compensation only for a registered land, in case the government takes the land for 'public purpose'⁴⁹. The federal and Oromia officials, nevertheless, hold that certification is meant to enhance the existing tenure security; it does not intend to create a new one. For example, Abdul Aziz Mohammed claims that, 'security of tenure for peasants and pastoralists had long been assured by the federal and regional constitutions; it has not begun with certification. Certification is merely a means of implementing the existing constitutional

⁴⁷However, according to officials of *kebele* administrations, peasants, and agricultural experts interviewed, peasants in Arsi Negele and Hetosia neither demanded land certification, nor were they initially convinced about its importance.

⁴⁸On the other hand, the opposition has mixed views about the role of certification. While three (out of five) leaders of the main opposition political parties interviewed (Ledetu Ayalew, Mohammed Ali, and Bekele Jiratta) discredit it, two (namely, Beyene Petros and Mererra Gudinna) accept it with certain conditions (see Paper 3 for the status of these officials).

⁴⁹The vast majority (i.e., 86 per cent) of the sampled households in four major regions of the country, namely Amhara, Oromia, Southern Nations, Nationalities, and Peoples, and Tigray, share this view (Deininger *et al.*, 2008: 1802).

provisions⁵⁰. It is too early to assess the impact of land holding certificates in Oromia, which requires a separate, profound research.

It is certain, however, that the presence of land certificates in itself does not assure tenure security for landholders. Such certificates will truly enhance tenure security only if: (i) there is a political commitment and also capacity on part of the government officials at different levels to enforce land rights; (ii) the officials refrain from unwarranted intervention into such rights; and (iii) there is an impartial and efficient judiciary. The absence of such conditions implies the presence of tenure insecurity, regardless of land certification.

5.3. Land Rights and Gender Equality

One of the gains of the Land Reform Proclamation of 1975, which has also received constitutional recognition under the current government, is women's land rights. In this subsection, I will briefly look into this aspect by considering examples from Arsi Negele and Hetossa. The Land Reform Proclamation of 1975 (article 4, sub-article 1) recognises gender equality in land allocation⁵¹. Likewise, the current constitution provides for gender equality over land rights. As per article 35, sub-article 7 of the constitution, women 'have equal rights with men with respect to use, transfer, administration and control of land' (FDRE, 1995: 93).

The reality on the ground is different from public pronouncements, though. Under the *Derg*, the great majority of the women did not receive land. This was because land acquisition

⁵⁰Abdul Aziz Mohammed is Head of the Office of the President and Council of the National Regional State of Oromia. The interview was held on June 14, 2006.

⁵¹This was a big departure from the situation in the pre-1975 period, particularly among the the Arsi Oromo. In Arsi Negele and Hetossa, for example, for cultural reasons, it was men who owned land, except for the widows. Even widows retained land rights of their deceased husbands so long as they remained in the *kebele* where the land was located. According to the interviewees, married women, likewise, were not allowed to inherit land from their parents—actually fathers. This was because upon marriage, they would normally move outside of their *kebele* and also *gossa* (i.e., sub-clan), which meant they were considered as outsiders who had no rights to claim land in the community involved. At present, however, regardless of where they live, women have equal inheritance rights with men.

was then based on residence in a *kebele* and membership to a PA⁵². For traditional reasons, only husbands were recognised as head of the family and were allowed to join the PAs and receive land on behalf of households. Hence, only widows and a few of the polygamous women (usually the older ones) whose husbands sought more land joined the PAs and obtained land. Further, divorced women among the Arsi Oromo, as in Arsi Negele and Hetossa, were not encouraged culturally to receive their 'share' of the family land. At present, too, the majority of the women in these two *woreda* do not hold land in their own names. According to the preliminary data I obtained from the Hetossa *Woreda* Department of Agriculture and Rural Development, in 20 out of 23 rural *kebele*, females constitute 1,790, out of 15,491 landholders in the *woreda* (which is around 12 per cent). Similarly, in Meko Odda *Kebele*, Arsi Negele *Woreda*, out of 529 landholders, only 99 (approximately 19 per cent) are female. Moreover, most of these are widows, not original landholders or heirs of deceased parents.

As regards intra-household land transfers, it is customary among the Arsi Oromo, such as in Arsi Negele and Hetossa, that the majority of the polygamous men cultivate land themselves and provide their wives with grain after harvest, according to the family size or according to husbands' preferences; only a few assign some plots to their wives⁵³. All wives are required to provide food and drink during cultivation or harvesting of the common plots. Husbands normally put aside some plots or a portion of the produce for common affairs, such as health of the family, taxes, agricultural inputs expenses, and for their own personal expenses. It should also be recorded that among the Arsi Oromo, traditionally, even those women who have their own plots, do not have decision-making powers about what to produce and how to use the produce. This means that in a polygamous household, a woman may have her own plots vis-à-vis another woman (or women), but she may not actually have independent plots of her own when it comes to her relationship with her husband.

⁵²The exceptions were former landowners who owned more than 10 hectares of land before the issuance of the land reform proclamation. Although they were excluded from membership of the PAs in the early years of the land reform, they received their 'share' of the land during land redistribution. The restriction was based on the concern that such landowners would influence and weaken the PAs. It was lifted subsequently after the PAs were consolidated (Hussein, 1997).

⁵³ Customarily, the Arsi women do not cultivate land themselves. They depend on their husbands or grown-up sons, but can participate in activities such as weeding.

However, there have been certain positive developments in recent years. The interviewees in Arsi Negele and Hetossa *Woreda* reported that some of the polygamous men have bequeathed use rights of a portion of their land to their wives (and married sons) during the land registration and land holding certification of 2005/2006. Accordingly, land-receiving women had their land registered in their own names and obtained holding rights certificates independent of their husbands. However, since land registration was still under way during my field visits, no data were available to show the number of women beneficiaries in the process. As regards official policy, Proclamation No. 130/2007 of the Oromia region (GNRSO, 2007, article 5) states that, 'Women have equal rights with men to possess, use and administer the rural land'.

In reality, however, implementation of women's land rights is a difficult task. According to the interviewees, the main challenges include economic dependence of most women on men (who cultivate the land and are also dominant in decisions about what to plant and how to use the produce); women's limited exposure to the legal system; cultural influence; men's tacit resistance; and inadequacy of cooperation from *kebele* administration officials. In general, as Aynalem Regassa remarks, 'most of the women's land-based problems have not yet been addressed adequately. What we hear is more rhetoric than reality. The reality on the ground is different'⁵⁴.

These complex problems can be addressed stage by stage, through education of the rural population; supporting women to engage in different economic activities to generate their own income and reduce their dependence on men; encouraging and supporting women to establish their own independent associations at all levels that will articulate their interests; and reinforcing the judiciary. Furthermore, it is important particularly to raise women's awareness about their rights and about the legal means available to them to defend their land rights, for example, through 'intense gender consciousness-raising training' (Deere & Leon, 2001: 459). However, education is not enough to change culturally bounded social differentiations, deep-rooted attitudes, and the behaviour emanating from them. Political will and the capacity to enforce women's rights, including land rights, are additionally needed to bring about genuine gender equality in the society.

⁵⁴ Aynalem Regassa is head of the Women's Affairs Office of the Arsi Zone. The interview was held on April 19, 2006.

6. Summary of Main Findings

This section presents a summary of the main findings of the study as reported in the four papers. The reader is encouraged to refer to the individual papers for full accounts of the issues under consideration.

Our findings illustrate that the Ethiopian governments, using their political power and often military force, had historically been crucial factors behind changes in property rights regimes in rural land in the southern areas (Paper 1). The government of King Menelik, who conquered and eventually incorporated the formerly independent southern territories into the newly emerging Ethiopian empire, alongside introducing state structures, appropriated the predominantly communal land and converted it to state property. The government granted the major portion of the appropriated land to the ruling elite and their associates, who were mostly from the North, first for temporary appropriation, and allocated only a small portion of it to the *balabat*. In the process of land appropriation and asymmetrical land allocation, the vast majority of the peoples of the South were deprived of their customary land ownership rights and land management authority, and were converted to *gabbar*.

This study also reveals that as a result of the conversion of the state land to private property of the grantees, mainly under Haile Sellassie's government, the majority of the local peoples became landless tenants who increasingly depended on the alien landed elite to access what had been the land of their own forefathers (Papers 1 and 4). Privatisation also resulted in widespread tenancy, surplus appropriation, insecurity of tenure, eviction, and migration of tenants, and the dispossession and displacement of small landowners. These adverse effects of private ownership of land were accelerated and aggravated by the introduction of mechanised farming, as in Arsi Negele and Hetossa *Woreda*.

The drastic Land Reform Proclamation of 1975 totally changed this situation. It nationalised all the rural land in the country, converting private property rights in the South (and also communal property rights in the North) to public property rights (and *de facto* also state property rights). The proclamation dispossessed the landed elite of their land, without compensation, and restored collective land ownership rights together with land management

authority, to the peoples of the South as a group, and provided former tenants and poor peasants with land *use* rights free of charge. In doing so, it redressed the injustices of the imperial period (Paper 1).

On the other hand, although peasants retained land, they gradually came under political control (Paper 1). Political control took different forms, such as suppression of the autonomy of peasant associations, threats to security of tenure of smallholders, where agricultural producers' cooperatives existed, and appropriation of surplus by imposing a grain delivery quota.

Arsi Negele and Hetossa *Woreda* present a particular historical setting for gaining a deeper understanding of the political history of land appropriation and asymmetrical land allocation in the incorporated southern territories (Paper 2). Findings in this study demonstrate that in these two *woreda*, the imperial governments of Menelik and Haile Sellassie appropriated nearly the entire land through a cunning method, which came to be known as land bequeathing by deceiving the *balabat*. More specifically, Menelik's government appropriated close to 100 per cent of the land in Hetossa (Paper 4) and Haile Sellassie's government appropriated 95 per cent in Arsi Negele (Paper 2, Table 1). Land appropriation under the guise of land bequeathing was uncommon in most parts of Arsi and probably in other southern areas.

Land bequeathing was counterproductive for the *balabat* and the local people (Paper 2). The *balabat* bequeathed their land management authority, without the knowledge of their people, in exchange for the protection that they sought from the governments against local contenders who threatened their authority. However, by bequeathing their land management authority, they placed themselves at the mercy of the political elite who grabbed land in a subtle way. The ruling elite used them as a stepping stone to take over the land without being seen as seizing 'the land of the local people'. They, then, systematically marginalised the *balabat* and deprived them of land management authority that they had traditionally enjoyed. In this way, both the local people and their *balabat* lost their customary land rights to the ruling elite.

Menelik's government granted the entire land in Hetossa to a nobleman, and Haile Sellassie's government granted a fertile and large portion of the land in Arsi Negele to his wife, which then became *bête-rist* or the land of the royal family. Through land appropriation and asymmetrical land allocation that followed, the grantees (and subsequently their heirs) enjoyed near monopoly over land, initially as overlords. Their monopoly over the land was consolidated by

conversion of the state land to their own inheritable and marketable private property rights (Paper 2). Changes in property rights regimes also caused changes in the social status of the local people, who were first converted to *gabbar* and subsequently, as result of land privatisation, became landless tenants subjected to the severe adverse effects of private ownership of land.

Tenant eviction and migration were among the indirect and long-term adverse effects of land bequeathing, land appropriation, and landlessness in Arsi Negele and Hetossa *Woreda* (Paper 2). Especially from the mid-1960s and early 1970s onwards, in Hetossa and Arsi Negele, respectively, landless tenants experienced large-scale eviction and migration related to the emergence of mechanised farming. However, mechanisation did not actually create but, rather, accelerated and aggravated the problems that had already been there. In the final analysis, the root cause of tenant eviction and migration was land appropriation, which caused landlessness of the local people and made them tenants in the first place on what had been the land of their own ancestors. While land bequeathing set the stage for land appropriation and the subsequent conversion of the local people to landless tenants, mechanisation completed their marginalisation. Tenant eviction and migration lasted until the introduction of the drastic Land Reform Proclamation of 1975.

Poor peasants and tenants in Arsi Negele and Hetossa were the foremost beneficiaries of the Land Reform Proclamation of 1975. The relationship between the landlords and tenants was broken overnight and migrants returned to their villages, which the local people consider as a vital achievement of the land reform (Paper 2).

The question of appropriate property rights regime in land is a topic of heated debate in Ethiopia in the post-1991 period (Paper 3). Critics condemn the existing state and public ownership of land for failing to provide peasants with security of tenure thereby discouraging them from investing in their land, and constraining their access to bank loans. As a remedy, they propose that land should be mainly privatised. Supporters of the existing land tenure counter these arguments and the proposed privatisation on two grounds. Firstly, they argue that the claims are unsubstantiated empirically. Secondly, and, more importantly, they maintain that privatisation will lead to land concentration and massive rural-urban migration, since alternative employment opportunities or sources of income are scanty in the rural areas. And rural-urban migration will

aggravate the already existing social problems in the urban centres. Nevertheless, the debate is more theoretical than empirical.

Our empirical findings in Arsi Negele and Hetossa *Woreda* are contrary to the mainstream thinking about the relationship between the existing land tenure system, on the one hand, and tenure security, investment incentives, and access to credit on the other (Paper 3). Below, I elaborate on each of these points.

Peasants in the two *woreda* under study have security of tenure over their land. They believe that land belongs to them both collectively and individually and will remain so. The following factors demonstrate the presence of security of tenure for landholders in the study areas:

- landholders enjoy use rights and rental rights, despite some restrictions on the operation of the lease system, and have the freedom to enjoy their produce;
- they have the right to bequeath land rights to their offspring or other family members;
- they enjoy the freedom to live anywhere and engage in any activity, unlike under the *Derg* period, without fear of losing their land rights, as long as the tax is paid and the land is cultivated (whether by family members, sharecroppers, or leaseholders);
- probably most important, there has been no experience of land redistribution in the study areas since 1976, nor is there a threat to take peasants' land rights away in their areas or in neighbouring areas.

Peasants in the study areas believe, instead, that insecurity of tenure will arise, actually return, if land is privatised. While there a number of reasons for this, suffice it to mention here the two most important aspects. Firstly, under private ownership of land, poor peasants will be forced to sell land under distress and end up landless. This means that most peasants are so poor that they cannot avoid debts. For example, if a family member becomes seriously ill, they have to borrow money. They will seldom be able to raise the money to repay their debt; Or: if the harvest fails due to failing rains, peasants will still have to pay their fertiliser debt, and debt causes the poor to forfeit their land. In the two *woreda* under study, many peasants have already sold their entire land underground and became landless. While a few became seasonal farm workers, the majority

have abandoned their villages and migrated to towns and became bankrupt, jobless, and homeless (Paper 3).

Once poor peasants sell their land, they cannot buy it again, for it becomes too expensive for them. Land value is increasing remarkably from one year to another, as can be seen from the current trends in fixed rents, for example (Paper 4). Loss of land also means that parents will not have dependable assets to hand over to their children. This means that alienation of rural land under the current and near future circumstances in Ethiopia carries implications beyond the individual landholder. In view of the fact that alternative livelihood options are scant, a peasant who engages in land alienation makes choices that affect not only himself but also his family and coming generations.

Secondly, for the masses of the peasants in the study areas, privatisation will mean a resurgence of the old system. They strongly deplore and resent the possibility that landless tenants will not even have access to the graveyards on the land of their ancestors. This is culturally a very serious and sensitive issue for them. They had bitter experience in the pre-1975 period, when representatives of the royal family and other absentee landlords denied tenants access to graveyards when land values increased as a result of the introduction of mechanised farming (Paper 2). One of the major gains of the Land Reform Proclamation of 1975, which all peasants interviewed stressed, was the restoration of access to graveyards to the local people. For all this reason, the majority of the peasants in the study areas prefer the preservation of the existing land tenure system that provides them with secure use rights, and they are against privatisation (Paper 3).

Peasants in the study areas have been engaged in a variety of investment activities, mainly inputs use, tree planting, and irrigation since the *Derg* period. Nevertheless, peasant investments are constrained by a variety of non-tenurial factors, which opponents of the existing land tenure neglect. These include the rise in fertiliser price, which is the most frequently cited constraint, scarcity of land, inadequate supply of improved seeds (coupled by rising prices) and chemicals, comparatively lower prices for agricultural produce, shortage of oxen, fluctuating (actually declining) rainfall, recurrent drought (in lowland areas), and rising taxes (Paper 3). I argue, therefore, that the challenge for the policy makers in Ethiopia is how to address these multifaceted non-tenurial constraints to peasant investments under the existing state and public ownership of land, and not to change land ownership policy.

On the other hand, in spite of the above complex problems, some entrepreneur peasants have made significant progress, changing their status from poor peasants to rich peasants. Their success is, *inter alia*, a result of fertility of the soil, access to more land to cultivate through leaseholds, application of modern agricultural technologies, access to output markets, and favourable prices for their produce. Such accomplishments support the assertion that the existing land tenure in Ethiopia does not constrain peasant investments and agricultural efficiency. It also hints at the prospect that if constraints to their investments are removed, more and more peasants in fertile areas conducive for mechanised farming can become entrepreneurs, although this would entail increased class differentiations among peasants (Paper 3).

Our findings also illustrate that the existing land tenure is not a constraint to peasants' access to bank loans. Although peasants as individuals cannot borrow from banks, as they do not meet the banks' lending criteria, they receive group loans for investments without showing any collateral to the banks (Paper 3).

Findings in Arsi Negele and Hetossa also reveal that unrestricted land lease markets have caused a number of problems for poor peasants, like in other parts of the National Regional State of Oromia (Paper 4). During the free-for-all that opened up following the change of government in 1991, peasants were initially free to lease out their land. Nevertheless, such unrestricted entry into lease arrangements led to underground land sales and dispossession of several poor peasants of their land, and aggravated land conflicts.

Although in theory peasants have the right only to lease, not to sell or pledge land, some practice a combination of leases, 'pledges', and sales. Just as pledges are undertaken under the guise of leases, sales are undertaken under the guise of pledges (Paper 4). In this way, many poor peasants were effectively alienated from their land. Actually, such problems are not unique to the study areas, but reflect the general problem of how unrestricted entry into lease arrangements sometimes negatively affects the poor. Peasants who have lost their land through disguised sales, may have little chance of reclaiming it by repaying their debt, even if they wish to do so. With increasing demand, land values are increasing rapidly, and even leasing land has become difficult for many (Paper 4).

In recent years, land-related conflict represents the most frequently encountered category of conflict at the *kebele* social courts in Arsi Negele and Hetossa *Woreda*. The conflict is most

frequent in the densely populated fertile midland areas. While land scarcity is the root cause of conflict and litigation over land, informal land lease transactions are the foremost among the immediate causes (Paper 4).

All this forced the government of the National Regional State of Oromia to impose, in 2002, some restrictions on the operation of the lease system across the region, which came into effect in 2003 (Paper 4). These mainly include the allowable size of land to be leased out, the duration of the lease, and the requirement that the government bodies concerned endorse the lease agreements. The restrictions were meant to discourage informal and illegal land transactions and resulting peasant dispossession and land-based conflicts. It appears that the government is attempting to strike a balance between peasants' rights to lease out land and the need to restrict the operation of the lease markets to ensure that the poor are not dispossessed of their land and subsequently face multifaceted problems. The restrictions appear to have minimised the problems associated with land lease markets. However, they target symptoms, while the underlying factors that forced the poor to alienate their land in the first place, namely financial constraints, are still intact.

7. Concluding Remarks

This thesis presents empirical findings on the role of politics in the changes and continuities in property rights regimes in rural land in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, in the framework of the political trajectory of land appropriation and land allocation in southern Ethiopia. The core argument in the four papers is that in spite of differing in their political systems, successive Ethiopian governments have been dominant actors in shaping the mode of land ownership and patterns of power relations among various social groups in the country, especially in southern areas including Arsi Negele and Hetossa.

The findings in this thesis also pose serious questions about the universal legitimacy of the mainstream economic theory of property rights. This theory predicts a gradual series of changes whereby land rights become more precise, more individual, and more secure, leading to

a host of positive effects, such as higher investments, increased land transactions, and provision of land-based credit.

The Ethiopian experience diverges from this perspective that tends to overlook the political dimension and power relations that normally surround changes in property rights regimes, and views the government as a passive supplier of property rights based on emerging demand for new property relations. Neither the history of changes in property rights regimes in land, nor the problems associated with unrestricted lease markets and resultant political intervention, nor recent experiments with land registration and holding certification, can support such a perspective. Instead, as this thesis has tried to illustrate, land tenure in Ethiopia, especially in the South, has historically been a highly politicised issue. The governments have played a central role in shaping the changes in property rights regimes in land. The changes were so determined centrally and often imposed swiftly, mainly through the use of force, that they allowed little room for bottom-up, evolutionary transformations. In the course of such changes, governments pursued discriminatory policies, in which they appropriated land from some social groups and allocated it to others groups. Concepts such as land appropriation, privatisation, alienation, or restoration of land rights have emerged not as logical phases in some gradual, inevitable process, but as expressions of centralist thinking and a top-down approach that the ruling elite exercised.

The policy implication of this study is that the politics of property rights in land in southern Ethiopia, including Arsi Negele and Hetossa *Woreda*, is a complex subject. Its understanding requires comprehensive empirical studies of both historical events and current issues. Especially, profound studies of historical events is essential not only to shed light on the key events of the past, but also for better understanding of the land question and current debate over tenure policy options, particularly the possible social and political consequences of hasty privatisation in the country. Findings in this study reveal the centrality of politics both in changing and protecting property rights regimes in rural land in defence of certain interests. The findings will also complement future similar studies in other areas.

Issues and findings discussed in this thesis also have theoretical implications. They illustrate that the debate over rural land tenure policy options, particularly advocacy of privatisation in developing countries, in whatever form it is presented, needs to be based on adequate empirical studies to draw informed conclusions. It is not enough to argue for a shift in

property rights regime in land that might have far-reaching consequences for the majority of the peasants, on the basis of theories or principles alone. To address a given problem in a society, one has to seriously consider the specific situations of such a society in a given time period. This is required because ‘universal solutions to particularistic affairs’ (Bromley, 2008: 26) may not only work as intended, but may also be counter-productive.

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Part B

Paper I

Paper 1: Politics and Shifting Property Rights Regimes: Land Tenure in Southern Ethiopia in Historical Perspective

Hussein Jemma & Siegfried Pausewang

Abstract: This paper explains the role of politics in shaping changes in property rights regimes in rural land in southern Ethiopia under successive governments of Menelik, Haile Sellassie, and the *Derg*. In southern Ethiopia, the changes in property rights regimes were centrally imposed, rather than evolving locally, politics being a driving force of changes. The changes that were mainly effected through the use of force, have had remarkable effects on various social groups. Under the imperial governments of Menelik and Haile Sellassie, who appropriated the predominantly communal land in the incorporated southern territories, the changes were made to the benefit of the ruling elite and their associates to whom the land was granted. The local peoples were beneficiaries of the changes under the *Derg*, who restored their collective land ownership rights, along with individual *use* rights, dispossessing the landed elite of their land. All the changes in property rights regimes followed changes in political regimes. Nevertheless, the literature on the political history of changes in property rights regimes in land in southern Ethiopia is generally fragmented. Moreover, most of the general literature on the origin of changes in property rights regimes in land is more theoretical than empirical.

Keywords: government, politics, peasants, property rights regime change, land appropriation, land allocation, land reform.

1. Introduction

Politics plays a vital role in shaping changes in property rights regimes in land in developing countries. The changes are essentially guided by the class interests and associated ideologies of the ruling elite. Politicians often employ a top-down approach in introducing the changes. Such changes are often swift. They are not evolutionary developments initiated by the local communities resulting from economic and technological changes, as the mainstream economic theory of property rights argues (see Section 2, in the general introduction of this thesis). As Riker and Sened (1996: 285) remark, ‘In real economic activity, which is embedded in political activity,

law and government have much to do with the origin of property rights. We simply cannot avoid politics'. In the same vein, Deininger (2003) argues that governments play a crucial role in defining property rights and in shaping their emergence and enforcement. However, it is not enough to acknowledge the role of politics per se. It is also important to appreciate that governments in many countries often use force in enforcing such changes.

The role of politics in shaping changes in property rights regimes is apparent, especially when this involves drastic land reforms that transfer property rights, along with local political power, from the landed elite to poor peasants and landless tenants (e.g. Borras, 2006; Ellis, 1992), implying the presence of winners and losers in the process. As Vatn (2005: 190) comments, 'whatever institutional structure is formed [or changed], it implies the recognition and protection of some interests and the denial of others'.

Political intervention has played a crucial role in shaping changes in property rights regimes in land in the contemporary history of Ethiopia, particularly in the incorporated southern territories. Considering the mainly agrarian nature of the country and given the significant role of the rural land, particularly agricultural land, in the country as a basic economic asset, it is not surprising that land tenure is an intensively debated issue that involves not only opposing views but also conflict of interests (Hussein, 2001). Agriculture is the backbone of Ethiopia's economy. It is the main source of income and livelihoods for 85 per cent of the country's population. Moreover, agriculture is an important source of raw materials for industry and accounts for 90 per cent of foreign exchange earnings and 50 per cent of gross domestic product (GDP) (Tadesse, 1999: 227). It is also the main source of food for the urban population.

Therefore, control over land has been and remains for years to come a crucial political issue in this country. In other words, control over land is not just a mechanism of wealth acquisition or 'revenue maximisation', but it is also a basis of political power. Conversely, loss of political power implies loss of control over land. All this suggests that political power and control over land are intertwined. The conquest and incorporation of the southern territories, land appropriation and the asymmetrical land allocation that followed, and the current heated debate over land tenure policy options in the country must be understood in this context.

However, the literature on the political history of changes in property rights regimes in land in southern Ethiopia is generally fragmented. There is no consolidated work to our knowledge that adequately synthesises the crucial role of politics in the changes in property rights

regimes in historical perspective. This paper attempts to consolidate the existing literature on the role of politics in shaping changes in property rights regimes in rural land in southern Ethiopia in historical perspective. Moreover, as most of the general literature on the origin of the changes in property rights regimes is more theoretical than empirical, this study contributes empirical material to the literature on the subject.

What was the role of politics in the changes in property rights regimes in land in southern Ethiopia under the imperial governments of Menelik and Haile Sellassie? Who won and who lost in the process? What was the link between land privatisation and ethnic identity? What were the major outcomes of the Land Reform Proclamation of 1975 in the southern provinces? In this paper, we explain the role of politics in shaping changes in property rights regimes in rural land in southern Ethiopia under the governments of Menelik, Haile Sellassie, and the *Derg*¹. In doing so, we explain the role of politics in the course of changes in property rights regimes and identify winners and losers in the process. The main thesis of the paper is that political intervention has historically shaped changing patterns of property rights regimes and access to land in southern Ethiopia. The changes were a result of top-down and generally swift political measures, which were often implemented by force, not bottom-up, evolutionary developments.

The paper is organised as follows. Section 2 explores the conquest and incorporation of the southern territories and associated changes in property rights regime in land from common property to state property. Section 3 examines the conversion of land tenure from state property rights regime to private property rights regime, and discusses its impact on various social groups. Section 4 reviews the link between privatisation of land and ethnic identity in the South. Section 5 investigates the role of the Land Reform Proclamation of 1975 in changing patterns of property rights and power relations in the country, specifically in the South. Section 6 discusses government and peasant relations in the course of implementation of the land reform proclamation and reviews the implications of the subsequent political interventions. Section 7 concludes the discussion

¹This study is based primarily on a review of the Ethiopian literature, supplemented by personal experiences of the authors.

2. Conquest and Shifting Property Rights Regimes: From Common Property to State Property

One of the major outcomes of the conquest and incorporation of the southern territories was a change in property rights regime in land. In the last quarter of the nineteenth century, the government of King Menelik of Shewa (emperor of Ethiopia in 1889) conquered and eventually incorporated southern territories into the newly emerging Ethiopian Empire. It introduced state laws and replaced independent indigenous organisations of societal administration with state structures. Alongside this, the government claimed or appropriated all the land in the occupied territories and converted it from the predominantly communal property to state property (Markakis, 1974). This is similar to experience in the conquered territories everywhere, where ‘lands are seized from the indigenous peoples whose rights of occupancy and use are either disregarded or taken by force’ (Richards, 2002: 16). As a result of conquest and land appropriation, the vast majority of the peoples of the South were deprived of their communal land ownership rights and land management authority, and were converted to *gabbar* on what had been their own land.

Conquest and land appropriation resulted in asymmetrical land allocation. The procedure was as follows. First, the government granted appropriation rights on between one-third and one-quarter of the conquered land to the *balabat* as their *maderia* and retained between two-thirds and three-fourths of the land in each *balabat* territory (Cohen and Weintraub, 1975; Pankhurst, 1966). Second, it granted a major portion of this land to the nobles and warlord governors, namely *melkegna*, as *gult*, and to soldier-settlers and other followers from the North in the form of *maderia*². Finally, it reserved the remainder as state/Crown land (e.g., Ståhl, 1974) for future grants or other purposes. The masses of the local people, therefore, became excessively dependent on the politically imposed nobles and soldier-settlers to access the land. Benefiting

²*Gult* refers to a large territory that the emperors, both in northern and southern provinces, granted to members of the royal family and the nobility. The land was granted initially to these high-ranking members of the ruling elite for temporary appropriation with the peasants on it. However, it is important to record that as a result of the abolition of the *gult* system in 1966 (Markakis, 1974), while the *gultegna* in the North lost their appropriation rights, their counterparts in the South were promoted to the status of absentee landlords.

certain social groups in resource allocation at the expense of other groups is the essence of the politics of property rights.

The land grants were meant to serve various political purposes. They were a means of buying political support or an instrument of ‘assuring’ the loyalty of ‘war lords, governors and nobles personally obliged to the emperor’ (Pausewang, 1983: 24), and a reward for service in the conquest, and were necessary to establish control over the local peoples in the occupied territories (Pankhurst, 1966). In the process of land appropriation and asymmetrical land allocation, Menelik’s government generated a class of intermediaries for revenue collection, maintenance of law and order, and political stability.

It should be noted, however, that initially the grantees were only given appropriation rights, not ownership rights. The *gultegna* (*gult*-holding overlords) were empowered to receive tributes from the peasants mainly for their own upkeep. Subsequently, they also collected taxes on behalf of the state, just like their counterparts in the North. However, they gained their positions based on the force of the gun, and they preserved it in this way. That is why this class in the South, together with soldier- settlers, is called *neftegna*, meaning ‘gunmen’. As Markakis (1974: 135) remarks, ‘The distinctiveness of this group is greatly sharpened by the political superiority, economic privilege, and elevated status enjoyed by the northerners in the south since the conquest of this region’.

As regards the central government, the conquest of the South was motivated by imperial ambition for expanded territory, wealth acquisition, and consolidation of political power. In economic terms, the incorporation allowed secure access to the flow of resources, such as gold, ivory, and agricultural products (including coffee), and human resources, namely slaves (Marcus, 1995; Ståhl, 1974), and also secured the collection of tributes (Pausewang, 1983). Resource appropriation motives had both domestic and international significance. As Clapham (2002: 15) comments, ‘under the *gebbar* system ... surplus production had been appropriated [from the peoples of the South] in order to maintain the state and to link Ethiopia to the global economy’. Access to resources in the rich southern territories also enhanced Menelik’s ‘political and military position in his ultimate bid for the throne’ (Bahru, 2001: 62). Moreover, Menelik’s government used a portion of the resources that it had appropriated from the South to buy modern armaments (Marcus, 1995).

The conquest and incorporation of the South also had an international dimension. It coincided with and was encouraged by fierce rivalry among the European colonial powers (Great Britain, France, and Italy) to consolidate their control of the surrounding territories in the Horn of Africa. In his famous letter to the European powers in 1891, Emperor Menelik was unequivocal in his imperial ambition to participate in the bid for the partition of Africa. The Emperor candidly stated, 'If [European] Powers at a distance come forward to partition Africa between them, I do not intend to be an indifferent spectator' (in Markakis, 1974: 24). Indeed, the support that Menelik's government obtained from the colonial powers and its access to their armaments strengthened its muscle and bolstered its conquering army (Lewis, 1983) to eventually crush local resistance (as happened in Arsi, for instance), and establish imperial rule in the conquered southern territories. Hultin writes:

Abyssinian princes were able to turn the European competition for influence to their own advantage, buying modern arms for armies that became the strongest in the region. At the time of the European scramble for Africa, Menelik, the king of Shewa (who was soon to become the "king of kings," or emperor), was engaged in a campaign against kingdoms and chiefdoms to the south of the central highlands and the Blue Nile. Between 1880 and 1900 he conquered the lands of the Oromo and other peoples in what then became the southern provinces of Ethiopia.... To control the occupied territories and extract a surplus from its people, the state [government] confiscated most of the arable land and granted it to warlords and soldier-settlers, or to local rulers and men of influence who were willing to collaborate with the new government (Hultin, 2003: 408-409).

Indeed, such widespread land appropriation and the asymmetrical land allocation that followed created a relationship of domination and subordination between the privileged northern political elite holding superior land rights and the marginalised peoples of the southern territories (Hussein, 2001). This means that political intervention in land allocation not only resulted in land alienation and in the emergence of a new type of property rights regime. It also led to a fundamental change in the status of the local peoples who were subjected to 'serfdom' on their own soil. Markakis sums up this situation as follows:

The expropriation and distribution of a very large portion of land in the south among the victors [from the North] had a dramatic effect on the native population. The relationship of persons to land was radically transformed practically over-night by *force majeure*. The southern peasantry

which found itself on land claimed by the state lost whatever rights it had held traditionally over the land. The people were transformed into *gabbar*s of the state and of the privileged group to whom the state [government] granted rights over such land. As was the case with the term “*balabat*,” the term “*gabbar*” changed in meaning when applied in the south, since the position of the peasant cultivator in this area was substantially different from that of the northern *gabbar*. In the north... the term refers to the tributary status of the peasant, regardless of his rights over land. Thus the northern *ristegna*, who has secure rights over his land, is also a tribute-paying *gabbar*. In the southern provinces, however, the peasantry cultivating land expropriated by the state [government] lost whatever rights it had enjoyed over such land, and was reduced to the status of tenant “quartered on the land of another” (Markakis, 1974: 112, all italics in the origin).

In the South, the term *gabbar*, therefore, represented a generation of landless peasants who had been deprived of any say over their own land and were exposed to severe exploitation and domination by the predominantly northern political elite and their associates (Pausewang, 1990) to whom the appropriated land had been granted. The subsequent privatisation of the land further changed the status of various social groups, adversely affecting the majority of the peoples in the South. We turn to this in the next section.

3. From State Property to Private Property

Emperor Haile Sellassie’s government (1930-1936, 1941-1974) introduced (and in a few areas also endorsed) private ownership of land and permitted land sales in the South (but retained communal ownership in the North), along with continuing with Menelik’s land appropriation and land grant policies. This externally imposed tenure system was alien to a large majority of the southern territories (e.g., Cohen & Weintraub, 1975)³. In some areas (e.g. the northern and western parts of Arsi), the royal family and the nobles were allowed to convert the state land from temporary appropriation rights (*gult*) to inheritable and marketable private property rights (*riste-gult*) as early as the 1920s⁴. However, privatisation was accelerated after 1941, following

³The exceptions were probably a few areas in the western parts of the country, where some kingdoms and private property rights regime in land had emerged before the incorporation.

⁴ In contrast, the *gultegna* overlords in the North did not convert *gult* into *riste-gult*. Land ownership rights remained with the peasant communities. Further, following the abolition of the *gult* system, the *gultegna* in the North lost their appropriation rights over their *gult*, while their counterparts in the South were allowed to alter their *gult* rights to

the defeat of Italy and restoration of Haile Sellassie's government (Bahru, 2001; Markakis, 1974)⁵. As a result of privatisation of land, the royal family and the nobles were transformed from a group of *gultegna* overlords to a class of *riste-gultegna* (or 'aristocratic') landlords⁶. Jan Winiecki (1996: 64) characterises this type of combining political power with wealth accumulation as follows: 'Power and privilege are... [used] as means to acquiring wealth and the desire to acquire wealth motivates the actions of the ruling stratum' (see also North, 1979).

The central point we wish to make about the politics of the pre-1975 property rights in land in southern Ethiopia is that the state claimed all land in the incorporated territories, and the emperors reserved for themselves the ultimate power for land allocation (Markakis, 1974). This was the basis for the prevalence of an asymmetrical allocation of land rights. Furthermore, political intervention in land rights allocation favoured the minority at the expense of the overwhelming majority of the peoples of the South, who were subjected to landlessness and tenancy, sharecropping, eviction and migration, insecurity of tenure, and labour services. As Deininger and Jin (2006: 1253) explain, 'land was concentrated in the hands of absentee landlords, tenure was highly insecure [and] arbitrary evictions posed a serious threat' to tenants. Below we will briefly discuss negative effects of private ownership of land on the peoples of the South under Emperor Haile Sellassie's regime.

Landlessness and tenancy: As a result of land appropriation and asymmetrical land allocation, a great majority of the peasants in the southern provinces became landless tenants. The rate of tenancy, on wholly rented land alone reached as high as 73 per cent (in Illubabor Province, Oromia) (Cohen & Weintraub, 1975: 51, Table 11). Note, however, that tenancy is a misleading term in the Ethiopian context that requires close examination. It meant different things to the southern and northern provinces. As Hoben (1973) recorded, in the North, in the Dega Damot *Awraja* of Gojam Province, for example, tenancy was basically a system of sharecropping. It was

riste-gult rights, as noted earlier. This means that in the North, for political and ethnical reasons, the government honoured and retained communal land tenure, also known as the *rist* system.

⁵Likewise, the government allowed the *balabat* to convert their *maderia* land from temporary appropriation rights to ownership rights.

⁶We differ here from Crewett *et al* (2008: 9), who classify *gult* holders as 'aristocratic group' in the North, and as 'civil and military servants' in the South. We argue, instead, that in the South, too, *gult* holders were aristocratic group, while civil and military servants were *maderia* holders, not *gult* holders.

practiced between smallholders who pulled together their resources, including land, inputs, draught animals, and labour power. It was mostly based on equality and mutual benefits of the partners involved. In Hoben's own words:

It must be stressed that tenancy in Dega Damot does not involve the type of subordination, dependence, and one-sided control that it does in many other traditional agrarian societies. Tenants ... do not constitute a distinct class of landless people. Only few men (with the exception of artisans) are totally dependent on land they cultivate in tenancy. Moreover, even these men are seldom dependent for all their land on a single landlord [landholder] (Hoben, 1973: 137).

The experience in the southern provinces was fundamentally different from the situation in the northern provinces. Tenancy in the true sense of the term, i.e., one that is coupled by subjugation and exploitation of tenants was widespread in the South and minimal or 'a minor phenomenon' (Markakis, 1974: 126) in the North. Hence, most of the economic burden rested more heavily on the shoulders of the landless tenants of the South than smallholders of the North. Although both were obliged to pay bribes and were placed under control of the political authorities, the landless tenants of the South had been much more insecure than the smallholders of the North⁷. The southern tenants had lived in excessive dependence on the predominantly northern landlords and political authorities who were absentee landlords, as well.

Sharecropping: In the southern provinces, sharecropping was a heavy burden that subjected the landless tenants to economic exploitation and political domination (Hussein, 2001). The landlords received from their tenants between one-quarter (locally known as *irbo*) and two-thirds of the agricultural produce (Cohen, 1974). This experience is analogous to Akram-Lodhi's assertion that tenants' 'reliance on the landowners for access to land means that surpluses will be ... transferred from the direct producer to dominant classes. Production for those that rely on land owners is thus once again by peasants but not for peasants' (2007: 1450; see also Ribot and Peluso, 2003).

⁷Insecurity of tenure for small landholders in the North was essentially a result of periodic land redistribution undertaken by the peasant communities themselves to address all legitimate demands, especially those of the young generation of peasants (Hussein 2001), not a result of political intervention in land allocation.

In southern Ethiopia, in contrast to the northern provinces, sharecropping manifested a classic type of tenancy and asymmetrical power relations between owners and non-owners of the land. It was a vital source of exploitation and domination of the tenants by the politically backed landed classes. Indeed, the experience in the southern provinces under the imperial regime of Haile Sellassie supports the theoretical argument (Ellis, 1993) that sharecropping is not just an economic institution that subjects tenants to exploitation by their landlords. It is also a political instrument that provides the landlords with the power to suppress their tenants.

Eviction and migration: Besides aggravating the misery of the tenants through exploitation, the landlords or their representatives could evict the tenants arbitrarily, which created insecurity of tenure for the latter. One of the main causes of eviction of the tenants was the emergence of mechanised farming. Chilalo *Awraja* (sub- province) in the northern part of Arsi Province, where mechanisation led to mass eviction of tenants (and also displacement of small landowners), is a typical example. Large-scale tenant eviction related to agricultural mechanisation was also prevalent in southern parts of Shewa Province (now part of West Arsi Zone), especially Arsi Negele (see Paper 2). Furthermore, the evictions took place in the absence of alternative employment opportunities or means of income for the evicted tenants. Hence, most of them migrated into remote areas to find plots of land to cultivate, while a very small number were employed as seasonal workers in mechanised farms or migrated to towns looking for low-paid jobs.

Insecurity of tenure and labour services: The landlords compelled their tenants to render them all kinds of labour services without compensation. Such a labour duty, which was a ‘non-market coercion’ (Ellis, 1993: 6), was certainly an extension of the landlord’s authority over his tenant by virtue of his ownership of land and the political backing that he enjoyed. The tenant was forced to perform the duties imposed on him because he was insecure about continuing to cultivate his plot, for the landlord or his representatives could evict him any time at will. For the same reason, tenants also presented gifts to their absentee landlords, particularly during holidays, and paid bribes to representatives of the landlords. In short, ‘being in a weak bargaining position, he [the tenant] is easily victimized by the landlord’ (Markakis, 1974: 127). As they had no legal

protection, tenants were exposed to the power of the landlords who were supported by officials of Haile Sellassie's government at all levels.

All these adverse effects of private ownership of land were the results of the politically imposed land dispossession and marginalisation of the masses of the peoples of the South, who were unable to protect their land rights because of heavy imbalance of forces. Their initial resistance to the conquest and incorporation in a number of areas, such as Arsi, Keffa, and Wolayta, were crushed by military force. Likewise, Haile Sellassie's government crushed peasant movements in other southern provinces, such as Bale and Sidamo.

4. Privatisation and Ethnic Identity: The Link

The privatisation of land and related dominant and subordinate relations that prevailed in the southern provinces under imperial Ethiopia also had an ethnic dimension. The circumstances in the southern provinces were entirely different from those in the northern provinces in this regard, too. In the North, the *gultegna* and peasants, regardless of class differences among them, shared ethnic identity and religion, namely Orthodox Christianity, which enabled the latter to exert heavy social pressure on the former to honour and preserve common property rights regime (Lewis, 1983).

In the South, by contrast, privatisation of land was partly based on ethnic difference (Pankhurst, 1966). The *gultegna* and soldier-settlers in the South were not ethnically or personally related to the local peoples. In the words of Markakis (1974: 135), 'The northerners in the south constitute a distinct ethnic element in a region dominated by several other ethnic groups speaking different languages'. They were strangers who were brought in through the force of the gun. Therefore, the *gultegna* in the South, unlike their counterparts in the North, did not encounter social pressure to honour communal land tenure.

Ethnic difference was also, in part, responsible for the harshness of the alien ruling elite and their associates towards the local peoples (Ståhl, 1974). Therefore, for all practical purposes, the inequality and oppression of the masses in the southern provinces cannot be explained only in terms of class. It was, rather, a combination of political suppression, class exploitation, and ethnic oppression (Alemneh, 1987). Vaughan and Tronvoll present a good elucidation of the

interlocking nature of the political, economic, and ethnic aspects of property rights regimes in land in the southern provinces under imperial Ethiopia:

The Ethiopian Empire has been called a classic example of an “ethnocratic state”.... On this account, the distribution of power in the imperial state was based on an ethnic calculus that gave a near monopoly to the Amhara, or Amharicised, ruling class. The class dimension needs to be emphasised, because the Amhara peasantry belonged to the dominant group in power in cultural and psychological terms only, having no share of power or economic privilege. Invariably, access to state power controls access to economic privilege and social status. The main economic resource in Ethiopia being land, control over it was the foundation of the imperial political economy. The defining features of that system were the exclusion of the mass of the population from the process of government, and the economic exploitation of the producers by an ethnically defined ruling class, into which some other elites assimilated. Furthermore, the imperial regime practised a crude form of cultural suppression that sought to deny, if not erase, the identity of all subordinate ethnic groups in its domain (Vaughan & Tronvoll, 2003: 82).

In developing countries such as Ethiopia, political power is a reliable means of controlling not only economic resources, but also of culturally oppressing the marginalised ethnic groups. This involves the suppression of the culture and languages of the subordinate groups, while imposing the culture, values, and language of the dominant ethnic group. Ethnic oppression is also expressed in contempt for the marginalised ethnic groups by the political elite and other members of the dominant group. It is easy to observe all these attributes of an oppressive political system under imperial Ethiopia.

In general, discriminatory land tenure policy and the rising demand of the elite for increased revenues exacerbated the misery of the large majority of the population in the South, and subsequently aggravated the contradictions between the peasants and the imperial government. This situation, in turn, contributed considerably to the destabilisation and eventual collapse of Emperor Haile Selassie's government in September 1974, which resulted, *inter alia*, in the emergence of a fundamentally new type of property rights regime in land.

5. The Land Reform Proclamation of 1975 in the Southern Provinces: From Private Property to State and Public Property

The Land Reform Proclamation of 1975 (PMAC, 1975), was a landmark in the history of the changes in property rights regimes in the country, especially in the southern provinces. The proclamation nationalised all the rural land across the country and converted it to public property (state property implied), and thereby abolished private ownership of land and tenancy in the South. Moreover, in the South, the proclamation restored collective land ownership rights and land management authority to the local peoples, freed tenants from all obligations to the landlords, and granted secure *use* rights to peasant households. As Clapham (1988: 47) pointed out, 'For tenant farmers and landless peasants, the abolition of [private] land ownership removed a major source of exploitation in the one case, and provided guaranteed access to land in the other'.

The new land tenure policy was, indeed, a fundamental departure from the exploitative and oppressive relationships between the landlords and landless tenants and poor peasants of the southern provinces. That is why peasants in the southern provinces welcomed the reform proclamation with great enthusiasm (Husseini, 2001) and defended the gains of the land reform through their PAs.

The Ethiopian Land Reform Proclamation of 1975 was drastic by any standard, 'even in Soviet and Chinese terms' (Ottaway & Ottaway, 1978: 67). It swiftly and totally uprooted private property rights regime in land without any compensation to the landlords. It is a vivid demonstration of a 'land reform by revolution' (Huntington, 1968: 384), where there is neither place nor time for negotiation or compensation for those who lose their property rights. Viewed from the perspective of the peoples of the South, it was fair that the landed elite were not compensated, for they had not paid for the land when they grabbed it from the local communities by using their political and military power. One can, therefore, argue that the Land Reform Proclamation of 1975 was a measure that was necessary to heal a historical wound. It restored property rights to the legitimate owners, the peoples of the South as a group, and rectified past misdeeds.

The proclamation also drastically altered power relations in the rural areas. It transferred local political power, along with property rights, from the landlords to the landless tenants and poor peasants. It empowered tenants and poor peasants, through their PAs, to administer land in their localities, among other things, by replacing the landlords and the *balabat*. All this meant that the reform proclamation generated classes of winners and losers, but in reverse order. The winners were former tenants and poor peasants of the South as a class, and most of the southerners as people. Together with land rights, they also regained their lost dignity and *initially* the power to manage their resources in their localities and to enjoy the fruits of their labour. The losers were the landed classes and political elite, whose economic and political base was undermined. Until the introduction of the land reform, rural land was a ‘major source of power in the countryside and of status and wealth in the cities’ (Ottaway & Ottaway, 1978: 66) for the absentee landlords and political elite. The political significance of the Land Reform Proclamation of 1975 can be summarised as follows:

- It responded to one of the basic popular demands in the country, that is, *meret le arashu* (land to the tiller);
- It undermined the power base of the royals, nobles, and other political elite;
- It dismantled local administrative apparatus of the old system and replaced it with an entirely new structure, namely the PAs; and
- It strengthened the power base of the military government, which enlisted the support of the overwhelming majority of the peasants, especially in the South.

Zegeye Asfaw summarises the underlying causes for the promulgation and success of such a sweeping land reform proclamation as follows⁸:

⁸Zegeye Assfaw is the founder and General Manager of a local NGO known as *Hundee*. Under the *Derg*, he was a Minister of the Ministry of Land Reform and Administration, subsequently the Ministry of Agriculture, which was responsible for the implementation of the Land Reform Proclamation. He recalled that other options were debated before the issuance of the land reform proclamation among experts at the Ministry of Land Reform and Administration. These included progressive land taxation, to force the landlords to give up their excess land; imposition of ceilings of holdings, so as to find some excess land to redistribute to the landless; a new tenancy law, so as to regulate the relationship between the landlords and their tenants; a cadastral survey, to identify the types and size of land in the country vis-à-vis their owners, to effect the ceilings. However, the *Derg*, for political and

The *Derg* and progressive intellectuals around it were convinced that a radical land reform would redress historical injustice and obtain political support for the revolution. The government had full political commitment to the cause. To this effect, it dispatched senior high school and university students to the rural areas under the scheme, Development through Cooperation Campaign. The students raised peasants' awareness about the revolution and the land reform proclamation and helped in organising peasant associations, for which they should take credit. The government provided the Ministry of Land Reform and Administration with necessary logistics and authorised the Ministry to recruit experts without formal procedure of the Commission for Personnel Administration. The *Derg* members, many of whom were from the South with tenancy background, had good wishes to address the problems of the tenants and poor peasants. The urgency of the matter was so recognised that the military administration discussed the draft proclamation only one afternoon and promulgated it without even involving the Council of Ministers. It was an epoch-making measure in Ethiopian history.

Associated with the government's political commitment was an ideological factor. '*Meret le arashu*' (land to the tiller) had long been an important demand of the movement of university students, who advocated the eradication of private ownership of land and transfer of land rights from the landed elite to poor peasants and landless tenants. Some prominent *Derg* members, especially Mengistu Haile Mariam (then first deputy chairman of the *Derg*) adopted this demand as their ideological 'commitment' (Ottaway & Ottaway, 1978) to introduce equity in land allocation and redress injustices of the imperial period.

6. Land Reform, Government, and Peasants: Opportunities and Challenges

The success of the Land Reform Proclamation of 1975 cannot be understood in isolation from the active role of the masses of the peasants through their PAs. Together with changing property rights regime, the proclamation eliminated local administrative structures of Haile Sellassie's government and replaced them with PAs. PAs were organised immediately at *kebele* level (gradually, the associations were also organised at *woreda*, *awraja*, provincial, and national levels), following the issuance of the reform proclamation. They were empowered to implement

ideological reasons, considered these options insufficient and opted for a radical land reform. The interview was held on July 31, 2006.

the land reform proclamation and administer rural communities.⁹ The PAs, which succeeded in rallying millions of peasants behind them, played a vital role in the successful implementation of the proclamation. The Ethiopian experience is analogous to the literature, which argues that, ‘The effectiveness of [a radical] land reform...depends [in part] upon active and eventually organized participation of the peasants’ (Huntington, 1968: 394; see also Olano, 2001, World Bank, 1975). In southern Ethiopia, the armed and politically backed PAs emerged as a formidable force that discouraged the former landlords from engaging in any substantial subversive activities against the reform measures, and they managed to control those who attempted to resist.

In the early years of the land reform, PAs enjoyed autonomy. They functioned as a forum for local self-administration and as organisational mechanisms for defending peasants’ land rights. Moreover, government authorities at various levels appeared to be supportive of the associations. For example, the newly appointed young *woreda* administrators and officials and experts of the Ministry of Land Reform and Administration encouraged the PAs and assisted them in every possible way. Gradually, however, peasants came under the power of the military government. Realising the need to access more peasant resources, the government subsequently introduced austerity policy measures (Hussein, 2001). Political intervention and firm control involved both rural resources and rural decision-making processes. Below, we briefly outline the most relevant ones (for detailed discussions, see Alamneh, 1987; Eshetu, 1990; Hussein, 1997, 2001)¹⁰.

⁹The proclamation provided the PAs with multifaceted tasks, including distribution of land, preservation of natural resources, provision of social services, establishment of marketing and credit cooperatives, and administration of justice, that is, to hear land disputes arising within their localities by establishing *fered shengo* (or judicial tribunals, now social courts). Gradually, they were also assigned the tasks of collection of taxes and maintenance of law and order. Before the issuance of the Land Reform Proclamation, these tasks were undertaken by local landlords and *balabat*, in collaboration with representatives of the absentee landlords.

¹⁰In addition to the major issues discussed in this section, forced villagisation, conscription, and, in some areas, imposed resettlement schemes were among the measures that adversely affected the peasants. They also contributed to the aggravation of contradictions between peasants and the government.

Suppression of the autonomy of the PAs: Having strengthened its power, the military government then undermined the autonomy of the PAs and subjected the associations to political control. This meant that the PAs were *de facto* converted from autonomous entities to appendices of the government. Because of the prevalence of political intervention, the associations could not protect the interests of their members. Therefore, they lost gradually morale authority and confidence to mobilise peasant masses for rural development activities (Hussein, 1997).

Ideologically motivated collectivisation: Where they existed, the government-sponsored agricultural producers' cooperatives created insecurity of tenure for a majority of the peasants. Peasants who held fertile plots adjacent to cooperative farms and were reluctant to join the cooperative societies were given substitutes in the *kebele*. However, the plots that many of them received were of lower quality compared to what they lost. Peasants holding good quality land were, therefore, worried that, with the expansion of cooperative farms, they would lose their fertile plots and end up with the poor quality ones. The emphasis on agricultural producers' cooperatives at the expense of smallholders was a result of the *Derg's* ideological goal of socialist transformation of agriculture.

Compulsory grain delivery: Another form of government intervention in peasant resources concerns the imposition of a grain quota. Peasants were forced to sell a certain amount of their grain production as per the quota assigned to them, to agricultural service cooperatives at a centrally fixed lower (than the open market) price. This was a means of extracting surplus from the peasants to feed the urban population and the army. Although they retained the land, peasants lost the decision-making power and control over their own produce, unlike in the early years of the land reform. In this way, the *Derg's* grain marketing and pricing policy undermined the hope of many that peasants would be free to enjoy the gains of the land reform fully and without interruption.

Heavy political interventions reflected the increasingly authoritarian behaviour of the military government (Hussein, 1997), such as the centralist thinking of the ruling elite and absence of the rule of law and democracy, all of which eventually became counterproductive for the government itself. Furthermore, as a result of these hostile policy measures, the majority of the peasants gradually distanced themselves from the government which they had once supported

strongly¹¹. It must be stressed, however, that despite such policy impediments and challenges, the essence of the land reform, namely the liberation of a great majority of the southern peasants from the bondage of the *neftegena* system, has been retained intact.

6. Conclusions

Critical review of the historical trajectory of property rights regimes in land in southern Ethiopia demonstrates the centrality of governments and their ideologies in shaping changes in property rights regimes. The changes were imposed by central political authorities, which meant a top-down approach, and were enforced mainly through the use of force to undermine resistances from losers of property rights. All the Ethiopian governments had two basic features in common as regards changes in property rights regimes in land: (i) under all governments, the changes had been superimposed politically: they were not developed locally as a result of rising relative prices or technological changes or population pressure; and (ii) all governments awarded land, at the expense of other groups, to the actually or potentially influential social groups, whose support was sought mainly to maintain political power and assure stability.

There was one fundamental difference, though, between the imperial governments and the *Derg* as regards the ‘target population’ or the beneficiaries of the changes in property rights regimes. Under the governments of Menelik and Haile Sellassie, political intervention in the changes in property rights regimes benefited the political and economic elite who were mainly from the North, at the expense of the majority of the peoples of the South. Under the *Derg*, all

¹¹Later, in 1990, the government abandoned these and other austerity policy measures, only a year before it was overthrown. This was because the government sought urgently to regain peasant support both for mobilisation and to stay in power. The move came under pressure from both domestic and international politics. Domestically, the ‘balance of power’ tilted towards the ethno-national liberation fronts, which threatened the political centre. The war in Eritrea contributed substantially to the weakening of the government. Internationally, the collapse of the socialist bloc undermined the government’s source of military supply and of political support. Armed insurgents successfully exploited the weaknesses of the government to their advantage and in some areas were able to mobilise peasants against the government, which they overthrew in May 1991. Abolition of the austerity policy measures came too late to save the government from collapsing.

this was reversed. The landed elite were totally dispossessed of their land to the benefit of the large majority of the population of the South – landless tenants and poor peasants. Findings in this study support the argument that the shift in property rights regimes, which normally follows the shift in political regimes, benefits certain social groups at the expense of other groups.

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Paper II

Paper 2: The Politics of Land Appropriation and Land Allocation in Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

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Abstract: This paper explores the role of politics in rural land appropriation and land allocation in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia. Field data were generated from key informant interviews, supplemented by archival materials. The imperial governments of Menelik and Haile Sellassie came near to totally appropriating the communal land in the two *woreda*, using a method that was uncommon in most parts of Arsi and probably in other southern areas, namely land bequeathing, by deceiving the *balabat*. Land appropriation followed the conquest and incorporation of these areas into the newly emerging empire. The governments granted most portion of the appropriated land to the royal family and a nobleman, in Arsi Negele and Hetossa, respectively. As a result of land appropriation and subsequent asymmetrical land allocation, the local people were virtually entirely dispossessed of their land and converted to *gabbar*. Following land privatisation, the *gabbar* became landless tenants who were subjected to surplus appropriation, insecurity of tenure, eviction, and migration. The introduction of mechanised farming accelerated and aggravated, particularly eviction and migration of tenants, and contributed to the dispossession and displacement of small landowners. The *Derg* dispossessed the landed elite of their land and redistributed land to former tenants and poor peasants. In both cases, the changes in property rights regimes generated classes of winners and losers.

Keywords: government, peasants, land bequeathing, land appropriation, land allocation, agricultural mechanisation, eviction, migration

1. Introduction

The imperial government of Menelik that invaded the southern territories in the last quarter of the nineteenth century, appropriated or claimed all the land in the conquered territories. Land appropriation was followed by asymmetrical land allocation. The government allocated a small portion of the appropriated land to the *balabat*. It granted a large portion of the remaining land to the nobles, warlord governors, soldier-settlers, and other followers from the North, and retained a

small portion of it as state/Crown land. Haile Sellassie's government inherited and enhanced land appropriation and land grant policies of its predecessor.

The method that the imperial governments of Menelik and Haile Sellassie employed in appropriating land in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia, was fundamentally different from the 'standard' or dominant approach pursued in other parts of the South (see Paper 1). The two *woreda* are classic examples of land appropriation through a cunning method, which came to be known as land bequeathing. Using this method, the governments virtually entirely dispossessed the local people, namely the Arsi Oromo (see Section 3 in the general introduction of this thesis), of their communal land. The introduction of agricultural mechanisation under Haile Sellassie's government increased the intensity and pace of eviction and migration of landless tenants and also contributed to the dispossession and displacement of small landowners.

Nevertheless, almost all the literature on the historical trajectory of land appropriation and land allocation in southern Ethiopia, including Arsi, to which Arsi Negele and Hetossa had historically belonged, deals with outright land appropriation and the 'standard' procedure for land allocation. This means that land appropriation in the guise of land bequeathing has not received much attention. A few historians (Abas, 1982; Bizuwork, 1994; Pankhurst, 1966) have briefly described the land bequeathing that took place in Hetossa and a few other areas in the northern and eastern parts of Arsi. However, they have not analysed the political intrigue that the ruling elite employed in land appropriation and the imperial motive for using land bequeathing. There is no literature to our knowledge on the politics of land appropriation and land allocation in Arsi Negele. This paper focuses on these neglected aspects and contributes empirical material to the literature on the politics of property rights.

In this paper, we primarily explore the imperial phase of the political history of land appropriation and land allocation in Arsi Negele and Hetossa *Woreda*. In doing so, we explain the method that the imperial governments employed in appropriating the land and the effects of land appropriation, land grants, and privatisation coupled by the expansion of agricultural mechanisation on the local people. We also briefly discuss the impact of the Land Reform Proclamation of 1975 on the masses of the local people in the two *woreda* under study. We primarily argue that the imperial governments of Menelik and Haile Sellassie appropriated nearly the entire extent of land in Arsi Negele and Hetossa *Woreda* through fraud, which was then

consolidated through intimidation. We also argue that the Land Reform Proclamation of 1975 is a rectification of past injustices and a healing of historical wounds.

The study is based on field research conducted in Arsi Negele and Hetossa *Woreda* over the period of January 2005 to May/June 2006. Historically, both Arsi Negele and Hetossa belonged to the Arsi Province. However, Arsi Negele was annexed to Shewa Province in 1963 and, in 2006, was incorporated into the newly established West Arsi Zone. Hetossa has always remained part of the Arsi Province (now Arsi Zone). The Arsi Oromo form the majority of the residents in the two *woreda*. The study areas consist of a land area of 2,615.63 square kilometres and have a total population of 459,703 (CSA, 2007: 29, 30). Farming is the main activity in the two *woreda*, where crop production is the main livelihood for the rural communities, followed by animal husbandry.

Primary data were generated from in-depth, open-ended interviews with key informants. Additional data were collected from archival materials. The key informants included oral historians (from community elders) as main sources of information, former landowners or their representatives, and former village headmen (or *chicka shum*).

The paper is organised as follows. Section 2 describes the conquest of Arsi, local resistance, and land appropriation. Section 3 examines land bequeathing deal in Arsi Negele and Hetossa *Woreda*. It also explains the motives behind land bequeathing and land 'receiving' deals, and discusses popular awareness about land bequeathing, land grants, and privatisation. Section 4 presents the eviction and migration of tenants and the dispossession and displacement of small landowners. Section 5 discusses the effects of the Land Reform Proclamation of 1975 in the study areas. Section 6 presents the conclusions of the investigation.

2. The Conquest of Arsi, Local Resistance, and Land Appropriation

The Pre-incorporation Period

Before its incorporation into the newly emerging Ethiopian empire in the late 1880s, Arsi was an independent region. As there was no state, the Arsi, like their fellow Oromos in most other areas of the present-day National Regional State of Oromia (the exceptions were a few areas in the western parts of Oromia, e.g., Jimma-see Lewis, 2001, where some kingdoms emerged), lived under an indigenous system of societal administration, namely the *gadda*¹. According to the oral historians interviewed, each territory in Arsi was administered by the traditional leaders called *abba gadda* (literally, fathers of the *gadda*), assisted by a group of *hayou* (wise men). The *gadda* officials organised and mobilised their respective communities to protect their territories from external intervention. They were also responsible for maintaining law and order, for arbitration of disputes, and for dealing with inter-community relations.

The oral historians interviewed stated that under the *gadda* system, land was a common property of all members of each *gossa* (sub-clan) of the Arsi Oromo, which had its own territory that was recognised and honoured by neighbouring *gossa*. All members of the *gossa* were free to *use* the common land for any purpose, including settlement, grazing, hunting, collecting firewood, and cultivation anywhere in the *gossa* territory, without asking permission from anybody. Since the Arsi had relatively abundant land, there was no concern about overgrazing or resource depletion. Therefore, it was not necessary for them to design rules and regulations to regulate members' access to the common land. The Arsi experience supports the argument that where the resource is abundant vis-à-vis the ability of its users to exploit it, it might not be necessary to 'regulate access' (Vatn, 2005: 284). Restrictions on access to land were imposed on the outsiders, instead, who included members of other Arsi Oromo *gossa*, of the non-Arsi Oromo *gossa*, and

¹*Gadda* can loosely be defined as a system of politico-social administration that combined political and cultural activities. Under the *gadda* system, power shifted regularly (every eight years) from one 'popularly' elected (but excluding women) group of leaders to another. The ruling groups consisted of the political, military, and spiritual leaders (for an extensive discussion of the Oromo *gadda* system, see Legesse, 2006; see also Lewis, 2001; Pausewang, 1983).

members of the non-Oromo ethnic groups. The excluded sought the consent of the *gossa* concerned to use the land.

In view of the oral historians interviewed, owing to recognition by neighbouring *gossa*, together with the presence of relatively abundant land, there were neither land claims, nor intra-community conflicts over land among the Arsi Oromo. There were, however, inter-community conflicts between the Arsi and non-Arsi Oromo *gossa*, such as the one between Arsi and Jillie (around Wonji and Koka). Even these were essentially motivated by the desire for fame, cattle raiding, and power struggles among the local chiefs; they were not fighting over land as such. Conflicts over land took place, rather, between the Arsi Oromo and their neighbouring non-Oromo ethnic groups, such as the Sidama, Siltie (locally known as Adarie), and the Alaba in the Rift Valley areas.

Conquest and Resistance

Menelik's government invaded Arsi in 1882 and incorporated it in 1887 (Darkwah, 1975). The conquest of Arsi had both immediate and strategic significance for the invaders. It was an integral part of a larger project of empire-building, wealth acquisition or 'revenue maximisation', and consolidation of political power through conquest and incorporation of the southern territories (for a detailed discussion, see Bahru, 2001; Darkwah, 1975; Marcus, 1995).

According to the oral historians interviewed, the Arsi Oromo in the northern and eastern parts of Arsi fought stubbornly to defend their territory against the invading forces. They resisted the aggression for some five years and repeatedly defeated the invading army. The fighting mainly took place in the northern part of Arsi, including Hetossa, which bordered Shewa². The Arsi had supremacy in horse over Menelik's forces, and they made 'surprise attacks in night while the "Amhara" enemy were at rest, inflicting some losses and then quickly making off

²Oral historians interviewed stated that Menelik's forces, however, did not encounter armed resistance in western, including Arsi Negele, and the southern parts of Arsi. This was because the backbone of the Arsi was broken in the eastern and northern parts of the region. When the invading army arrived, the local people had already been terrified by the news about the massacre of their fellow Arsi Oromo. Hence, they decided to surrender than to face the formidable enemy forces and be annihilated.

before the enemy could organize a counter-attack' (Darkwah, 1975: 104). Darkwah (1975: 103) describes the determination of the Arsi and the magnitude of their resistance as follows:

Of all the campaigns which Menilek conducted before he became Emperor in 1889 perhaps the most sustained and most bloody were those against the Arusi Galla [Arsi Oromo]. It took six different campaigns conducted between January 1882 and January 1887 to conquer the region On each of these campaigns Menilek's soldiers met with determined resistance from the enemy.

However, such a stiff popular resistance did not last long. In the long run, the traditional means of fighting that the Arsi used, such as spears and arrows, could not match the relatively modern armaments with which the invaders were subsequently equipped (Bahru, 2001; Ståhl, 1974). As a result, the Arsi 'resistance broke down and the region then fell to the invaders. In the final analysis it was the firearms of the invaders which won them the contest' (Darkwah, 1975: 104) and enabled them to crush the popular resistance. The scattered and poorly equipped pastoralists had no capacity to fight continuously against the better organised and comparatively well-armed state forces. The battle that was fought at Azule in eastern part of Arsi, in 1886, was decisive in this regard. This event, which is remembered among the Arsi Oromo as '*cheli Azulle*', translated 'annihilation at Azulle', was the bloodiest, where the invaders massacred the Arsi ruthlessly. Ståhl (1974: 40) stresses that, 'The expedition of 1886 developed from battle into slaughter'. For example, 'a single battle fought on 6 September terminated with 6,000 and more of the Arusi [Arsi] left dead on the battlefield' (Darkwah, 1975: 195).

Moreover, although the armed conflict was actually over, the invading army, nevertheless, extended the massacre of the local people to the remaining parts of Arsi. Annole, which is situated about nine kilometres north-west of the town of Itaya, the administrative centre of the Hetossa *Woreda*, is a case in point. According to oral historians, probably to discourage any future popular revolt and retaliate for its earlier repeated defeats, Menelik's government, in 1887, took harsh physical measures against the Arsi that involved the mutilation of men's hands and women's breasts. This tragedy is known among the Oromo as *harka murra Annole*, *harma murra Annole*, literally 'Annole's hand cutting', 'Annole's breast cutting', simply put, chopping off the limb and cutting off breast at Annole. Note that the victims were innocent civilians, not war captives, who were deceived into gathering believing that government officials wanted to meet

with them for reconciliation and to bring about lasting peace in the occupied territory. The local communities still narrate this sad story that has passed down orally from the preceding generation, with deep dismay. They cite victims by name, some of whom were their own relatives. The historical wound has still not been redressed after some 120 years (1887- 2006).

Furthermore, and, perhaps for similar reasons, the invaders continued killing and mutilating the civilian Oromo from all walks of life as far as the southern tip of Arsi. As Tsehai Berhaneslassie (in Ståhl, 1974: 40) explains, the invaders were engaged in 'killing and mutilating ... the Arusi [Arsi] children, women and elders; villages and farms were burnt ... the mutilation continued up to the banks of the Webi [that divides Arsi and Bale] and the borders of Sidamo'. This manifested a typical act of state terror aimed at ruling the occupied territories through intimidation and sheer force.

Land Appropriation and Land Allocation

The defeat of the Arsi led to the incorporation of their region into the newly emerging Ethiopian empire and to appropriation of their land. The oral historians interviewed stated that following the incorporation, Menelik's government introduced new administrative structures and a property rights regime. It established state apparatus, replacing the *gadda*, and appointed warlord governors (or *melkegna*) to collect tributes, control the local people, maintain law and order, and adjudicate disputes. With regard to property rights regime, the government appropriated the land and converted it to state property. As a result, the Arsi Ormo lost all rights of free access to and control over their land.

It should be noted, though, that appropriation of the communal land did not immediately lead to displacement of the dispossessed collective owners. In the early years of the incorporation, the government did not take over actual land management authority. According to the interviewees, this was because it was more occupied with maintaining law and order, collecting tributes, and feeding the army, than with actual control over the land. Hence, it entrusted the administration of the land to the *balabat* to act on its behalf. Similarly, although the local people 'legally' lost their land rights, they were retained as producers, for land without people working it or paying tributes was useless for the ruling elite and their associates who controlled the land. In other words, the local people were dispossessed of their land and at the same time integrated into

the new system in order for them to produce surpluses to sustain the ruling elite. This created the impression that the local people had retained the land, although state structures and tributes were imposed on them. The local people, hence, remained on the land without being aware of the changes that had occurred in their own land rights and status.

The oral historians interviewed pointed out that land allocation between the state and the *balabat* was undertaken gradually after the introduction of the *kalad* (land measurement) system, the unit of measurement being *gasha* (one *gasha* = 40 hectares). The imperial government (actually the Emperor), as in other southern areas (see Paper 1), ‘granted’ between a quarter and one-third of the conquered land to the *balabat* as their *maderia* for temporary appropriation (and granted most of the remaining land to high-ranking government officials and their associates).

It should be remembered, though, that the *maderia* land was not a result of a fair land allocation system. It was, rather, imposed by the imperial government of Menelik (and later by Haile Sellassie’s government as in Arsi Negele) on the *balabat* in the conquered territories. We argue that it was a lesser evil for the *balabat*, as compared to the probability of losing the entire land, to agree to ‘retain’ a small portion of the land in their traditional territories, while surrendering a large portion of it to the conquerors. We argue, further, that if the *balabat* had failed to comply, the government would have appropriated the entire land under the guise of land ‘belonging to rebels’ (Pankhurst, 1966: 137).

The change in the property rights regime also resulted in a change in the social status of the local people. This means that in the course of land appropriation and land grants, the majority of the Arsi Oromo were dispossessed of their land and converted to *gabbar*. As Pankhurst (1966: 139) remarks, ‘A significant feature of the Arussi [Arsi] situation was ... that a large proportion of the Galla [Oromo] population became *gabbar*s ... and were obliged to give service to the soldiers quartered in their area’. Furthermore, through land privatisation under the reign of Emperor Haile Sellassie, the *gabbar* became landless tenants. They were subsequently subjected, among other things, to surplus appropriation, insecurity of tenure, large-scale eviction and migration, as in Arsi Negele and Hetossa. All this meant that land appropriation and the asymmetrical land allocation that followed led to a remarkable inequality in land allocation, which itself was a result of power relations between the victors and the vanquished³.

³The dominant and subordinate relationship between the absentee landlords and the local people was interrupted during the Italian occupation of Ethiopia (1936-41). Community elders reported that under the Italian administration,

Historically, inequality in land allocation was the basis for the emergence of classes (Burrage, 2008), which, like the state, were themselves a result of the emergence of private property rights in land. However, the Arsi situation differs from this general historical experience. In Arsi, as in most other southern areas, private property in land and the corresponding social classes and state structures were externally imposed phenomena that had followed the conquest of the region, land appropriation, and asymmetrical land allocation. It is against this background that we analyse the political trajectory of land appropriation and land allocation in Arsi Negele and Hetossa in this paper.

3. Land Bequeathing, Land Appropriation, and Marginalisation in Arsi Negele and Hetossa

Land appropriation through land bequeathing, which became a subtle means of nearly totally dispossessing the people in Arsi Negele and Hetossa of their land, was unknown in most parts of Arsi, and probably in almost all other southern areas. This ‘peculiarity’ concerns not only the extent of land appropriation and the method employed, but also the extent of the impact of such measures. In the two *woreda* under study, unlike in some other areas in Arsi, land bequeathing involved the whole *woreda*. The *balabat* in the two *woreda* bequeathed all the land in their respective territories to the Ethiopian rulers, a practice locally known as *aware*.⁴ According to the oral historians interviewed, this means that the Hetossa *balabat* bequeathed land to Emperor

collective land rights were restored to the local people. On the surface, it was similar to the situation under the *gadda* system where the local people enjoyed unrestricted freedom to access and use the common land in their respective *gossa* territory. In reality, however, unlike under the *gadda* system, the Italian state was the ultimate owner of the land. The elders further explained that the majority of the local people warmly welcomed the Italians who had uprooted the imperial political order and wiped out the domination of the *nefetegna* (i.e., the landed elite and soldier-settlers from the North). However, the Italian administration itself was not without a problem. There was arbitrary rule. Mostly, the administrators were not patient to investigate allegations thoroughly. They made spontaneous judgments and took actions on the spot. On balance, however, although short, the Italian period is recalled locally as a time of freedom and prosperity. This freedom was reversed following the restoration of Haile Sellassie’s government, in 1941, and the consequent return of the *nefetegna* system.

⁴*Aware* is not a common term. The Oromo in the study areas use it in place of the Amharic word *aweresse*, that is, he (not she) has bequeathed, which itself derives from *wurse*, which is, confiscation. For the Oromo in the study areas, *aware* simply means land bequeathing.

Menelik⁵. Likewise, the seven *balabat* in Arsi Negele bequeathed the land in their respective territories to *ras* Teferi (Emperor Haile Sellassie I in 1930) in 1927/28, when he was still a regent (1916-30) for Empress Zewditu and an heir to the imperial throne. In reality, however, actual power rested with Teferi, and Zewditu only retained nominal power (Donham, 2002).⁶

The Emperor granted all the land in the *woreda* to his nobleman, *ras* Birru Wolde Gebriel. *Ras* Teferi, on his part, granted a more fertile and large portion of the land to his wife, the would-be Empress Menen. He retained the smaller portion and less fertile land (in the lowland areas) for future grants and other purposes. Originally, they both granted the land as *gult*. Subsequently (immediately in Arsi Negele), the grantees were allowed, as in other areas in the southern provinces, to convert their *gult* into *riste-gult*. Menen's *riste-gult* was then registered as a *bête-rist*, which means the land of the imperial family.

Land bequeathing had severe consequences for the *balabat* and more importantly, for the masses of the local people. By bequeathing their land management authority, the *balabat* placed themselves at the mercy of the shrewd political elite who grabbed land in a subtle manner. Through the loss of control over their territories, the *balabat* also lost their political power. It is not surprising, then, that the percentage of the bequeathing *balabat's maderia* land (Table 1) was negligible, compared to what the non-bequeathing *balabat* received, which was between 25 and 33 per cent, i.e., one-quarter and one-third, respectively.

⁵Informants could not trace the actual period when land bequeathing occurred, except saying that it was a couple of years before the death of Menelik, which was in 1913; nor is there any documentation to our knowledge on this aspect.

⁶Literally, *ras* in Amharic means head. Under imperial Ethiopia, it was a political title assigned by the emperors to high-ranking (male) members of the nobility. On the imperial political ladder, *ras* was the second highest title next to emperor.

Table 1: Share of the State/Crown and the *Balabat* from the Bequeathed Land in Arsi Negele, 1927/28 (in *Gasha*)

| <i>Balabat</i> Territory | Land Bequeathed | Share of the State/Crown | Share of the <i>balabat</i> |
|--------------------------|-----------------|--------------------------|-----------------------------|
| Dawe | 400 | 380 (95%) | 20 (5.0%) |
| Fugna Murra | 171.5 | 161.5 (94%) | 10 (6%) |
| Gembo | 456.25 | 447.25 (98%) | 9 (2%) |
| Keta | 43 | 40 (93%) | 3 (7%) |
| Liye | 41.5 | 38.5 (93%) | 3 (7%) |
| Madedda | 235 | 220 (94 %) | 15 (6%) |
| Waji | 122.5 | 109.5 (89%) | 13 (11%) |
| Total | 1,469.75 | 1,396.75 (95%) | 73 (5%) |

Source: Based on data from personal records of Asrat Endaylalu and supplemented by information obtained from the community elders.⁷

Table 1 depicts an excessively asymmetrical land allocation between the state/Crown and the *balabat* in Arsi Negele. The amount of the land assigned to all the seven *balabat* in the *woreda*, following land bequeathing, was 73 *gasha* out of 1,470, which accounted for 5 per cent of the total. According to the ‘standard’ land allocation principle, the share of the *balabat* should have been 490 *gasha* (one-third) or at least 367 *gasha* (one-quarter). Seen in terms of percentage, the maximum land that was assigned to a bequeathing *balabat* was 11 per cent (Waji). Many other territories fall between 5 per cent (Dawe) and 7 per cent (Keta and Liye). Gembo presents an extreme case. Here, the share of the bequeathing *balabat* was as low as 2 per cent of the total land in the *balabat* territory. The variation in percentage from one territory to another implies that the size of the land allocated to each bequeathing *balabat* was based on the ‘goodwill’ of the ruling elite, rather than on a standard formula.

⁷Asrat Enadyelalu, 75, is a resident of Negele town, Arsi Negele *Woreda*. Under Haile Sellassie’s government, he was a Secretary of the *Bete Rist* Administration in Arsi Negele *Woreda*.

The experience from Hetossa *Woreda* is even more striking. Oral historians reported that in Hetossa, the bequeathing *balabat* received a mere 6 *gasha*, out of some 1,700 *gasha* (Bizuwork, 1994: 543), which accounted for some 0.35 per cent of the total land in the *woreda*. This meant that the *balabat* was virtually completely dispossessed of his traditional territory.

Why did Emperor Menelik and *ras* Teferi choose land bequeathing as a method of land appropriation? Why did the *balabat* bequeath the land? It appears that the Emperor and the *ras* preferred land acquisition through bequeathing, because it was a subtle method of near total land appropriation, as compared to the typical method of land allocation where the state/Crown ‘lost’ a good portion of the conquered land to the *balabat* and, through them, to the local people⁸. The *balabat*’s decision to bequeath land was a result of local power struggles and the ensuing threat to their authority. According to oral historians, threats to the *balabat*’s authority came from three sources: (i) some ambitious *gossa* members, in Arsi Negele, who threatened to take power from the *balabat*; (ii) discontent *gossa* in Hetossa *Woreda*, who sought to have their own *balabat* by detaching themselves from the Hetossa *gossa*; and (iii) a powerful and ambitious *balabat* in the neighbouring Adami Tulu Jiddo Kombolcha *Woreda*, who threatened to incorporate the whole Arsi Negele *Woreda* into his own *balabat* territory.

Realising this situation, government officials persuaded the increasingly pressured *balabat* to bequeath land to the Emperor and the *ras* in Hetossa and Arsi Negele, respectively, in exchange for government protection that they sought. It is not clear to us, nevertheless, whether government officials instigated these local power struggles. What is clear is that the ruling elite skilfully exploited local feuds to promote their own objective of grabbing land. Moyata Tuffa captures the cunning nature of the scheme that the rulers devised to dispossess the *balabat*, while appearing to protect them against their local contenders, and the resultant shift in land management authority in Arsi Negele, as follows⁹:

⁸Community elders reported that although in practice many *balabat* failed to meet the expectations of the people, the government ‘granted’ the *maderia* land to them, unlike in the case of alien grantees, with the understanding that they would use it in common with their respective *gossa* members.

⁹Moyatta Tuffa, 88, is a resident of Turge *Kebele* Administration, Arsi Negele *Woreda*. Under Haile Sellassie’s government, he was a local landowner and *chika shum* (village headman). The interview was held on February 12, 2006.

Government officials initially persuaded the *balabat* to bequeath land to *ras* Teferi to get his protection, in return, against their challengers, and they did. However, after securing the land, the *ras* abandoned them. Their status was undermined as a result of land bequeathing. *Woreda* government officials or representatives of the royal family [the two were often one and the same] warned the *balabat* to refrain from claiming their land management authority, which they were told to have relinquished while bequeathing the land. In short, the *balabat* betrayed their own people and bequeathed land to *ras* Teferi. The *ras*, in turn, betrayed the *balabat* and almost entirely dispossessed them of the territories that they administered traditionally.

However, all other community elders interviewed in the two *woreda* under study stated that the *balabat* were unaware of the political trap that deprived them of their territories and status. They believed government officials who promised them that land bequeathing was just a means to obtain government protection and that the Emperor and the *ras* would not interfere into their land management authority. In reality, however, the Emperor and the *ras* were using the *balabat* as a stepping-stone to take over virtually the entire land without creating conflicts with the local people. It was only a matter of time before the *balabat* were systematically marginalised and almost entirely deprived of their traditional land management authority. They were left only with the title, with no power to exercise, for there could be no real *balabat* status in the absence of a territory to administer. That is why in Arsi Negele, for example, they were addressed in official correspondences as *awrash* (bequeathing) *balabat*, suggesting that they were not *balabat* in the true sense of the term. By the time the *balabat* realised that they had been deceived, it was too late for them to reverse the situation.

Experience from other areas offers a contrasting situation. The *balabat* in neighbouring *woreda*, for example, Tiyo and Shashemene bordering Hetossa and Arsi Negele, respectively, and many others in Arsi who became aware of the adverse effects of land bequeathing, declined to bequeath their authority over land, despite government officials' attempts to persuade them to do so. Their argument, according to the community elders interviewed, was that they had no right to bequeath the land without the consent of their people. The imperial governments refrained from pursuing the matter for fear of popular opposition. Hence these *balabat*, unlike the *awrash balabat*, received 'their share' of the land appropriated in their respective territories based on the regular land allocation formula. We argue, therefore, that, the relatively strong and conscious *balabat*, unlike their weak and insecure counterparts, escaped the political trap.

How did the local communities in Arsi Negele and Hetossa perceive land bequeathing and land grants? The bequeathing exercise was carried out secretly, without the knowledge of the local people. In Hetossa, people first heard about it when their *balabat* returned from Addis Ababa, the capital, with the title *kgenazmatch* (literally, commander of the right wing) in *warro* (prestigious court clothing). They became fully aware of the implications of what had happened only when the *gultegna* overlord, namely *ras Birru*, claimed all the land in the *woreda* and instructed the peasants and pastoralists to pay tributes to his office instead of the office of their own *balabat*.

In Arsi Negele, in contrast, the local people remained ignorant for over two decades that the land had become a private property of the imperial family. It is true that the people received the news about the land bequeathing deal from their *balabat*, who were themselves initially unaware of its implications. Nevertheless, as oral historians pointed out, the people believed that what had happened was a takeover of the land by the government (on behalf of the state) and that they would enjoy secure use rights to the state land in return for the tributes and taxes they were required to pay. The introduction of overlapping local structures was another source of confusion. For example, *woreda* governors were at the same time representatives of the *bete-rist* administration until 1966, when *rist-gult* was registered as *gabbar* land.

The local communities became aware that the state/Crown land had been granted to Empress Menen and converted to her *riste-gult* some 22 years after the event. Asrat Endaylalu (interview, February 13, 2006), for example, reported that the local people learned that the land was privatised when authorities of the *bete-rist* administration instructed them, in 1950, to share the crops or enter into lease agreements with them in order for the tenants to remain on the land. Up to that time, the royal family only collected tributes and subsequently taxes through the *woreda/bete-rist* administration. They declared their ownership over the land and demanded rents from their tenants when the land value increased owing to the expansion of agriculture in the area.

In general, the masses of the local people were the net losers in the land-bequeathing deal, for the *balabat* had received some land, no matter how small. The local people hoped to restore their land rights by legal means and engaged in litigation over the land for decades -in Hetossa (until the introduction of the Land Reform Proclamation of 1975 that outlawed any land-based litigation in regular courts) mainly in the imperial courts (locally known as *zufan chilot*) of Menelik and Haile Sellassie. Oral historians pointed out that the people filed charges against the absentee landlords (except for the royal family) and their own *balabat*, but to no avail. The *zufan*

chilot used delaying tactics, which were both costly and demoralising for the peasant communities. Given that the local people were faced by elite who were advantaged by virtue of their political status and wealth, it is not surprising that they were denied justice.

On the other hand, according to the community elders interviewed, tenants did not protest against land bequeathing and the subsequent land grant that *ras* Teferi made to his wife in Arsi Negele. They feared the severe punishments that could follow, such as imprisonment of their representatives for ‘damaging peace’ or ‘agitating and mobilising the people against the government’, heavy fines, and eviction of tenants from the land. Tenants reacted only when the representative of the royal family in 1970 threatened them with eviction with the view to introducing mechanised farming. Even then, they appealed to the Emperor to rescue them from eviction; they did not intend to challenge the property rights of the imperial family. I will turn to this in the next section.

4. Tenant Eviction and Migration, and Dispossession and Displacement of Small Land Owners

In the previous section, we have explained the direct and immediate effects of land bequeathing and land allocation in the two *woreda* under study. However, such a discussion cannot be complete without also considering the indirect and long-term effects of land appropriation and asymmetrical land allocation on the local people. Namely tenant eviction and migration and dispossession and displacement of small landowners. In this section, we elaborate on these aspects.

Tenant Eviction and Migration

Tenant eviction and migration were among the main indirect and long-term effects of land bequeathing, land appropriation, and marginalisation of the local people in Arsi Negele and Hetossa *Woreda* (others included insecurity of tenure, labour services, and increased rents). From the mid-1960s (in Hetossa) and early 1970s (in Arsi Negele) onwards, tenants experienced large-scale eviction and migration associated with the emergence of mechanised farming.¹⁰ It should be

¹⁰Mechanised farming in the pre-land reform Ethiopia is both praised and criticised. As Bruce et al (1994) comment, supporters praise it for creating seasonal job opportunities for peasants and contributing to the country's export earnings,

stressed, however, that mechanisation did not actually create tenant eviction and migration, but rather, accelerated and aggravated the existing process. Without belittling the role of mechanisation, we argue that in the final analysis, the root cause of tenant eviction and migration was historical land appropriation that caused landlessness of the local people who became tenants on what had been the land of their own forefathers. The introduction of mechanisation completed their marginalisation that began with land appropriation through land bequeathing. We discuss in this paper, major effects of agricultural mechanisation on tenants in the study areas in this context.

According to the community elders interviewed, following the introduction of mechanised farming in the fertile midland areas in Hetossa, production increased and commercial farming became the most profitable activity in the area. This motivated absentee landlords, mainly heirs of *ras* Birru, to use the land more efficiently and maximise profit. They, therefore, evicted their tenants in large numbers, who then lost access to the land even as tenants. The landlords then either farmed the land themselves or leased it out to commercial farmers – ‘capitalist tenants’ – who were willing to pay much more rents than what peasant tenants who used rudimentary farming techniques could pay¹¹. The Hetossa experience supports the argument that when mechanised farming develops and the value of the land rises accordingly, ‘the best landlords tend to choose to associate with the best tenants, and the landless who are comparatively disadvantaged are selected out of tenancy’ (Sadoulet *et al.*, 2001: 211). Historical experience in several developing countries has shown that mechanised farming renders agricultural labourers redundant and leads to large-scale eviction of landless tenants (Binswanger *et al.*, 1993).

The establishment of the Swedish-sponsored Chilalo Agricultural Development Unit (CADU) in 1967 contributed significantly to the enhancement of mechanised farming and to related large-scale tenant eviction in Hetossa and some other *woreda* in Chilalo *Awraja* (sub-province) of the Arsi Province. Actually, CADU’s intention was to improve the living standards of small landowners and tenants by helping them increase their agricultural production (Cohen,

among other things. Critics, to the contrary, discredit it ‘for land-grabbing and for large-scale eviction of the peasants [tenants] from the land’ (ibid: 32).

¹¹Commercial farmers included government officials, business people, and others who leased land either from the absentee landlords or small landowners. They also farmed land that they held from small landowners as collateral under pledge agreements.

1987). However, CADU, by default, played an important role in motivating the absentee landlords and commercial farmers (Henock, 1972; Pausewang, 1983; Ståhl, 1974), who ‘hijacked’ the project to their own advantage. Moreover, government policies encouraged large-scale agricultural investments through a variety of incentives (for details, see Cohen, 1987: 125). This experience is in line with the literature that suggests that by virtue of their wealth and political connections, ‘capitalist’ farmers are the first and foremost beneficiaries of technological innovations in agriculture (Byres, 1972; de Janvry & Sadoulet, 1989; Dorner & Kanel, 1971). This is because, among other things, they ‘get subsidized inputs and are allowed to retain (and, in the selective wake of the “green revolution”, to strengthen) their exploitative position within the rural sector’ (Lipton, 1974: 311).

In part as a result of favourable policy environment, mechanised farming expanded fast in areas suitable for tractor cultivation in northern parts of Chilalo, including Hetossa. In the period between 1968 and 1970, for example, the land under mechanised farming increased nearly fourfold (Henock, 1972: 34), creating more and more insecurity of tenure for landless tenants. Analysing several studies throughout the world, Feder (1987: 18) reached a similar conclusion that tenure insecurity increases ‘as commercialisation [of agriculture] increases and as new technology increases the land’s income potential’.

There is no record to our knowledge of the precise extent of tenant eviction in Hetossa *Woreda*. In fact, this is true for the entire Chilalo *Awraja* that experienced large-scale eviction of tenants (Cohen, 1987). Community elders recalled, however, that the number of the evicted tenants in Hetossa ranged between 20 and 60 households in *kebele* under tractor cultivation, the average being 30 per *kebele*. In an extreme case, as experience from Dawe Guticha has shown, the number of victims reached as high as a hundred households, which was about one-third of tenant households in the *kebele*. Given the pace at which mechanised farming was expanding, and considering the favourable conditions for its continued fast expansion, one can suppose that virtually all tenants in fertile midland areas would have been evicted, if the Land Reform Proclamation of 1975 had not halted the process.

The absentee landlords were not alone in evicting their tenants. Although most of the tenants were evicted by the landlords, commercial farmers also played a role. According to the community elders interviewed, some commercial farmers leased in land from the absentee

landlords while the tenants were still on it. Under such circumstances, the commercial farmers themselves, not the landlords, evicted the tenants.

The evicted tenants dispersed in different directions. Some migrated to the lowland in the *woreda* and many others migrated to marginal lands in Hararge and Bale Provinces in search of land to cultivate. The formerly evicted tenants reported that it was difficult for the migrants to live in many of these areas. For example, while the lowland lacked water and was full of various types of diseases that attacked both the migrants and their livestock, the rugged highland area was difficult to cultivate. The following case presents the situation of a tenant who had experienced insecurity of tenure, eviction, and migration.

Jirru Wake, 72, is a resident of Teddo Gonde *Kebele* Administration, in the southern tip of Hetossa *Woreda*. He was born in the same *kebele* from a tenant family, who came from Dukam Zekuala area (East Shewa Zone) some eighty years ago in search of parcels of land to cultivate. His parents were originally tenants of *ras* Birru, who were then transferred to one of his heirs, namely Zenebe Work Birru. Jirru, like his parents, worked Zenebe Work's land as a sharecropper. A representative of the absentee landlady had often threatened the tenants with eviction. The representative took plots from some tenants, Jirru being one of them, and assigned them to others. Jirru and some other tenants, therefore, bribed him from time to time to allow them to continue cultivating the remaining plots. Also, for fear of eviction, tenants rendered labour services to the landlady, such as building fences, constructing granaries, and transporting the produce to her warehouse.

The landlady evicted all her tenants in 1969 and farmed her land using tractors. In a few cases, her representative set fire to the huts of tenants who failed to move out as required. Indeed, Jirru and other community elders recalled this absentee landlady as saying in Amharic, '*dihanna gutto kaltenekele, limat ainorim*', translated, 'there could be no development unless the poor and stump were uprooted'.

Jirru, along with a hundred other evicted tenants, including 30 from his own *kebele*, migrated to marginal land in Hararge Province, where they bought some land. They had to migrate far away because they could not find alternative plots in their area, as their landlady farmed all her land (800 hectares in Jirru's *kebele* alone) and other absentee landlords either farmed the land themselves or leased it out to commercial farmers. Jirru and his fellow migrants returned to their former *kebele* subsequent to the Land Reform Proclamation of 1975.

Assessment of experience from Arsi Negele *Woreda* shows even a more striking event. Mekko Odda *Kebele* is a typical example of this. Mekko Odda is situated some five kilometres east of the

Negele town, the administrative centre of Arsi Negele *Woreda*. According to community elders, it was very fertile and flat land, suitable for mechanised farming. In early 1970, representatives of the royal family, backed by *woreda* government officials and traditional militia (*netch lebash*), forced the tenants of the whole *kebele* of forty *gasha* (1,600 hectares) to evacuate at once by demolishing or burning their houses. Using bulldozers, the authorities also demolished trees of the tenants and graveyards to prepare the land for tractor cultivation. Terrified by these measures, the tenants fled their *kebele*. This event was different from what had happened in other areas, including Hetossa, where landlords evicted their tenants individually and gradually, instead of the whole village community en masse and overnight.

It is also important to record that the eviction in Mekko Odda happened while the tenants were awaiting Emperor Haile Sellassie's final response to their appeal for his intervention when representatives of the royal family warned them to vacate the land within a short time. According to representatives of the tenants who took the case to the Emperor, the Emperor had appointed a committee chaired by one of his aides to investigate the matter and report to him. Meanwhile, he adjudicated that tenants remain on the land until he gave his final decision. However, the Emperor's aide who visited the area, threatened the tenants with severe punishments, including death, if they failed to move out within fifteen days. It is not clear, though, whether he was acting on his own or with the consent of the Emperor. What is clear is that the Emperor did not save the tenants from the eviction that occurred immediately after the expiry of the ultimatum by his aide.

It might appear unwise on the part of the tenants to accuse local agents of the royal family, who had just implemented the decision of their masters, to the Emperor and expect justice. Seen realistically, though, tenants had no other option than to appeal to the Emperor. Besides, in those days (in fact, until the outbreak of the revolution of 1974), the masses of the country's population, including the urban dwellers, appeared to believe that the Emperor was honest and kind, who unfortunately was surrounded by 'evil' ministers.

There is no record of the actual number of evicted tenant households in Mekko Odda *Kebele*. Representatives of the tenants claimed that 2,500 residents had been evicted from the *kebele*, and other community elders supported the claim. If we assume, based on the elders' suggestion, that there was an average of seven members of a family in a household (husband, wife, and their five children), we can estimate the evicted tenant households at 357, constituting 8.9 tenant households per *gasha*. This is, in fact, much higher than the figure for Chilalo *Awraja*

where, on average, 3.5 to 3.7 tenant households were evicted per *gasha* in 1969 and 1970 (Henock, 1972: 21).

In addition to losing their plots, the evicted tenants also faced severe social problems. Elders reported that migrants who settled on state land in the Rift Valley area, with subsequent governmental permission, were exposed to disease, especially malaria, of which some of them died. They also lost livestock, mainly due to disease. Further, their long-established social ties and networks were disrupted by the eviction and dispersion. While most of the evicted tenant families later returned to their *kebele* as a result of the Land Reform Proclamation of 1975, the whereabouts of others are still unknown.

Agricultural mechanisation was also expanding fast into other fertile *kebele* in the *woreda*, leading to further eviction of a large number of tenants. According to the community elders interviewed, in Liye, for instance, tenants on fourteen *gasha*, out of twenty that was conducive for mechanisation (which accounted for 70 per cent of the total land that had the potential for mechanisation) were evicted. They also reported that nearly all of the tenants in fertile midland areas conducive for mechanisation in the *woreda* were about to migrate when the land reform proclamation was issued. Fast expansion of mechanisation and the resulting mass eviction of their fellow tenants created or aggravated insecurity of tenure for the remaining tenants.

Moreover, tenants in both the lowland and highland areas were either evicted or threatened with eviction. In the lowland areas, although mechanised farming posed a threat, tenants were not actually evicted, since mechanisation had started but not expanded in these areas when the land reform was proclaimed. According to the community elders interviewed, a few tenants migrated, instead, like in lowland Hetossa, due to exploitation and mistreatment by the landlords or their representatives. In the highland areas, on the other hand, since the imperial family had leased out the forest to timber factories, *woreda* government officials instructed the tenants to move out. Thus, some tenants migrated into marginal lands in Bale Province and others were about to follow when the Land Reform Proclamation was promulgated.

Dispossession and Displacement of Small Landowners

Eviction and migration related to agricultural mechanisation were not limited to tenants, however. The small landowners in Hetossa (most of whom were former tenants who acquired land through

purchases from the absentee landlords) were also victims. Powerful absentee landlords grabbed fertile land of the small owners through intimidation under the guise of land swapping. The dispossession of small landowners, which has received little attention in the literature, was yet another manifestation of the workings of asymmetrical power relations in southern Ethiopia under the imperial regime of Haile Sellassie.

The community elders interviewed reported that whenever the plots of the small landowners were found to be suitable for tractor cultivation, the absentee landlords requested – actually instructed – the landowners concerned (and the majority complied) to hand over their land and accept ‘substitute’ land in marshy and rugged mountainous areas. Note, moreover, that the land that the small landowners received was not only of poor quality, but was also often half the size of what they lost. But, they had to accept the ‘offer’ for fear of losing their land without a substitute (compensation in cash was unthinkable), as had happened to their fellow small landowners in the *woreda*.

The small landowners who failed to comply with the requests of the absentee landlords lost their land without a substitute. According to the elders, the landlords simply incorporated the adjacent plots by force into their own estates and farmed them. This measure also served as an ‘early warning’ for the remaining small landowners. Being aware of the futility of seeking legal recourse against the wealthy and politically powerful landlords, the victims pleaded with the land-grabbing elite themselves for a substitute land elsewhere, but to no avail. It was simply too late for their pleas to be considered.

Commercial farmers followed suit of the absentee landlords in grabbing land, although they used different methods. Initially, they attempted to persuade the small landowners to lease or sell their land to them. Some agreed, while others refused. Community elders stated that the commercial farmers often blocked the ‘non-cooperating’ small landowners’ access to their own plots by farming the land they had acquired through different means (e.g. leasehold) around these plots. Furthermore, it became increasingly risky for the small landowners and tenants to move their livestock to water points around the plantations of the absentee landlords or commercial farmers. As mechanised farming spread in areas suitable for tractor cultivation, the small landowners, more or less like the tenants, lived in a state of uncertainty and fear about their future. To pre-empt land appropriation by the absentee landlords, some small landowners sold or leased out their land to commercial farmers and migrated.

Community elders also reported instances of commercial farmers continuing to farm the land they had leased in from small landowners beyond the agreed period of lease, which was usually one year, without the consent of the owners. In some cases, this practice went on for two decades, until the issuance of the Land Reform Proclamation of 1975. The small landowners were powerless to take any action to claim their land back.

On the other hand, considering what had happened to small landowners in Hetossa, it might appear that even if historical land appropriation and land allocation that followed did not happen, land grabbing by the elite would have been inevitable in fertile areas conducive for tractor cultivation. That is to say, it might be argued that the same people who were evicted as tenants, could have been displaced of their land as small owners. But, close investigation of the matter suggests that it is difficult to fully equate the two situations. This is because tenants were abandoned by their landlords where there were no alternative plots to cultivate or employment opportunities. Small landowners, in contrast, although they were forced to abandon their fertile land, either had received some 'substitute' land from the absentee landlords (except for those who refused to comply with the requests of the landlords), or obtained money by selling or leasing out land.

Arsi Negele presents a different experience. There is agreement among informants that in this *woreda*, the introduction of mechanised farming did not actually lead to land grabbing and displacement of small landowners. The small landowners were, nevertheless, in a state of insecurity of tenure as mechanised farming approached their plots and homesteads, when the land reform was proclaimed. Under such a state of affairs, as the Hetossa experience has shown, one cannot rule out the possibility that owners of fertile land adjacent to the plantations of the imperial family would have finally been forced to abandon their land and migrate.

5. Restoration of Land Rights: The Land Reform Proclamation of 1975 in Arsi Negele and Hetossa

When the Land Reform Proclamation was issued on March 4, 1975 (PMAC, 1975) poor peasants and tenants in Arsi Negele and Hetossa had already launched 'their own' revolution. They took advantage of the political instability associated with the outbreak of the revolution in February 1974, and protested against the landed elite and their associates. Community elders reported that

the local people appeared to be determined to fight to reclaim their land. For example, for the first time since the incorporation, they prevented the absentee landlords, including the imperial family, and commercial farmers from cultivating their estates. They also tended to refuse to take orders from government officials.

Nevertheless, since the system was in a crisis at the centre owing to the revolutionary upheavals, government officials could not use force against the protesting peasants. The 'balance of power' began to shift, after some nine decades, from the oppressors to the oppressed. The shift in the balance of power reached its climax with the overthrow of Emperor Haile Sellassie's government in September 1974 through popular revolution. And the end of the imperial era paved the way for the emergence of a radical land reform.

Peasants in the study areas, initially, received the news about the land reform proclamation with some doubt, as it sounded too radical to be true, until the contents of the reform were made public. Once they were convinced that there was, in fact, going to be real radical land reform, they welcomed it wholeheartedly. Mohammed Haji describes peasant perceptions of and responses to the land reform proclamation as follows¹².

The masses of the peasants welcomed the land reform proclamation with great enthusiasm. It was like a lottery for them: a very astonishing gain. They considered the issuance of the reform proclamation as their birthday. Under the imperial regimes, they were dispossessed of their land and were subsequently reduced to the status of landless tenants. They were finally denied an opportunity to access the land even as tenants and were evicted in large number. Also, even while working the land as tenants, in many instances, when the value of the land increased, they were prevented from accessing graveyards on the land of their own ancestors. Therefore, tenants considered themselves as dead. As a result of the Land Reform Proclamation of 1975 that restored to them their land rights, they felt that they were re-born.

Poor peasants and tenants in Arsi Negele and Hetossa were the foremost beneficiaries of the land reform. As the interviewees pointed out, the relationship between the landlords and tenants was broken overnight; migrants returned to their villages, which the interviewees considered as a vital achievement of the land reform; and poor peasants and tenants obtained land from their *kebele* PAs free of charge. The PAs carried out both land measurement and land redistribution activities,

¹²Mohammed Haji, 66, is a resident of Itaya town, Hetossa *Woreda*. Under the *Derg*, he was chairman of the Chilalo *Awraja* Peasant Association. The interview was held on January 22, 2006.

in 1976, without government intervention (except for expert advice). Land redistribution was one of the main tasks that the proclamation assigned to PAs (see Paper 1). The following case illustrates attitudes of former tenants towards the achievements of the land reform proclamation, as compared to the pre- reform situation.

Hewi Elemo, 65, is a resident of Mekko Odda *Kebele*, Arsi Negele *Woreda*. She, along with her family, was a tenant of the imperial family in the same *kebele*. In 1970, representatives of the imperial family with support from *woreda* government officials and others demolished their house and evicted them. They temporarily settled with relatives who were themselves tenants of a local landowner. Soon after they had settled, they lost a baby (son) and could not find a place to bury their dead. They pleaded with a local landowner and finally got permission to access the graveyard. Hewi recalled that many other evicted tenants faced similar problems in accessing graveyards.

Hewi could neither believe her ears, nor control her emotion when she heard news about the Land Reform Proclamation of 1975 and about a government call for the evicted tenants to return to their *kebele*. As a result of the land reform, her family and other tenants returned to their *kebele*, after leading a horrible life for five years. Hewi and other former tenants are grateful to the reform proclamation, above all, for restoring to them the right to access the graveyards on the land of their forefathers.

Hewi is ready to protect the existing land tenure by any means possible. She does not even want to hear about privatisation, let alone accept it. She still recalls with dismay (after 36 years) the negative effects of private ownership of land on tenants. Hewi can neither forget nor forgive the injustice that the representatives of the imperial family and *woreda* government officials did to her family and other former tenants in Mekko Odda and the surrounding *kebele*.

The land reform proclamation also empowered peasants through their PAs to administer their internal affairs in their localities, including land management. Community elders reported that in the early years of the land reform, peasants freely elected and removed their leaders. Moreover, they obtained justice in their localities using their own language, *Afan Oromo* (the Oromo language), in *kebele fered shengo* for the first time since the incorporation.

6. Concluding Remarks

For some nine decades, political intervention had played a crucial role in shaping changes in property rights regimes in land in southern Ethiopia. Under all political regimes, governments dispossessed some social groups of their land and allocated it to other groups. The land

appropriation and asymmetrical land allocation that followed generated classes of winners and losers. And the changes in land tenure system negatively affected the masses of the local peoples under two out of three political regimes.

Arsi Negele and Hetossa *Woreda* present a particular historical setting for gaining a deeper understanding of the politics of property rights in land in southern Ethiopia. In these two *woreda*, unlike in almost all other areas in the South, the imperial governments appropriated virtually the entire land through fraud followed by intimidation, in the guise of land bequeathing. The governments allocated the appropriated land mainly to the royal family and a nobleman. As a result of land appropriation and the subsequent excessively asymmetrical land allocation, the ruling elite enjoyed a near monopoly over the land. Conversely, the local people were deprived of their customary land ownership rights and land management authority. Changes in property rights regimes also caused changes in the social status of the local people, who subsequently became landless tenants subjected to a host of adverse effects of land deprivation and marginalisation. Inequitable land allocation and associated shifts in resource management power generated relations of domination and subordination between the absentee landlords and the masses of the dispossessed local people.

While land bequeathing set the stage for land appropriation and conversion of the local people to landless tenants, mechanisation of agriculture led to large-scale eviction and migration of tenants. The marginalisation of the local people that began with land bequeathing and land appropriation culminated in the loss of access to land by the people even as tenants.

Like the imperial governments, the *Derg* also appropriated the land. Unlike them, however, it dispossessed the landed elite and restored use rights to the local people and assured them security of tenure. In doing so, the government redressed the inequalities of the imperial period. It, furthermore, paved the way for the return of evicted tenants to the land of their forefathers, which also restored social ties and networks that were disrupted through large-scale eviction and dispersion.

The overall implication of this study is that the debate over future rural land tenure policy options in Ethiopia needs to seriously consider the historical experience of the southern areas, including Arsi Negele and Hetossa *Woreda*, which experienced severe negative consequences of private ownership of land and land concentration. Thorough analysis of historical experience is required not only to shed light on key events of the past, but also to gain a better understanding of

the land question and current debate over land tenure policy options, particularly the possible social and political consequences of hasty privatisation in the country.

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Paper III

Paper 3: Security of Tenure, Investment Incentives, and Access to Credit: The Policy Debate and Experience from Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

Hussein Jemma & Nadarajah Shanmugaratnam

Abstract: This paper investigates security of tenure, investment incentives, and access to bank loans in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia, in the light of the current national debate over rural land tenure policy options. Field data were generated from key informant interviews and focus group discussions. Land belongs to the state and public in Ethiopia since the Land Reform Proclamation of 1975. Peasants have *use* rights over their holdings, which can be bequeathed and rented, but not pledged or sold. Such a land policy has generated heated debate in the country. Opponents criticise the existing land tenure system for failing to provide peasants with security of tenure, discouraging them from investing in their holdings, and hindering their access to bank loans. They propose that land should be mainly privatised. Supporters of the existing tenure counter these arguments, asserting that the arguments are unsubstantiated empirically and privatisation will be counterproductive under the current circumstances in the country. Our findings suggest that peasants in the study areas have security of tenure over their holdings; the existing land tenure does not constrain peasant investments and access to credit; and that peasant investments are constrained by a host of non-tenurial factors.

Keywords: government, peasants, privatisation, property rights regime, land tenure policy, security of tenure, investment incentives, access to credit.

1. Introduction

The question of appropriate property rights regimes in rural land in developing countries is a subject of intense debate. While theoretical positions appear polarised in terms of for and against one or another form of property rights regime, a closer look at the literature shows that there are critical views that draw attention to the complexity of the realities on the ground.

There are divergent views on the merits and demerits of common and private property rights regimes. On one side are those who criticise common property rights regime (and, by extension, also state property) in land for creating tenure insecurity for small landholders, discouraging them from investing in their land, and hindering their access to bank loans. In contrast, individually titled land that provides landowners with superior tenure security, will

motivate them to adequately invest in their land, including long-term investments and land improvements (e.g., De Soto, 2001; Feder, 1987). It will also enable small landowners to access bank loans by using their land as collateral (Chalamwong and Feder, 1986; Feder and Feeny, 1991).

On the other side are those who counter the mainstream thinking about property rights regimes. Firstly, individualised land titling in developing countries, far from creating tenure security for small landholders, may create or aggravate the existing tenure insecurity. This is because titling is a means of land grabbing by the political and economic elite (Deininger & Feder, 2009; Platteau, 1996), both in the process of titling and thereafter. Secondly, there is no adequate empirical evidence to show that communal land tenure discourages landholders from investing in their land (Bruce *et al.*, 1994; Place, 2009; Migot-Adholla *et al.*, 1994). Instead, smallholders' investments are essentially constrained by a number of non-tenurial attributes (Bromley, 2008; Lund, 2000), which advocates of titling tend to neglect. Thirdly, for a number of reasons, titling often does not enable small landowners to access bank loans. For example, for fear of losing their land in case of default, small owners may be discouraged from pledging it (Deininger and Feder, 2009; Hunt, 2004; Lemel, 1988).

The continuation of state and public ownership of land policy of the *Derg* period under a market economy policy has generated heated debate in the post-1991 period in Ethiopia (see Hussein, 2001, for extensive review of the debate). In particular, it was one of the major policy issues debated by contending political parties during the May elections of 2005. The debate has remained unresolved to date. In line with the mainstream economic theory of property rights, critics argue that the existing land tenure system constrains investments by creating insecurity of tenure for peasants and by also prohibiting them from accessing bank loans. As a remedy, they propose that land should be mainly privatised. In the current Ethiopian context, privatisation means conversion of the existing *use* rights to individualised *ownership* rights, which is a change in property rights regime. Supporters of the existing land tenure, on the other hand, challenge the arguments for privatisation in terms of both methodology and substance, i.e., the likely consequences of privatisation for poor peasants. Under the current conditions in the country, the distinction has important implications for the land rights of the current landholding households, as well as, for future generation.

However, there are no adequate empirical data to substantiate either position. The inadequacy of empirical data is obvious, especially regarding the views of the peasants, particularly poor peasants, who will be most affected by changes in property rights regime, on

tenure security, investment incentives, access to credit, and, most importantly, peasants' preferred future tenure policy options. And unsubstantiated arguments, in effect, make the ongoing debate more of political in nature (Crewett and Korf, 2008; Hussein, 2001; Pender and Fafchamps, 2005). The debate in Ethiopia also fails to consider the role of non-tenurial constraints to peasant investments.

In this paper, we primarily investigate the relevance of the current national debate over rural land tenure policy options to Arsi Negele and Hetossa *Woreda*. In doing so, we examine whether the existing land tenure creates tenure insecurity for small landholders, and constrains their investment initiatives and access to credit, in the light of the debate in the country over the issues. We will also present peasants' preferred future tenure policy options and explain the role of non-tenurial factors as impediments to peasant investments in the study areas. The main argument of the paper is that the existing land tenure is not a constraint to peasant investments and access to bank loans in Arsi Negele and Hetossa. The paper also argues that peasants in the study areas have security of tenure over their holdings. The study contributes empirical material to the literature on the debate over property rights regimes in rural land in developing countries.

The study is based on field research conducted in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia, over the period of January 2005 to May/June 2006. Historically, both Arsi Negele and Hetossa belonged to the Arsi Province. However, Arsi Negele was annexed into the Shewa Province in 1963 and, in 2006, incorporated into the newly established West Arsi Zone. Hetossa has always remained part of the Arsi Province (now Arsi Zone). The Arsi Oromo (see Section 3, in the general introduction of this thesis) form the majority of the residents in the two *woreda*. The study areas consist of a land area of 2,615.63 square kilometres and have a total population of 459,703 (CSA, 2007: 29, 30). Farming is the main activity in the two *woreda*, crop production being the main source of livelihoods for the rural communities, followed by animal husbandry.

Primary data were collected through in-depth, open-ended interviews with key informants and focus group discussions. The key informants included community elders, leaders of *kebele* administrations, officials and experts at *woreda* and zonal departments of agriculture and rural development, leaders of agricultural marketing cooperatives, 'district' bank managers, officials and experts at the Bureau of Agriculture and Rural Development- the government of the National Regional State of Oromia- *woreda*, zonal, regional, and federal party and government officials, leaders of main opposition political parties in the country, and

some other individuals. Focus group discussions were held in four *kebele*, two from each of the two *woreda*, with male and female peasants and youth of both sexes.

The paper is organised as follows. Section 2 analyses the debate over land tenure policy options in Ethiopia, with focus on tenure security, investment incentives, and access to bank loans. Section 3 examines tenure security and discusses peasants' views and preferences about future land tenure policy options in Arsi Negele and Hetossa *Woreda*. Section 4 explores the relationship between the existing land tenure and peasant investment incentives in the two *woreda* under study. Section 5 investigates the relevance of the existing land tenure to peasants' access to credit in the study areas. Section 6 concludes the discussion.

2. Security of Tenure, Investment Incentives, and Access to Credit: The Policy Debate

Criticisms against the Existing Land Tenure and Suggested Policy Options

The starting point of the criticisms against the existing land tenure system in Ethiopia is that peasants do not have security of tenure over their holdings. This is the position of the main opposition political parties and some researchers. Ledetu Ayalew stresses¹:

Peasants have temporary rights to land. The ruling party can withdraw these rights any time. For the EPRDF, land is a political instrument, a voting assurance. Peasants' right to bequeath land to their children is not a guarantee for security of tenure, because the children can lose their land rights any time. There is no guarantee for peasants to retain their land for the coming five or more years. Given the steady rise in the country's population, the possibility for redistribution is always there. There is no law that prohibits land redistribution; it is left open in order for the government to intervene any time.

Nonetheless, the argument that there is no legal protection for peasants against losing their land rights is incompatible with the federal constitution and other relevant laws of the federal and regional governments (see Section 5 in the general introduction of this thesis). It can be supposed, instead, that some local officials may attempt to redistribute the land held by

¹Lidetu Ayalew is President of the United Ethiopian Democratic Party-UEDP-Medhin and Member of Parliament. The interview was held on June 24, 2006.

peasants, irrespective of legal provisions, as it happened in the Amhara Regional State in 1997. However, even this seems to be less likely to happen again, because peasants have now obtained (or are in the process of obtaining) land use certificates, which will narrow the opportunity for local manipulation. A recent study in the Amhara region predicts likewise (Alemu, 2009: 293, note no. 2).

Critics of the existing land tenure system argue that tenure insecurity has demotivated peasants from making long-term investments on their holdings (e.g., Dessalegn, 2004). Sharing this view, Mohammed Ali comments that 'because they lack security of tenure over their holdings, peasants do not conserve the soil, undertake terracing, and plant trees. Even if they plant trees, they cut them prematurely'². The opposition parties also criticise the existing tenure system for prohibiting peasants from pledging land as collateral to borrow from banks for investment. However, unlike tenure security and investment incentives, this aspect has not been debated much, as yet. Moreover, there is no literature to our knowledge that deals with the link between the existing land tenure system and peasants' access to credit in Ethiopia.

On the other hand, although they are all critical of state and public co-ownership of land, the opposition parties differ with regard to future tenure policy options. Leaders of the United Ethiopian Democratic Party (UEDP-Medhin) and the Coalition for Unity and Democracy Party (CUDP) essentially propose privatisation of land, alongside retaining common grazing land in pastoral areas and state lands in a few cases. They envisage that the last two also will subsequently be converted to private property. The opposition leaders argue that the market economy policy on which the government has embarked necessitates privatisation. They state, further, that as soon as their respective parties hold state power, they will privatise land, so as to provide landowners with superior tenure security. We will shortly turn to the positions of other opponents.

It should be stressed, however, that in reality, there is no guarantee that private ownership of land in developing countries, such as Ethiopia will assure tenure security for small landowners. Experience from the southern provinces during the pre-1975 period illustrates this fact. Before 1975, the ruling elite and their associates used their political power and grabbed the privately owned land under threat. As Dessalegn Rahmato (1984: 24) comments:

²Mohammed Ali is Secretary General of the Provisional Committee of the Coalition for Unity and Democracy Party (CUDP) and Member of Parliament. The interview was held on June 27, 2006.

While it is true that the small-holding owner was more secure in his holdings than the tenant, who was subject to eviction any time, the difference was not an absolute one but one of degree. Powerful landlords, high government officials – and the two were often one and the same – and members of the royal household not infrequently dispossessed him just as easily as they turned their own tenants landless.

The above quotation suggests that security of tenure cannot be seen in isolation from the class interests and related ideologies of the ruling elite. Where governments favour the rich and powerful, or where the rule of law and independent judiciary are not well developed, it becomes difficult, if not impossible, for small landowners who lack enforcing capacity, to protect their land rights against the dominant groups, regardless of official policies. Hence, for tenure security to be assured, political commitments and enforcing capacity of governments are more important than the form of property rights regime (Deininger & Feder 2009; Hussein, 2001).

Some Ethiopian researchers (e.g., Dessalegn, 1994; Mesfin, 1997, 1999, in Hussein, 2001), and politicians assert that the fear that privatisation will lead to distress land sales and landlessness is unfounded. Their optimism is essentially based on experience from the northern provinces during the pre-land reform period. They maintain that the Ethiopian peasants will not sell their ‘beloved’ land. As Mohammed Ali points out, ‘peasants will not sell their land because they are wise; they have strong belief in their land. Even pledging land is disgraceful, particularly in the North’. However, when pressed, advocates of privatisation admit the likelihood of distress sales and associated peasant dispossession under private tenure, but they envisage that land sales will be monitored by promulgating laws.

In reality, though, the presence of laws can hardly halt informal land sales. Studies from some SSA countries, including Rwanda, Senegal, Somalia, and Uganda, have shown that peasants managed to sell their land informally albeit the fact that government policies prohibited unregistered land sales (Bruce *et al.*, 1994: 259-60). There is similar experience in different parts of Ethiopia although selling land is illegal (e.g. Hussein, 2001; Mamo, 2006). We now turn to the position of the supporters of the existing land tenure.

Defence of the Existing Land Tenure

The arguments of the supporters of the existing land tenure system in Ethiopia are based on two grounds. To start with, supporters challenge the validity of the criticisms against the existing tenure on methodological grounds. They assert that there are no empirical findings to

show that the existing tenure discourages investments by creating insecurity of tenure for peasants (e.g., Hussein 2001). As Neway Gebrab remarks³:

There should be evidence to show that the existing land tenure is a constraint to peasant investments. Otherwise, there is a possibility to believe that the existing system is working. It requires detailed empirical studies to make a final conclusion. Remote observations show, however, that peasants are investing in their land, including planting a variety of perennial trees. There are political and ideological issues in the criticisms against the existing land tenure and advocacy of privatisation. There is no clarity of arguments for privatisation.

Many other key informants who are familiar with the current situation in rural Ethiopia support the assertion that peasants are making long-term investments in their land. Tree planting is a classic example of this. For example, Zegeye Asfaw (see Paper 1), who has been working in environmental projects since the mid-1990s and has travelled around in the country, reports that in recent years more and more peasants are planting trees on their holdings. Likewise, Hedetto Dhekebo asserts that, ‘today we see trees in the homesteads of many peasant households. Even the formerly plain lands are currently covered by trees, which, actually, have become forests, e.g., coffee in Nensebo *Woreda* [in West Arsi Zone]’⁴.

The arguments of the supporters of the existing land tenure system go beyond methodological concern, though. Supporters of the existing tenure mainly focus on the likely negative effects of hasty privatisation for poor peasants. Abay Tsehaye argues that if land is privatised under the current circumstances, peasants will sell their land under distress and end up landless⁵. And as there are few non-agricultural employment opportunities, the major resource of the country, i.e., labour, will remain unemployed. In Abay’s view, rural unemployment will lead, among other things, to massive migration of the landless to the urban centres, which will aggravate the already existing unemployment and other social problems there. Hussein (2001) argues likewise. Moreover, experience from Latin America supports the concerns of the supporters of the existing land tenure in Ethiopia (e.g., Dorner, 1971; Thome, 1971).

³Neway Gebrab is a Portfolio Minister and Economic Advisor to the Prime Minister. The interview was held on July 17, 2006.

⁴Hedeto Dhekebo is head of the Department of Organisational Affairs of the Administration of West Arsi Zone. The interview was held on April 3, 2006.

⁵Abay Tsehaye is a member of the Executive Committee of the ruling EPRDF and a Portfolio Minister and Advisor to the Prime Minister. The interview was held on July 11, 2006.

On the other hand, Abay declares that the EPRDF government accepts privatisation of land in principle and will implement it at the appropriate time. In his view, where there are alternative employment opportunities for the surplus labour, land sales will not hurt peasants. In the course of economic development, especially expansion of industries, peasants will become semi-skilled, skilled, and competitive. Those who have better alternative employment opportunities outside of agriculture may then give farming up and engage in non-farming activities by transferring land to those who are interested in farming. In general, Abay suggests that before land is privatised, peasants should be given time and support to improve their skills and find alternative employment opportunities or viable sources of income. Pausewang (2009: 76) pursues a similar line of argument. In his view, analysis of the existing situation in Ethiopia ‘suggests avoiding private land tenure until industries offer sufficient jobs for the redundant peasants. Until then, at least, the present system of collective ownership and a right of access to land for peasants should be preserved’.

Similarly, party and government officials at various levels in Oromia are of the opinion that it is difficult to apply the concept of free market fully to the rural land under the current conditions in the country. This is because free market, which implies land alienation and land concentration, will aggravate, rather than solve, the problems of the masses of the peasants. The officials report that land grabbing is already taking place in Oromia, as in the imperial period. The difference is that in the past, political elite and their associates grabbed land mainly through their political power; now, ‘capitalist’ farmers are grabbing land through their financial power. To avoid repeating past mistakes, the officials stress that it is essential to retain the existing tenure system for some time to come.

It can, therefore, be argued that the contending parties differ on tenurial policy options as regards when to privatise land, and not whether to privatise it. While most critics of the existing tenure system want to embark on privatisation right away, supporters of the existing tenure system want to carry out privatisation over time, as conditions ripe. In other words, while accepting privatisation in principle, supporters of the existing land tenure stress that hasty privatisation will be harmful for peasants and the country. Hoben (2002: 31) warns that, ‘a rapid transition to a land market [in Ethiopia] would be disruptive, impractical and unacceptable to many peasants’.

There are already a number of instances that show the negative effects of unrestricted land markets for poor peasants in Arsi and West Arsi Zones. According to party and government officials and agricultural experts interviewed, many poor peasants lost their land to the rich through underground sales. This is particularly apparent in fertile *woreda* that are

suitable for tractor cultivation, such as Arsi Negele, Gedeb Assassa (West Arsi Zone), and Hetossa. Agricultural experts in Hetossa *Woreda*, for example, estimated that some 25 per cent of the peasants had sold their entire land informally and illegally and became landless. According to the *woreda* administrative officials, moreover, while a few became seasonal farm workers, including on what had been their own plots, the majority migrated to towns and became bankrupt, jobless, and homeless. While specific data for Arsi Negele were not available during our field visit, experts reported a similar trend there, too.

An additional factor, not much discussed, is the deep concern that hasty privatisation of land will lead to conflict. Based on the current trend in the operation of land lease markets, party and government officials at various levels in Oromia maintain that privatisation in the absence of alternative employment opportunities for peasants would become a source of conflict between the land-grabbing rich and the dispossessed poor, which could lead to political instability. Officials of West Arsi Zone, for example, state that there are already such conflicts in some areas in the Zone, e.g., Gedeb Assassa. Sharing this view, Zegeye Asfaw warns that, 'if land is privatised under the current circumstances, a big turmoil will occur in the country'.

Finally, federal and Oromia party and government officials refute the opposition parties' criticism that the ruling party uses land as a means of forcing peasants to vote for it. They assert that if the party had used land as a means of getting votes from peasants, it would not have lost an unprecedented number of seats to the opposition at the federal and regional levels in the May elections of 2005. They claim that peasants voted against candidates of the ruling party because of other factors such as lack of good governance and the rise in fertiliser price, which had no relevance to the party's land tenure policy. Peasants interviewed hold similar views. They also add to the list the continuous rise in taxes (see section 4, below). This implies that it is difficult to make a general assertion that the current government seeks to preserve the existing land tenure system simply because it intends to control peasants' voting behaviour. In other words, it is simplistic to boil down the arguments for the existing land tenure system to a mere 'interests of the party in power' (Hussein, 2001: 51).

The objection to hasty privatisation of rural land also comes from some opposition political parties. Although the Oromo-based major opposition parties are not comfortable with state and public co-ownership of land, they, nevertheless, share the views of the ruling party on the possible negative effects of privatisation on peasants. Mererra Gudina maintains that poor peasants will sell their land under distress and end up landless, as they cannot afford to

buy land⁶. Elaborating on the possible negative effects of privatisation for the poor, Bekele Jiratta says the following⁷:

In the final analysis, private ownership entails land sales and peasant dispossession. If land is privatised, poor peasants will be the net losers, as they will sell their land under distress, under poverty and become exposed to more economic and social problems. My argument is based mainly on the current practice in Oromia. Already, many Oromo peasants have lost their land to the rich under the pretext of leases. Laws cannot prevent land sales in reality, for it is difficult to control informal land sales.

The Third Option?

In between the above extreme perspectives is a recently emerging ‘third option’, which has not been debated much, as yet. It advocates vesting in the rural communities land management authority in their territories. There are two contending approaches on the issue. The first approach, in essence, advances private ownership of land with the rural communities retaining some management authority. Dessalegn (1994) suggests that under ‘associative ownership’, landowners will enjoy full transfer rights, including sales rights. However, the communities will ensure, through their *kebele* PAs, that land will be sold only to members of the farming communities, not to the urban elite or their rural associates. However, Hussein (2001) criticises this proposition as an advocacy of private ownership of land presented as something else. On the other hand, Beyene Petros concurs with Dessalegn⁸. He envisages that through rules and regulations, ‘the rural communities will monitor land sales so that the outsiders cannot grab land; foreign investors cannot buy land from peasants’.

⁶However, the Oromo National Congress (ONC) has not as yet reached final conclusion on future land tenure policy option(s) that the party will pursue. According to Merera Gudina, as there are no adequate empirical studies to show peasants’ preferences, ONC is not convinced about the need for a policy change. Until a referendum is held on the issue, the party favours the retention of the existing tenure policy. Mererra Gudina is Associate Professor of Political Science, Addis Ababa University, Chairman of the Oromo National Congress, and Member of Parliament. The interview was held on July 3, 2006.

⁷Bekele Jiratta is Secretary General of the Oromo Federalist Democratic Movement. The interview was held on June 26, 2006.

⁸ Beyene Pertros is Professor of Biology, Addis Ababa University, Chairman of the Ethiopian Social Democratic Party, and Member of Parliament. The interview was held on July 3, 2006.

Nevertheless, considering the current trend in the rural areas, party and government officials at various levels in Oromia, like the Oromo-based opposition political parties, challenge the claim that land sales can be monitored under private ownership. As Tesfaye Kebede points out⁹:

Once land is privatised, poor peasants will sell their land informally under distress, even if attempts are made to monitor it. Even now, when land sales are outlawed, peasants are selling land. In Arsi Zone, for example, several peasants have already sold their entire land under the guise of pledges, although it is illegal to do so. Moreover, it is not possible to confine land sales deal to the rural communities. Once the door is opened, there is no way to control land sales in reality. Capitalists can come from everywhere, including overseas. We are under globalisation; share companies can penetrate anywhere.

The second approach advocates collective ownership of village communities with full private use rights for individual peasants and pastoralists, but excluding land sales. This perspective envisages that the government will act as protector of community ownership, but will not have the authority to intervene in distribution of land rights. Pausewang (2004) argues that this approach is useful to empower the rural communities and protect them from government and other interventions into their land rights. It appears that if adopted as a policy option, communal ownership will also be a means of restoring customary land ownership rights and land management authority to the rural communities.

On the other hand, Pausewang (personal communication, October 7, 2009)¹⁰ admits that communal ownership per se does not guarantee security of tenure for small landholders, for at least two reasons. First, the rich and powerful may grab the communal land by manipulating or bribing community leaders. Second, the government may appropriate the land without fair compensation. In his view, one way to minimise the possibility for such a land dispossession is the presence of peasants' independent and competent associations from *kebele* to the national levels that defend peasants' interests. While recognising the role of strong peasant associations, we argue, however, that the most important source of tenure security is political commitment on part of the government to refrain from unwarranted intervention into communal lands and to protect the use rights of holders of such lands.

⁹ Tesfaye Kebede is Head of the Propaganda Affairs of the EPRDF-affiliated Oromo People's Democratic Organisation in Arsi Zone. The interview was held on April 24, 2006.

¹⁰ See Section 2 in the general introduction of this thesis.

Beyond commitments, of course, the government should also have the capacity at all levels to enforce land rights.

The Oromo Federalist Democratic Movement (OFDM) advances similar idea to that of Pausewang as regards future land tenure policy option. However, the party wishes to vest land management authority in a commission to be established at the *woreda* level, rather than leave such an important matter to the rural communities. According to Bekele Jiratta, the envisaged commission, which will consist of elected representatives of the rural communities, will make decisions in consultation with *kebele* administrations on major land transaction matters, such as leases to investors. The idea behind such a commission is to protect peasants from arbitrary eviction. Bekele admits, however, that the OFDM has yet to explain whether and to what extent the envisaged commission will be independent of government structures and influences.

Thus far, we analysed the views and suggested land tenure policy options of researchers and politicians. However, what do peasants say about their own tenure security, investment incentives, and access to bank loans? What are peasants' preferred future tenure policy options? We turn to these points in the following three sections.

3. Security of Tenure and Peasants' Attitudes towards Tenure Policy Options in Arsi Negele and Hetossa Woreda

The peasants interviewed, namely leaders of *kebele* administrations, community elders, and participants of focus group discussions (except one) believe that land belongs to *them* both individually and collectively and will remain so (Mamo 2006, reports similar findings in Kokossa Woreda, West Arsi Zone). They further assert that this is the view of the majority of the peasants in their respective areas. According to the interviewees, there are a number of factors that show that peasants in the study areas have security of tenure over their land.

Firstly, peasants have use and rental rights, although there are some restrictions on the operation of the lease markets (see Paper 4). The use rights include the right to cultivate land, apply fertiliser, build terraces, irrigate the land, plant trees, reap the produce, and enjoy the income.

Secondly, peasants have the right to bequeath land rights to their offspring or other family members. The interviewees assert that, among other things, government recognition of bequeathing rights has enhanced peasants' security of tenure.

Thirdly, unlike under the *Derg* period, peasants are free to live anywhere and engage in any activity, without fear of losing their land rights, as long as tax is paid and the land is cultivated (whether by family members, sharecroppers, or leaseholders).

Finally, probably the most important source of security of tenure for peasants in the study areas is the fact that there has been neither land redistribution, nor threats to take peasants' land rights away in their areas or in neighbouring areas since 1976. This means that based on their three decades of experience and also considering the existing laws, peasants are convinced that they will retain their land rights for ever, except when the government needs land for 'public purposes'. As Tahir Eadao comments¹¹:

In my opinion, peasants have security of tenure over their land. They are confident that their land will not be redistributed due to small size of holdings. In a majority of the households, a large number of people depend on a small piece of land. That is why the regional government of Oromia discourages land redistribution that will lead to further diminishing of the already small holdings. Even in case of inheritance, land is registered in the name of a senior member of the family [as a 'trustee for the family'], and the heirs use their share of the land based on common understanding among themselves. Peasants also believe that even if the government takes land, they will receive appropriate compensation (a substitute land is very unlikely). Peasants are well aware about their land rights.

The peasants interviewed also state that they and their fellow peasants in the study areas are quite aware (and appear to have been convinced) about the position of the regional government, which in Afan Oromo is *lefe koodun, hiyoummaa kooduu*, translated, 'redistributing land is tantamount to sharing poverty'. This position is in line with Article 40 (4) of the 'Enforcement Proclamation of the Revised Constitution of the National Regional State of Oromia (see Section 5 in the general introduction of this thesis) and other relevant legislation.

In the opinion of the peasants interviewed, peasants in the study areas believe, rather, that insecurity of tenure will arise – actually, will return – if land is privatised. Therefore, the

¹¹ Tahir Eadao, 69, is a resident of Dawe Gutcha *Kebele*, Hetossa *Woreda*. The interview was held on December 11, 2005.

majority of the peasants in their areas are against privatisation. The interviewees (except two participants of focus group discussions) expressed their deep concern that if land is privatised, poor peasants will sell their land under distress and end up landless. Informants report that several peasants have already sold their entire land underground. And while a few along with their families became seasonal farm workers, most of them had migrated to towns and became jobless and homeless. In the view of the interviewees, loss of land also means that poor peasants will not have dependable assets to hand over to their children. This implies that hasty privatisation will have far-reaching adverse effects not only for the current, but also for future generation.

The interviewees believe that once poor peasants sell land, they cannot buy it again, for it would become too expensive for them. Land value is increasing remarkably from one year to another, as can be seen from the current trend in fixed rents (see Paper 4). An analogy can be found in the argument of Chimhowu and Woodhouse (2006: 359) that ‘commoditization of land inevitably works to the disadvantage of those with lower purchasing power, thus threatening reduced access to land and potentially further impoverishment for the poorer among the existing land users’.

The peasants in the study areas further fear that if land is privatised, descendants of the absentee landlords could claim back their land rights and dispossess poor peasants of their land. This fear stems from the notion that there will be no state protection for peasants’ land rights under private land ownership. And one cannot rule out the possibility of the reversal of the gains of the Land Reform Proclamation of 1975 and restitution under changing political circumstances. Experience from the former socialist countries of Eastern Europe (Dekker, 2003; Ho & Spoor, 2006) and Chile (Bellisario, 2006; Dorner, 1992), following the toppling of the socialist government of Salvador Allende in 1973, support this supposition.

The interviewees believe that as there are few alternative employment opportunities or means of income in the rural areas, a majority of the dispossessed peasants will migrate to the urban centres, which are not developed enough to accommodate a likely large influx of migrants. Moreover, they state that peasants are not skilled enough to compete for reliable jobs in the urban centres or to cope with urban life. Peasants’ deep concerns about their future remind us of Bromley’s argument:

When private ownership of land is concentrated in the hands of a fraction of the population, and others are reduced to daily wages at starvation levels-if they can gain employment at all-one would think that the contradictions [between the assumed freedom

to be obtained through private property and the actual negative effects of such a property for the poor] would elicit some comment (Bromley, 1989: 198).

Recalling past experience and considering the current circumstances, Hewi Elemo summarises the likely negative effects of private ownership of land on poor peasants as follows¹²:

Advocacy of privatisation is a dangerous move that is directed against the best interests of the majority of the peasants. We in Arsi Negele have bitter experience about negative effects of private land ownership. Under private ownership, land becomes a commodity to be sold or exchanged. Privatisation means a return of the old system of land concentration and landlessness, a return of tenancy, eviction, migration, and starvation. As peasants are unskilled, they cannot make successful business in the towns. Under private ownership, poverty will emerge or aggravate. We do not want to fall into a trap of private ownership of land. We strongly oppose privatisation. We are prepared to defend the existing land tenure system at all costs.

For all this reason, peasants interviewed maintain that the majority of the peasants in their respective areas favour the preservation of the existing land tenure policy¹³. This is compatible with earlier findings of a nationwide survey (see EEA/EEPRI, 2002). Informants recalled that peasants in the study areas, like elsewhere in the country, had debated the draft constitution of 1995 and the majority endorsed the retention of state and public co-ownership of land. This was so because peasants wanted government protection from the rich and powerful. The interviewees claimed that this stance was still intact. On the other hand, they unequivocally stated that peasants endorsed state and public co-ownership of land with the understanding that the role of the government would be limited to protecting peasants' land rights. This means that the government would not intervene with peasants' land rights, except when it needs the land for public purpose in which case it should pay fair compensation.

¹² Hewi Elemo, 65, is a former tenant and resident of Mekko Odda *Kebele*, Arsi Negele *Woreda*. The interview was held on October 23, 2005.

¹³ On the other hand, the interviewees did not want to comment on 'the third policy option' that proposes that the government relinquish its land ownership rights to the rural communities. They stated that the concept was new to them, they had actually just heard about it for the first time during the interviews, and the implications of the suggested policy option was unclear.

Informants maintain that land, in contrast to money that can be wasted easily, is a permanent source of income and insurance for peasants. Land for peasants is a crucial means of livelihoods and capital. It is also a crucial asset that parents can hand over to their children. Moreover, a few of the interviewees (specifically, youth members of focus group discussions in Dawe Guticha *Kebele*, in Hetossa *Woreda*) also argue in defence of the existing land tenure from a 'philosophical' point of view. They hold that land is a gift of nature; it belongs to God and people. Hence, it should not be subject to private ownership that entails land alienation and landlessness for the poor. Instead, it should be retained as a collective property of the peasant communities and handed over to future generation.

4. Land Tenure and Investment Incentives

Their confidence in the existing land tenure has motivated peasants in Arsi Negele and Hetossa *Woreda* to engage in a variety of investments, both seasonal and long-term. This experience corresponds to findings from many other areas in southern parts of the country (Holden & Hailu, 2002; Mamo, 2006). Peasants interviewed assert that they and their fellow peasants in the study areas invest in their land because they have security of tenure over it, and not to secure the land by investing in it¹⁴. In Arsi Negele and Hetossa, peasant investments include mainly inputs use, tree planting, and irrigation¹⁵.

¹⁴It is a topic of intense debate in the literature whether long-term investment, especially tree planting, is a cause for or a result of tenure security. The dominant thinking is that landholders or owners invest in their land when they have tenure security over it. However, empirical studies in developing countries also show a reverse causality, where landholders make long-term investments hoping that this will enhance their tenure security, i.e., help them obtain legitimacy over their holdings (See Section 2 in the general introduction of this thesis).

¹⁵Terracing is not much developed in both *woreda* for two major reasons: (i) The topography of the *woreda* is mostly flat and does not need much terracing, and (ii) According to peasants and agricultural experts interviewed, even where the topography needs terracing, a majority of the peasants are not convinced about its importance. Currently, however, a few peasants in highland and lowland areas in Arsi Negele and Hetossa, respectively, have shown interest in terracing and are demanding expert support. Officials and experts of *woreda* departments of agriculture and rural development report that the departments lack both experts and budget to meet peasant demands.

Inputs Use

Peasants in the two *woreda* under study have been using modern agricultural inputs, such as fertiliser, improved seeds, pesticides, and herbicides for years. According to peasants and agricultural experts interviewed, moreover, there is a steady rise in peasants' interest to carry on using these inputs. Nevertheless, such growing interest has been hindered by peasants' inability to access the inputs required due to the rise in the price, or inadequate supply, or both. In particular, the rise in the price of fertiliser is alarming. Statistics that we obtained from peasants and agricultural experts in the two *woreda* show that the price of fertiliser (DAP, which is widely used) increased from Ethiopian *Birr* 80 per quintal in 1990 to *Birr* 360 in 2006 (in late October 2010, 1 US dollar=16.43 Ethiopian *Birr*)¹⁶. This resulted from the declining purchasing power of the *Birr* vis-à-vis the hard currencies, rising fertiliser import price, and removal of subsidies since 2001/02, as a requisite of structural adjustment programmes. Informants further explain that the rise in the price has discouraged the majority of the peasants from using fertiliser, resulting in either total withdrawal or sparse application. *Woreda* agricultural experts estimate that currently even 40 per cent of the peasants do not apply fertiliser as per expert advice. Solomon Tsegaye describes the situation in Hetossa *Woreda* as follows¹⁷.

Fertiliser is used under capacity in the *woreda*. In 2004/05, for example, out of the planned 24,582 quintals, only 16,525.5 quintals [i.e., 67 per cent] was distributed. The main

¹⁶We are aware of the fact that this is a nominal price, given the continuous depreciation of the value of the *Birr* vis-a-vis the US dollar. The *Birr* depreciated from 2.07 per USD in 1990 (it was 'devalued' to *Birr* 5.00 per USD in 1992, Taye, 1999: 488) to *Birr* 8.75 in 2006, and the depreciation has continued to this date (see above). We are also aware of the rise in nominal price of agricultural produce. However, it is important to note that when peasants complain about substantial rise in the price of fertiliser, they consider the existing nominal price as compared to the actual capacity of peasants to pay (and as we noted previously, government officials and agricultural experts concur). Peasants interviewed stress the mismatch between the prices of agricultural inputs and other manufacturing goods, on the one hand, and the price of agricultural produce on the other. Especially, the price of fertiliser has increased faster than the price of agricultural produce, which means that peasants have been exposed to unfavourable terms of trade (It is beyond the scope of this thesis to investigate the relationships between agricultural inputs and outputs prices and determine the extent to which peasants' claims are true). Peasants also complain about a host of other expenses that compete with their agricultural inputs budget.

¹⁷Solomon Tsegaye is team leader of Input Supply and Credit Section, Department of Agriculture and Rural Development, Hetossa *Woreda*. The interview was held on January 4, 2006.

reason for this was peasants' lack of capacity to pay. Seen in terms of peasant awareness and growing interest, it appears that peasants' fertiliser consumption will increase. However, if the rise in the price continues, it is likely that peasants will withdraw using fertiliser altogether. We have the concern that production will decrease, as a result. This is a serious problem that needs serious attention.

Peasants and agricultural experts interviewed also report that there are not many alternatives to chemical fertiliser in the study areas. Only a small number of peasants have recently started to practice crop rotation, while others have yet to decide. Besides, fallowing is not practiced due to scarcity of land (see Paper 4). Furthermore, peasants are not using organic fertiliser adequately. As Tesagaye Ayano comments, 'this is because since there are a few livestock, there is not enough manure to use as fertiliser. Additionally, it requires a lot of labour to prepare compost. That is why although peasants are aware about the importance of compost, they tend to be reluctant to prepare it'¹⁸.

According to peasants and agricultural experts interviewed, there are several additional factors that constrain peasant investments. These include land scarcity; inadequate supply of improved seeds (coupled by rising prices) and chemicals; comparatively lower prices for agricultural produce until 2005, when agricultural marketing cooperatives (locally also known as unions) intervened¹⁹; shortage of oxen; fluctuating (actually declining) rainfall; recurrent drought (in lowland areas); and rising taxes (in the study areas, taxes per landholding households rose from Ethiopian *Birr* 25 in 1992/93, to up to more than *Birr* 400 in 2004/2005).

In spite of such multifaceted constraints, some industrious and successful peasants have made significant progress. As Gemmedda Roba comments, 'by working their land hard, some peasants have improved their lives; some built houses in towns; and still some others

¹⁸Tsegaye Ayano is team leader of Input Supply and Credit Section, Department of Agriculture and Rural Development, Arsi Negele *Woreda*. The interview was held on February 6, 2006.

¹⁹According to peasants and agricultural experts interviewed, one of the reasons why peasants sold their produce at a comparatively lower price was that peasants were required to pay input debts, taxes, and the like, almost immediately after harvest (in December at the latest), when everybody would take the produce to the market, resulting in an oversupply and thus a decline in the price. Now, the time for these payments has been extended to May. On the other hand, entry into the grain markets in 2005 by the newly set up marketing cooperatives, broke the monopoly of private dealers and led to competition and the rise in the price of agricultural produce to the advantage of producers (but presumably to the disadvantage of urban dwellers, poor peasants, and pastoralists who depend on purchased food). Besides, peasants sell their grain to their cooperatives at market price and receive dividend according to their contributions.

built grain mill'.²⁰ However, as the following case demonstrates, the success of a few is extraordinary.

Such outstanding accomplishments by Negasse and some other entrepreneur peasants in the study areas emanate from a number of factors, including fertility of the soil, access to more land to cultivate through leaseholds, access to modern agricultural technologies, access to output markets and favourable prices, peasants' improved managerial skills, and hard work. Peasants' accomplishments support the argument that the existing land tenure in Ethiopia does not constrain peasant investments and agricultural efficiency. It also hints at the prospect that if constraints to their investments are removed, more and more peasants in fertile areas conducive for mechanised farming can become entrepreneurs, although this would entail increased class differentiations among peasants.

Tree planting

Tree planting is another investment undertaking that shows that peasants in the two *woreda* under study have security of tenure over their land. Peasants and agricultural experts interviewed reported that under the *Derg*, some peasants had planted trees, especially eucalyptus trees, which grow fast in comparison to other trees grown in these areas. Nevertheless, most peasants did not consider planting trees then, since they had access to the common forests, which have dwindled nowadays. In recent years, however, more and more peasants are planting trees (except for those in the arid Rift Valley areas who failed repeatedly due to scarcity of water, in their attempts to plant trees). In Arsi Negele, for example, some peasants own up to 10,000 eucalyptus trees on about half a hectare of land, which accounts for 33 per cent of average holding, which is 1.5 hectares. Moreover, in a few areas in the *woreda*, peasants also plant a variety of other types of trees. As Million Kebede comments²¹:

Nowadays, peasants in the *woreda* plant trees in large quantity, mostly eucalyptus trees, which they consider as a cash crop. Eucalyptus trees get mature in five to six years depending on fertility of the soil. Peasants in the highland areas also plant some indigenous trees and 'imported' pines. While pines of normal size can be harvested in 10

²⁰ Gemedda Roba is Chairman of Ali Woyoo *Kebele* Administration, Arsi Negele *Woreda*. The interview was held on March 3, 2006.

²¹ Million Kebede is team leader of Natural Resources Section, Department of Agriculture and Rural Development, Arsi Negele *Woreda*. The interview was held on February 8, 2006.

to 15 years, those of big diameter needed for timber, are harvested in 20-25 years. Peasants in irrigation areas also grow fruit trees, such as avocado, papaya, mango, and coffee. Especially peasants who have close relatives in towns are more conscious about the importance of planting trees.

The case of Hussein Letto supports the above claim. Hussein Letto, 42, is a resident of Merarro Hewilo *Kebele*, about 17 kilometres south of the Negele town, Arsi Negele *Woreda*. He was born in the same *kebele* from a land-owning family. He quit school from grade eight and was engaged in farming. He joined the *kebele* peasant association in 1983 and obtained three hectares of land from the common forest and grazing land. He demolished or burnt trees to clear the land for cultivation. However, being sloppy, his land was exposed to erosion and became less productive. Alongside farming, Hussein started doing business in timber. In the course of his travels and contact with business people, he realised that timber, which was cheap in his area, was expensive in other areas that he visited and that selling timber there was a very profitable business even after transaction costs were considered. Hence, he became convinced that trees, which he used to destroy, were most valuable assets by all standards. He felt that burning trees that could be used for generations was tantamount to ‘burning money’.

To rectify his past mistakes, Hussein sought to plant trees (and was also encouraged by his relative who was an agricultural expert in the *woreda*), but he was not sure about their success; yet he took the risk. He started planting pine trees in 1997 on two and a half hectares, which accounted for 83 per cent of his holding, leaving the remaining portion for cultivation. Hussein estimates his trees at 50,000. He is a pioneer and number one in the *woreda* in planting such a large number of trees. He intends to cover the remaining land with trees, and to replace the trees that he cut soon. Hussein is considered a model for the surrounding peasants. Following his example, many peasants in neighbouring *kebele*, such as Godie Durro and Gondie Gurratti, have planted trees and this activity has also expanded into other *kebele*.

Trees are both crucial ‘deposit’ and useful sources of income for Hussein. In 2005, he obtained Ethiopian *Birr* 55,000, which was a big sum by the standard of the rural areas, from the sales of some 1,500 trees. As soon as he obtained the money, he got licence and started business in forest products, including timber, fuel wood, and wood for house construction. He has also been engaged in grain trade. In the long-run, he plans to set up his own saw mill factory in the area. In this way, Hussein hopes to contribute to government’s endeavours to enhance the link between agricultural development and industry.

It should be remembered that peasants in the study areas, like their fellow peasants in several other areas in Arsi and West Arsi Zones, plant trees mainly in their homesteads, not in the fields. According to peasants, agricultural experts, and government officials interviewed, there are three main reasons for this:

- (i) Peasants, especially those in fertile midland areas, do not have enough land to devote to trees at the expense of cereals. As Nebi Morkie remarks, ‘it is difficult for

most peasants to wait for benefits to come from eucalyptus trees, say, after three or more years'²².

(ii) Experts advise peasants to plant eucalyptus trees far away from the fields. This is because experts maintain (and peasants appear to have been convinced) that eucalyptus trees reduce productivity of land, as they absorb much water and moisture.

(iii) Related to point (ii), planting eucalyptus trees in the field has caused conflict between tree-planting households and their neighbours, who felt that the presence of such trees close to their plots would hurt productivity of their land.

Irrigation

There is consensus among peasants and agricultural experts interviewed in the two *woreda* under study that peasant demand for irrigation water is increasing. This is because rainfall is no more reliable, even in semi-highland areas. Irrigation schemes are, nevertheless, not widespread in the areas, mainly due to scarcity of water. There are only four irrigation schemes (two in each *woreda*) and even here, only small amount of land is under irrigation. (While irrigation beneficiaries in Arsi Negele receive water from small dams, rivers are sources of irrigation water in Hetossa). According to statistics that we obtained from the Department of Agriculture and Rural development in Arsi Negele, for example, less than one per cent (actually, 0.70 per cent) of the land to be cultivated is under irrigation. Moreover, according to agricultural experts, there is little prospect for its expansion. Peasants and agricultural experts in Hetossa report that even where irrigation schemes exist, plants have been damaged because of scarcity of water, and this has discouraged beneficiaries of irrigation from investing in their land. Bajigga Wake describes his own experience as follows²³:

We started this traditional irrigation scheme under the *Derg*. We planted coffee, *chat* [a chewing, mildly stimulant leaf], and sugarcane. Irrigation had been useful for me. I built a metal-roof house from the sales of sugarcane and *chat*. I also bought an ox and saved the

²² Nebi Morkie is member of the Executive Committee of the Arsi Zone Administration and Head of the Zonal Department of Agriculture and Rural Development. The interview was held on April 20, 2006.

²³ Bajigga Wake, 76, is a resident of Jengo Kilissa *Kebele*, Hetossa *Woreda*. The interview was held on April 12, 2006.

rest of the money. Other beneficiaries of irrigation also built metal-roof houses from the sales of sugarcane. However, as a result of the expansion of irrigation schemes in the surrounding *kebele*, flow of the water diminished gradually and it was stopped in 2005 altogether. Sugarcane dried as a result. This discouraged us. We changed the fields to maize. Also, coffee and *chat* were about to dry when the rain came last March. As you can see, the plants have not been recovered fully, as yet. We are hoping, though, that since the rainy season [June-August] is approaching, coffee and *chat* will survive, but cannot be so productive.

In Arsi Negele, on the other hand, irrigation beneficiaries interviewed complain about problems other than scarcity of water. These include scarcity of land, ever-increasing price of fertiliser, scarcity of improved seeds, and inadequate access to output markets. Inadequacy of access to markets is caused by a lack of access to vehicles, because they are expensive, to transport produce to markets, and lack of storage facilities and shopping centres in the Negele town to supply produce directly to consumers. These problems are common elsewhere, besides scarcity of water.

The interviewees reported, however, that in spite of the above constraints, they and their colleagues, producing a variety of fruits and vegetables, have benefited a lot from irrigation. They have educated their children, including at comparatively expensive private colleges; some have bought oxen; and others have bought donkey carts to do business. Most beneficiaries (75 per cent in Kerraru Irrigation Association, for example), have changed their houses from traditional to metal-roof houses. Members of the Kerraru Association, moreover, have saving accounts. In Dhadhabba Gudda Irrigation Association, a few beneficiaries of irrigation also own televisions and mobile phones, besides metal-roof houses. Moreover, as irrigation has gradually become more popular, membership of this association increased from 10 in 1996 to 90 in 2006.

The interviewed beneficiaries of irrigation assert that they and their fellow beneficiary peasants invest in their land because they have security of tenure over it, which stems from three sources: (i) There is no experience of land redistribution in their *kebele* or in any other areas that they know since the land redistribution of 1976; (ii) Current government policy prohibits land redistribution; and (iii) Even if such a policy did not exist, the plots under irrigation are too small (between 0.25 and 0.50 hectares) to redistribute to the landless or lease out to investors.

5. Land Tenure and Access to Credit: An Overview

Is the existing land tenure system a constraint to peasants' access to bank credit in Arsi Negele and Hetossa? Peasants, leaders of agricultural marketing cooperatives, *woreda* agricultural experts, and district commercial bank managers interviewed argue that there is no link between the existing land tenure and peasants' access to credit. Bank managers also report that peasants as individuals have never approached the banks for credit. Further, peasants interviewed stress that peasants in the study areas have no knowledge of bank loans. A majority of the peasants need credit to buy agricultural inputs, particularly fertiliser and improved seeds; they do not have any business or assets other than their plots and some livestock, in which to invest that require bank loans.

On the other hand, even if peasants wish to borrow, banks would not extend loans to them. According to district bank managers, as per the existing policies, commercial banks lend only to licensed business enterprises, including agri-businesses. Since peasants as individuals do not meet this criterion, they are not creditworthy. Apparently, commercial banks, as business enterprises, seek to ensure that the potential borrowers have the capacity to repay their loans. And one way of assessing such a capacity is the profitability of an enterprise that the loan seekers run.

Other factors that make banks reluctant to extend loans to individual peasants are technical considerations and related undue transaction costs. Berhanu and Fayera (2005) reach similar conclusion in a study in the Amhara Regional State. Bank managers in Arsi Negele and Hetossa stress that it is difficult for the banks to deal with small landholders. As Semman Haji remarks, this is because 'banks do not make profit by giving loans to a large number of smallholders; it involves a cumbersome paper work. Besides, it is difficult for the banks to collect the loans back. This principle also holds true under private land ownership'²⁴. Similar findings are reported from other SSA countries. For example, in a study in Ghana, Migot-Adholla *et al.* (1994: 115) find that 'formal credit institutions would not rush to provide credit to large numbers of smallholder farmers, even if they had state guaranteed titles'.

It must be stressed, however, that in Arsi Negele and Hetossa, like elsewhere in the country, although peasants cannot borrow from banks as individuals, even if they wish to do so, they are creditworthy as a group. They obtain bank loans indirectly through their

²⁴Semman Haji is a Manager of Commercial Bank of Ethiopia, Arsi Negele Branch, West Arsi Zone. The interview was held on May 30, 2006.

agricultural marketing cooperatives (locally also known as unions), which replaced agricultural service cooperatives. The cooperatives borrow, on behalf of their members, from district branches of the Commercial Bank of Ethiopia to buy fertilizer and improved seeds²⁵. This is analogous to the literature arguing that, ‘Group borrowing enables small-scale farmers to gain access to credit where they are discriminated against as single borrowers’ (Hoff *et al.*, 1993: 57). And according to bank managers, agricultural experts, and leaders of marketing cooperatives interviewed, marketing cooperatives in a *woreda* enter into agreements with the bank concerned and collect their respective credit quota that the regional government of Oromia allocates to them each year. They subsequently buy and distribute inputs to member peasants on credit.

Moreover, and most important, there is consensus among leaders of marketing cooperatives, agricultural experts, and district bank managers interviewed that marketing cooperatives are not required to pledge any assets to borrow from banks. This is because the Government of the National Regional State of Oromia (for which the Ministry of Finance and Economic Development is a guarantor) is a guarantor for the cooperatives for the sum allocated to them.²⁶ The cooperatives, on their part, are guarantors for their member peasants. Equally, *kebele* administrations take the responsibility for repayments of the loans that peasants in their localities take in the form of inputs. Member peasants are merely required to enter into agreements with their cooperatives and to have guarantors from among fellow peasants in their respective *kebele*.

6. Concluding Remarks

Land tenure policy has been a subject of heated debate in Ethiopia since a change of government in 1991. Critics condemn the existing land tenure system for discouraging agricultural investments by creating insecurity of tenure for peasants and by also prohibiting

²⁵In the study areas, probably as in the majority of the *woreda* in the country, there are only state banks, not private banks.

²⁶ Bank managers and agricultural experts reported that as the then agricultural service cooperatives (now marketing cooperatives), actually member peasants, repeatedly failed to pay their debts, the banks refused to extend loans to them at some point. This led to the intervention by the regional government of Oromia, which took the responsibility from 1997/98 onwards for future debt repayments. Accordingly, in case of default on the part of the cooperatives, the Commercial Bank of Ethiopia, as per the agreement between the Bank and the regional government, appeals to the Ministry of Finance and Economic Development to cut the required sum from the annual budget of the Oromia region and transfer it to the Bank.

the use of land as collateral for bank loans. Conversely, supporters of the existing land tenure argue that critics failed to produce empirical evidence that shows shortcomings of the existing tenure and justify the arguments for its alteration. They argue for the retention of the existing tenure for some time to come, mainly on the grounds of the probable consequences of hasty privatisation for poor peasants, which critics tend to overlook.

Findings in this study show that peasants in Arsi Negele and Hetossa have security of tenure over their land. They feel that they will retain the land for life and bequeath it to their offspring. They also have the freedom to enjoy their produce. Thus, they prefer the retention of the existing land tenure and vehemently oppose privatisation. This is because based on historical experience and considering the current trends, they fear that private ownership of land will engender far-reaching negative effects for them.

Another finding of this study is that the existing land tenure does not constrain peasant investments in the study areas. Peasants in the two *woreda* under study have been engaged in a variety of investments (both seasonal and long-term), since the land reform of 1975. Peasant investments are, however, constrained by a number of non-tenurial factors. It has become increasingly difficult for a majority of the peasants to access modern agricultural technologies, and water scarcity has constrained their aspirations to develop irrigation schemes. Land scarcity, lack of access to output markets, and lower prices for agricultural produce are all impediments to peasants' investments.

All this suggests that the presence of secure land rights is useful, but inadequate in itself to motivate peasants to use their land efficiently. Our findings support the argument that in agrarian societies, resource constraints, not insecurity of tenure, 'have often limited the efficiency-enhancing effects of land reform' (Binswanger *et al.*, 1993: 1248). We argue that where land tenure is not an impediment to investments, there can be little or no justification to change tenurial policies to enhance agricultural investments and efficiency. A change in land tenure can hardly be a panacea for the deep-rooted and complex economic problems of a society.

This study also shows that the existing land tenure is not a constraint to peasants' access to bank loans. The fact that peasants cannot pledge land as collateral is not the cause for individual peasants' lack of access to bank loans. Individual peasants cannot borrow from banks because they are not creditworthy; they do not meet the banks' lending criteria, which have no relation to land ownership. Conversely, peasants as a group receive loans for investments without showing any collateral to the banks, which makes unfounded the claim that the existing land tenure inhibits peasants' access to credit.

The overall policy implication of this study is that before advocating changes in the existing land tenure system in Ethiopia, it is important to establish empirically that this system is not working. Even when shortcomings are identified, it is imperative to weigh the likely advantages and disadvantages of the changes in property rights regime on peasants, especially poor peasants, who would be most affected by such changes. Furthermore, tenurial studies and related proposed policy options must not only consider the current rural realities, but also need to pay due attention to historical experience, where the politically imposed privatisation and land concentration that followed had hurt the masses of the peasants in southern Ethiopia, including Oromia. Under the current circumstances in the country, privatisation and the probable land alienation will adversely affect not only the smallholders alienating their land, but also future generation and the country at large.

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Paper IV

Paper 4: Land Scarcity, Land Leases, and Land Conflicts in Arsi Negele and Hetossa, South-Central Oromia, Ethiopia

Hussein Jemma & Espen Sjaastad

Abstract: This paper examines land scarcity, land lease markets, and land conflicts in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia. Field data were generated from key informant interviews and focus group discussions. Following the change of government in 1991, peasants were initially free to lease out their land. However, unrestricted lease markets led to dispossession among poor peasants and contributed to land conflicts, forcing the regional government of Oromia to impose restrictions on these markets. The main restrictions include the allowable size of land to be leased out, the duration of the lease, and the requirement that the government bodies concerned endorse the lease agreements. The restrictions appear to have minimised problems associated with land leases. Nevertheless, factors that forced the majority of the peasants to lease out, actually, sell, their land rights, namely financial constraints, are still intact.

Key words: government, peasants, politics, land leases, land scarcity, land conflicts

1. Introduction

The significance of land markets in developing countries remains a topic of intense debate. On one side are those who see markets as engines of land concentration, distress sales, and all their associated adverse effects. On the other side are those who see land markets as mechanisms for promoting access to land for the landless, access to credit for the landed, transfers of productive assets to more efficient users, consolidation of scattered holdings, and ultimately, improved agricultural efficiency.

Beyond their immediate and long-term effects, perspectives also differ with respect to how markets influence land scarcity and land conflicts. According to the mainstream economic theory of property rights, increasing land scarcity leads to competition and conflict. These, in turn, lead to new institutional adaptations, such as secure and precise property rights, which then lead to the emergence of land markets. This narrative offers a positive perspective on land markets and specifies only beneficial effects.

In this paper, we primarily examine problems associated with rural land lease markets in Arsi Negele and Hetossa *Woreda* in South-Central Oromia, Ethiopia, and discuss the recent policy measures that the government of the National Regional State of Oromia has taken to address similar problems at the regional level. We also analyse land scarcity and land conflicts in the two *woreda* under study. In doing so, we briefly trace the political history of land appropriation and land allocation in these areas and explain their relation to modern-day perceptions of land scarcity. Although the Land Reform Proclamation of 1975 has addressed the problem of land grabbing by elite and the associated scarcity, peasants are still sensitive about any measure that they consider could lead to their dispossession. We interpret unrestricted land lease markets and related problems in the light of this history. Scarcity and land lease markets, in turn, have a bearing on the rise in land-related conflicts observed in the study areas. We analyse these issues and relationships among them in the light of the theoretical perspectives outlined above.

The study is based on field research conducted in Arsi Negele and Hetossa *Woreda* over the period of January 2005 to May/June 2006. Historically, both Arsi Negele and Hetossa belonged to the Arsi Province. However, Arsi Negele was annexed into the Shewa Province in 1963 and, in 2006, was incorporated into the newly established West Arsi Zone. Hetossa has always remained part of the Arsi Province (now Arsi Zone). The Arsi Oromo (see Section 3 in the general introduction of this thesis) form a majority of the residents in the two *woreda*. The study areas consist of a land area of 2,615.63 square kilometres, and have a total population of 459,703 (CSA, 2007: 29, 30). Farming is the main activity in the two *woreda*, crop production being the main source of livelihoods for the rural communities, followed by animal husbandry.

Primary data were collected through interviews with key informants and focus group discussions. The key informants included community elders, leaders of *kebele* administrations, officials of *kebele* social courts, *woreda*, zonal, and regional party and government officials, officials and experts at *woreda* and zonal departments of agriculture and rural development, and officials at the Bureau of Agriculture and Rural Development- the government of the National Regional State of Oromia- and land lessors and leasees. Focus group discussions were held in four *kebele*, two from each of the two *woreda*, with male and female peasants, and youth of both sexes.

The paper is organised as follows. Section 2 briefly presents conceptual perspectives on land markets, land scarcity, and conflict. Section 3 provides the historical background of the study areas in terms of property rights regimes in land and how land was accessed, how

this influenced scarcity in the past, and how problems of access and scarcity were solved. Section 4 examines the workings and implications of land lease markets in the study areas. Section 5 explores land-related conflicts and litigation in the study areas and their links to scarcity, on the one hand, and land lease markets, on the other. Section 6 concludes the discussions.

2. Scarcity, Markets, and Conflict

According to one particular narrative within the literature on property rights regime in land (e.g., Ruttan & Hayami, 1984; Platteau, 1996), the role of scarcity in the formation of markets is important but simple. When land is abundant it has no exchange value, since those in need of more can find it at no expense. As land becomes more scarce, however, its exchange value rises and will eventually justify the establishment of exchange markets and the institutions necessary for their operation, such as private, enforceable property rights. Markets, in turn, allow transfers of land to more efficient users, permit consolidation of scattered holdings, and encourage the use of land as collateral for investments. Increasing scarcity, in this view, is thus a catalyst of change in rural land relations and production. Increasing competition for land, and associated conflicts, are part of this story. As land becomes more scarce, conflicts will multiply, but this is only a temporary problem; institutional adaptations and innovations will solve problems of both scarcity and conflict by promoting more efficient and productive use of land.

Needless to say, this theory has faced considerable criticism through the years. In general, the theory is said to be naïve (Eggertsson, 1990; Riker & Sened, 1996) since it reflects the role of the government as being passive. It assumes that the government will automatically meet the emerging demand for new institutions and does not give attention to the power relations that normally surround the changes in property rights regimes (see Section 2 of the general introduction in this thesis). With regard to markets in particular, critics have pointed out the numerous restrictions, beyond an abundance of land, which may impact on market emergence. Critics also emphasise the potentially adverse effects of land sales markets-such as land speculation, absentee ownership, distress sales, and their associated adverse effects for the rural poor in developing countries where alternative employment opportunities or means of income are scant (e.g. Platteau, 1996).

Nevertheless, supporters continuously emphasise positive aspects of land markets. And they have recently given particular attention to rental markets. In their fixed-rent forms,

at least, rental markets are assumed to possess most of the benefits of sales markets, but fewer of the important problems. While the reservation price for permanent alienation will exceed the discounted net incomes from future production, thereby making purchase through loan financing alone infeasible, the opposite is true for land rental fees (Binswanger & McIntire, 1987). Rental markets may, therefore, permit access to land for those who cannot afford to buy land (e.g., de Janvry *et al.*, 2001). Rentals also permit temporary alienation of land in times of hardship—in the absence of rental markets, distress sales may be the only option (Platteau, 1996), resulting in a host of adverse effects for the poor (see Section 4 below; see also Paper 3).

As regards land rentals, the economics literature generally distinguishes between sharecropping (or share tenancy, more generally) and fixed-rentals. The prevalence of sharecropping, with its adverse incentives in terms of labour effort and associated monitoring costs, is a continuing source of debate. Explanations range from risk-sharing (Cheung, 1969) to input cost sharing between landlord and tenant (Adams & Rask, 1968). The favourable view of rental markets is, however, generally restricted to the fixed-rent aspect, where most of the effects of decisions taken by tenants are internalised. Here, the tenants face the risk of crop failure alone; but tenants also have a corresponding incentive to undertake long-term investments on their holdings when contracts are long-term (de Janvry *et al.*, 2001).

3. Historical Background

The incorporation of Arsi into the newly emerging Ethiopian empire by the government of Menelik led to the appropriation of land, which was converted from communal to state property. Especially in Arsi Negele and Hetossa, the imperial governments of Menelik and Haile Sellassie appropriated virtually the entire land under the guise of land bequeathing. Specifically, in Hetossa, out of 1,700 *gasha* (Bizuwork, 1994: 543), Menelik's government appropriated 1,694 *gasha* (close to 100 per cent). Likewise, in Arsi Negele, Haile Sellassie's government appropriated 1,397 *gasha* out of 1,470 (95 per cent) (see Paper 2, table 1). And as a result of conquest and subsequent land appropriation, the Arsi Oromo lost their customary land ownership rights and land management authority. Land appropriation was followed by land grants initially for temporary appropriation, which was then converted to inheritable private property of the grantees. Menelik's government granted the entire extent of land in Hetossa to a nobleman, namely *ras* Birru Wolde Gebriel. Similarly, Haile Sellassie's government granted a large portion of the land in Arsi Negele to his wife. Following privatisation, the vast majority of

the local population became landless tenants who became dependent on the alien landed elite to access land for their survival.

Moreover, as a result of the introduction of mechanised farming in these areas by the absentee landlords and commercial farmers in the mid-1960s and early 1970s in Arsi Negele and Hetossa, respectively, a large number of the local population were denied access to land even as tenants. They were evicted and migrated elsewhere, mainly to marginal lands.

A further mechanism through which peasants lost their land involved pledges, under Haile Sellassie's government. Small landowners would borrow money from commercial farmers by pledging their land, on the understanding that they would reclaim it upon repayment of the debt. In those instances where peasants were unable to repay, the creditor-most often a commercial farmer-would continue to use the land. Community elders interviewed reported that this in some cases went on for two decades, prior to the introduction of the Land Reform Proclamation in 1975.

The Land Reform Proclamation of 1975 addressed the historical injustices in land allocation and its adverse effects that prevailed in the study areas, like elsewhere in the southern provinces, under the imperial regimes. Peasants and tenants (including formerly evicted tenants) obtained land *use* rights free of charge from their PAs who were authorised to administer land in their territories. Community elders reported that the PAs in the two *woreda* under study, in contrast to many other parts of the country (see, e.g. Pausewang, 1990), had comparatively ample amounts of land to redistribute. This was so because PAs in the fertile midland areas acquired estates of the absentee landlords and commercial farmers. Land was available in both highland and lowland areas, which at that point were relatively scarcely populated. Land redistribution was carried out based on family size to ensure equity or 'distributional justice.' Generally, households received between one hectare and three hectares of land. And peasants considered land allocation to be generally fair and the amount of land provided sufficient.

Political restrictions on land markets, including leasehold tenancy, were introduced under the *Derg*. The Land Reform Proclamation of 1975 prohibits land transfers by any means. Article 5 of the proclamation reads in part as follows: 'No person may by sale, exchange, succession, mortgage, antichresis, lease or otherwise transfer his holding to another' (PMAC, 1975: 95) (for the rationales behind such restrictions, see Section 5 of the general introduction of this thesis). The land policy of the current government is similar to that of the *Derg* as regards property rights in land and land alienation. Like the Land Reform Proclamation of 1975, the current constitution prohibits land sales and other forms of land

‘exchange’. As stipulated in Article 40, sub-article 3 of the Constitution: ‘The right to ownership of rural and urban land, as well as of all natural resources, is exclusively vested in the State and in the peoples of Ethiopia. Land is a common property of the Nations, Nationalities and Peoples of Ethiopia and shall not be subject to sale or to other means of exchange’ (FDRE, 1995: 98).

Since land belongs to the state and the public, the question of alienation of land ownership rights does not really arise. However, as stated in Proclamation No. 456 of 2005, the federal government recognises transfer of use rights, which had already been practised, although not officially sanctioned, since a change of government in 1991. These transfer rights include inheritance or bequeathing to ‘family members’ and renting. With regard to leases, the proclamation (Article 8, 1) reads as follows:

Peasant farmers, semi-pastoralists and pastoralists who are given holding certificates can lease to other farmers or investors land from their holding of a size sufficient for the intended development in a manner that shall not displace them, for a period of time to be determined by rural land administration laws of regions based on particular local conditions (FDRE, 2005: 3139).

4. Land Leases, Pledges, and Politics

Following the fall of the *Derg* in 1991, peasants in the study areas, like elsewhere in Oromia, were, initially, free to lease out land. Sales and pledges, however, were still prohibited. Why do peasants in the study areas choose to lease out their land, instead of cultivating it themselves or entering into sharecropping arrangements? There is agreement among peasants interviewed, namely officials of *kebele* administrations, community elders, and participants of focus group discussions, that the majority of the peasants lease out land to address immediate financial problems (especially for debt repayments), or because they lack financial assets to use the land themselves, while a few seek to raise money for investments, mainly to buy oxen.

Several factors constrain peasants’ capacity to exploit their land effectively. Peasants complain in particular about the rise in the prices of agricultural inputs, above all, fertiliser (see Paper 3) (and government officials and agricultural experts agree), as compared to the price of agricultural produce, which has not risen correspondingly.

There is consensus among informants (government officials, agricultural experts, and peasants) that unrestricted entry into lease arrangements led to informal land sales and the dispossession of poor peasants of their land. Government officials, both in Arsi and West Arsi

Zones, like their counterparts in neighbouring East Shewa Zone, pointed out that many poor peasants became landless as a result of dealings in land (Hussein, 2001 reported similar underground land sales in other parts of the country). However, land sales deals took the form of illegal pledges. Very long-term ‘pledges,’ sometimes for a duration of as much as 50 years, were entered into, and the agreed up on sum was paid up front. The landholder would typically state that because of, for example, serious family health problems, he/she had borrowed money from another individual, using land as collateral. Until the money is repaid, the ‘pledgee’ continues cultivating the land, similar to the situation in the pre-1975 period noted above.

It should be remembered that, in theory, peasants have the rights only to lease out, not to sell or pledge, land. In reality, however, some practice a combination of leases, ‘pledges,’ and sales¹. Just as pledges are undertaken under the guise of leases, sales are undertaken under the guise of pledges. In the final analysis, leases are entry points to disguised land sales presented as pledges, suggesting that legalising land pledges and sales will further accelerate and aggravate peasant dispossessions and associated social problems. Peasants, agricultural experts, and government officials interviewed stress that, in the study areas, like in other areas in Arsi and West Arsi Zones, there is no land pledging in the true sense of the term. What actually exists is land sale. Pledging is merely a camouflage for this, which the contracting parties consider politically less sensitive as compared to sales (peasants are well aware that since the *Derg* period, land sales and pledges are officially prohibited). In short, there is no distinction between land pledges and sales in the two *woreda* study. The interviewees further asserted that the ‘pledgors’ do not intend to repay the money and reclaim their land after 40 or 50 years. For all practical purposes, for poor peasants, entry into the so-called pledging deal means abandoning their land once and for all.

In this way, many poor peasants were effectively alienated from their land. While a few became daily farm workers, the majority abandoned their *kebele* and migrated to towns where they became jobless, as well as, homeless. Nevertheless, we could not access any such individuals. We learned that most of them had already migrated and the few remaining in villages became so bankrupt, depressed, and ashamed that they were not willing to talk to outsiders about anything associated with their land dealings.

¹There are similar informal land sales in the Amhara Regional State (Berhanu and Fayera, 2005).

Peasants, agricultural experts, and government officials interviewed reported that underground land sales aggravated existing social and economic problems and justified government intervention. Jundi Berisso, for example, pointed out that:²

Many peasants became landless as a result of informal land sales under the guise of pledges. This is apparent, especially in peri-urban *kebele* where a large amount of land has been sold and a majority of the land-selling peasants migrated elsewhere, mainly to the towns. A few others became daily farm workers, including on their own land, alongside their families. To halt the dispossession of poor peasants of their land and the ensuing aggravation of social problems, the regional government imposed restrictions on lease arrangements. Now, it is forbidden to enter into lease arrangements without the consent of *kebele* administrations.

Peasants who have lost their land through disguised sales, may have little chance of reclaiming it by paying their debt, even if they wish to do so. Even leasing in land has become difficult for many. Land rental prices have increased substantially as a result of rising demand for agricultural land, which is itself, among other things, a function of increasing scarcity of land. According to data that we obtained from key informants and participants of focus group discussions, in 1991, one hectare of land was leased for Ethiopian *Birr* 280. In 2002, the rent increased fourfold to reach as high as *Birr* 1,200 for the same amount and quality of land. Again, in 2006, the rent rose to *Birr* 1,600-2000 per hectare, depending on the quality and location of the land involved (such a rise in the rent also resulted from a continuous decline in the purchasing power of the *Birr*-.see Paper 3). Even working as sharecroppers is a difficult task for most poor peasants, as individuals are normally required to have their own oxen to access land to cultivate as sharecroppers.

The negative effects of disguised land sales forced the government of the National Regional State of Oromia to impose some restrictions on the operation of the lease system in 2002, which came into effect in 2003. As specified in Proclamation No. 56 of 2002 (GNRSO, 2002, article 11), the main restrictions include the allowable size of land to be leased out, the duration of the lease, and the requirement that the government bodies concerned endorse the lease agreements. Article 10 of Proclamation No. 130 of 2007 (GNRSO, 2007) confirms these provisions. However, the restrictions refer only to contracts entered into after the effective

²Jundi Berisso is head of the Social Court of Dawe Guticha *Kebele*, Hetossa *Woreda*. The interview was held on December 12, 2005.

date of proclamation No. 56 of 2002; they do not apply to contracts previously concluded. According to government officials at various levels in the Oromia region, the restrictions were necessary to discourage illegal land transactions, peasant dispossession, and land conflict and litigation.

As per the above proclamations, peasants may lease out a maximum of half of their holdings. This is because the government wants them to farm their land themselves, at least in part³. Moreover, land can be leased out for a maximum of three years, if it is meant for ‘conventional’ farming, or for up to 15 years, if intended for mechanised farming. To discourage speculation, the lessees are prohibited from sub-letting the land to any third person.

According to *kebele* administration officials, agricultural experts, and *woreda* administration officials, land lease agreements, which can be renewed, need to be approved by relevant government offices at two levels, depending on the duration of the lease. Lease agreements exceeding three years should be approved by *woreda* departments of agriculture and rural development (However, no case was presented to *woreda* offices for consideration during our field visits). On the other hand, lease agreements lasting for up to three years should be approved by *kebele* officials⁴. For this purpose, copies of the written agreement should be submitted to the *kebele* administration, the social court, and to the land administration and use committee⁵.

To get permission for the leasing out of land, the landholder needs to justify this request to the *kebele* administration. According to peasants and experts interviewed, generally

³On the other hand, in a study conducted in another part of the country, Holden *et al.* (2009) speculate that the imposition of ceilings would have adverse effects on poor peasants, such as ‘female-headed households’, who lack the capital and inputs to work the land themselves. It should be noted, however, that leases are only one way of renting land. Landholders also have the option of entering into sharecropping arrangements. Unlike leases, there are no restrictions on sharecropping in the post-1991 period. According to peasants, agricultural experts, and government officials interviewed, in situations where peasants need to rent their land, the government encourages sharecropping rather than leasing.

⁴However, a recent proclamation (GNRSO, 2007: 5, article 10) states that lease agreements should be endorsed by the Bureau of Agriculture and Rural Development, government of the National Regional State of Oromia. It is not clear to us, though, whether this means shifting implementation responsibilities from *kebele* administrations to *woreda* departments of agriculture and rural development, or whether it simply intends to authorise *kebele* administrations to act on behalf of the Bureau.

⁵No payment is made to *kebele* administrations for the service that they render in processing lease agreements.

accepted reasons are the following: to pay debts for agricultural inputs (often taken on credit from state enterprises or agricultural marketing cooperatives), to pay taxes, to cover expenses for serious illness of a family member(s), or to buy oxen. If the applicant fails to present 'good' reasons, the *kebele* administration may take the following measures: reduce the duration of the lease from three years to two or even one year; reduce the size of the land to be leased out to less than half of the holding of the applicant; or a combination of the two; but the *kebele* administration does not fully reject landholders' request.

Woreda and *kebele* officials state that to facilitate follow-up of policy implementation, *kebele* administrations are required to report to *woreda* administrations every year regarding the size of land leased out in their respective territories, the number of households leasing land out, duration of leases, and reasons for leasing. The *woreda* administrations apparently seek to ensure that poor peasants do not lose their land under the guise of leases.

According to peasants and expert interviewed, it is mandatory that the land so leased be used for agricultural purposes only. This is intended to discourage diversion of the land to non-agricultural activities, such as building houses, which would aggravate the scarcity of agricultural land. Moreover, the lessees also have to conserve and properly use the land during the lease period, which is an extension of the obligations of the lessors (see GNRSSO, 2002, article 11, 2007, article 10)

In general, it appears that the regional government has been attempting to strike a balance between efficiency considerations and government responsibility to ensure that the poor are not dispossessed of the land allocated to them through the land reform project (equity considerations) and subsequently face multifaceted problems. Crewett and Korf (2008: 210) state that 'The Oromia regional land policy integrates efficiency and fairness [equity] principles, although the latter are clearly more dominant'.

While government restrictions contributed to the decline in land lease activity, experience has taught peasants to be cautious in leasing out land. Peasants interviewed assert that recently many peasants have become aware of the possible consequences of leasing out land to the same person for a longer period, namely the danger of being dispossessed of their land by wealthy lessees. This experience is compatible with findings from many other areas in southern Ethiopia (Holden & Hailu, 2002). Deininger *et al.* (2003) report similar finding from Nicaragua. Most peasants in Aris Negele and Hetossa are now insisting on renewing the contract every year, or otherwise changing the lessees. It remains to be seen whether the recently introduced land registration and use certification will enhance potential lessor's security of tenure and minimise their suspicion of potential lessees.

Official restrictions and wariness with respect to the consequences of informal land sales have generated a demand for official recording of lease arrangements⁶. And peasants interviewed (officials of *kebele* administrations, officials of social courts, community elders, and participants of focus group discussions) stated that official recording of lease arrangements has substantially reduced illegal land transactions and related peasant dispossession.

In addition to serving a function in terms of preventing further dispossessions of poor peasants and related land concentration, it is also the government's hope that restrictions and the necessity of official approval of lease contracts will alleviate the problems associated with land lease-based conflicts that have become exacerbated in the post-1991 period in the study areas. We turn to this issue in the next section.

5. Land Scarcity, Leases and Conflicts

In recent years, land-related conflicts represent the most frequently encountered category of conflict in the *kebele* social courts in Arsi Negele and Hetossa *Woreda*. The conflicts are most frequent in the densely populated fertile midland areas. Officials of the social court in Mekko Odda *Kebele*, Arsi Negele *Woreda*, for example, estimated that in 2004, about 80 per cent of the cases brought to the court resulted from land-based conflict, although this figure had decreased to 20 per cent by mid-2006.

Community elders and officials of *kebele* social courts assert that although it was not totally absent under the *Derg*, conflict over land in the study areas has escalated in the post-1991 period. The conflict takes various forms, including lease-related conflict, boundary conflict, intra-family conflict, and conflict between peasants and *kebele* administrations⁷. Informants stress, though, that the root cause of all these conflicts, including, in part, land lease-related conflicts, is land scarcity. We will, thus, briefly look at land scarcity in the study areas, before discussing each of the above immediate causes of conflict.

Although land was comparatively abundant at the time of the emergence of the *Derg* regime, the same is not true today. The population of the two *woreda* under study rose from

⁶Those who still enter into unofficial arrangements (although this is now illegal) often do so through written agreements in the presence of witnesses. The matter is usually disclosed when either of the contracting parties appeals to a *kebele* social court when the other party breaks the contract.

⁷While there are also minor conflicts over land related to divorce, there are no reports of inheritance-related conflicts.

311,588 in 1994 (CSA, 1998: 22) to 459,703 in 2006 (CSA, 2007: 29, 30)⁸. Equally, according to both peasants and agricultural experts interviewed, the size of each family that depends on a limited piece of land has been increasing substantially since the land reform era. The case of Immamu Wakko provides evidence of expanding family size without corresponding increases in land holdings. Immamu describes his own situation as follows⁹: ‘We were six members in my family when we received two hectares of land during land redistribution in 1976, which we then considered fair enough. But now, 17 members of my family, including the families of my married sons, depend on the same amount of land’.

According to data we obtained from peasants and agricultural experts, landholding per household in the study areas ranges from three hectares, in a few cases, to 0.25 hectares (after the current intra-family land bequeathing), with an average of 1.5 hectares. Informants expect that this would decrease substantially when the currently underway intra-family land bequeathing operation is completed. This is because, based on the current trend, the interviewees expect more peasants to bequeath land to their family members, especially married boys, in the process of land registration or thereafter. Currently, most peasants officially hold between 0.5 and 1.5 hectares of land. According to Mekbib Yemane, however¹⁰:

The actual amount of land that a majority of the households cultivate is much less than what is shown in official records. This is so because parents lend land to their sons who excessively depend on them for land. On average, a parent assigns plots to up to three to four sons from among many [up to seven] such sons who compete for plots of land to cultivate. This led to diminution in the actual holding of the majority of households.

Peasants interviewed report that it is customary and a social obligation among the Oromo in the study areas that parents lend land and provide livestock to their older and newly married sons to help them set up their own family (As a result of land scarcity, the ‘late comers’,

⁸Likewise, the population of Ethiopia rose from 39,868,572 in 1984 to 53,477,265 in 1994, and to 73,918,505 in 2007 (FDREPPC, 2008: 8), implying a widening gap between land and rising population (The *woreda*-wide population was not considered in population censuses undertaken before 1994).

⁹Immamu Wakko is a former tenant and currently head of the Annole Salan *Kebele* Social Court, Hetossa *Woreda*. The interview was held on May 5, 2005.

¹⁰Mekbib Yemane is head of Crop Protection and Production Team, Hetossa *Woreda* Department of Agriculture and Rural Development. The interview was held on January 23, 2006.

namely younger and unmarried boys, can hardly borrow land from their parents)¹¹. The land that parents of the boys lend to the new couples is locally known as *gulemma*, which in part resembles 'inter vivos transfers' (Platteau & Baland, 2001: 52). However, unlike *inter vivos* transfers, *gulemma* is only a loan, which can be withdrawn any time, and not a gift.

It must also be recorded that nowadays, the size of households' official land holdings is itself declining. This is because the number of landholders is rising due to intra-family land bequeathing that was undertaken during the land registration of 2005/06. Some parents and polygamous men have bequeathed a portion of their land to their sons and wives, respectively, most of whom have already been using the land. The preliminary data that we obtained from the Department of Agriculture and Rural Development of Arsi Negele *Woreda* illustrate this fact. In this *woreda*, the number of landholders increased from 18,600 to 24,303 after land bequeathing. This growth of 5,703 landholders constitutes an increase of some 31 per cent from the original number of land holding households. Agricultural experts in the *woreda* expect a further rise in the number of landholders, which means further diminution of the holdings. Experts in the Hetossa *Woreda* predict likewise.

Nevertheless, in spite of such formal intra-family transfers, landlessness is still a serious problem in the study areas. The preliminary data available from the Departments of Agriculture and Rural Development in the two *woreda* support this claim. In Arsi Negele *Woreda*, some 30 per cent of the peasants are landless¹². The rate of landlessness in Hetossa *Woreda* is striking. Here, in 20 out of 23 rural *kebele*, about 39 per cent of peasants are landless. This is, in fact, higher than the regional rate of landlessness, which is 37 per cent (Aman Mudda)¹³.

¹¹Peasants interviewed explain that mainly for cultural reasons, majority of the parents do not lend land to their daughters. It is only recently that a very few parents have started to lend land to their daughters to support them in covering school-related expenses. It is highly likely, however, that the land-borrowing girls will lose their plots when they marry, for it is customarily, a husbands' responsibility to find some land to cultivate and feed his family.

¹²In the study areas, perhaps as in many other parts of the country, landless people are classified as males of full age (normally, not women) in the peasant communities who do not hold land registered in their own names. They became landless either because they were not beneficiaries of the land redistribution of 1976 that followed the Land Reform of 1975, have not obtained land rights through inheritance from their parents, or have informally sold their land rights.

¹³Aman Mudda is head of the Department of Land Use and Administration, Agriculture and Rural Development Bureau, Government of the National Regional State of Oromia. The interview was held on July 28, 2006.

The majority of the landless youth do not have any other alternative means of accessing land to cultivate, or of generating income. As a result of serious scarcity of land, there has not been land redistribution to accommodate the landless since the *Derg* period. It is against this background that we discuss conflicts over land in the study areas.

Officials of *kebele* social courts interviewed state that land lease transactions represent the foremost among the immediate causes of conflict and litigation over land at *kebele* social courts in the two *woreda* under study. And the main cause for lease-based conflict is multiple leasing. Some peasants lease out the same plot of land to more than one person simultaneously. This leads to conflict between the two (sometimes three) lessees at the time of cultivation, on the one hand, and between the lessors and the lessees, on the other. When such cases are brought before them, the social courts decide based on the date of entry into the lease agreements, with the earliest lessee prevailing. However, according to officials of *kebele* social courts, at present multiple leasing is decreasing, for two reasons: (i) Lessors are penalised for cheating; (ii) Potential lessees are now demanding from potential lessors evidence from the *kebele* administration that the plots in question have not already been leased out. These measures have, to a large extent, discouraged peasants from engaging in multiple leasing.

Officials of the social courts also reported instances of reversal of land sales. Some of the poor peasants who had *de facto* sold their land rights under the guise of pledges subsequently changed their minds and attempted to reclaim their land. In these cases, the social courts decided in favour of the pledgors and disregarded the agreements between the contracting parties. The pledgees were instructed to return the land without reclaiming the money they had originally paid. They were, instead, advised to claim their money back through *woreda* courts that have the authority to deal with such matters. In defence of these decisions, *kebele* social court officials argue that as it is illegal to buy or sell land, instructing the pledgees to return the land to its original holders is a mild action. Both contracting parties could have been penalised for breaking the law.

It is important to note, however, that attempts to reclaim land in the two *woreda* under study are rare cases, not typical examples. Firstly, it is a difficult task for poor pledgors who encounter rich and powerful pledgees to reclaim their land. Secondly, most of the land pledgors, who have already migrated elsewhere, may be unaware of the possibility of reclaiming their land. Finally, even if they have the information, they may not dare to come back to their villages and reclaim the land for fear of penalty for selling state and public land.

Peasants interviewed reported instances of powerful leaseholders, refusing to leave the land they leased at the end of the contractual period, like during the pre-Land Reform period (see Paper 2). Some leaseholders simply deny that they are leasing at all, claiming the land as their own. In the absence of land certification that shows original landholders, and when written agreements are missing between the contracting parties, such cases of fraud are often difficult to prove. While most such cases are solved through mediation by community elders, some rich and powerful lessees ignore the informal channel of conflict resolution. They, in fact, use land leases to deprive small landholders of their land rights, and, thus, unregistered entry into lease arrangements have become a cause for serious social problems, throwing many peasants into misery.

Conflicts related to leases and pledges are only one form of conflict over access to land in the study areas. According to peasants and agricultural experts interviewed, other frequent types of conflict, stemming from land scarcity are boundary conflict, intra-family conflict, and conflict between peasants and *kebele* administrations.

Boundary conflicts flared up during the 2005/2006 land registration, mainly over adjacent grazing land. Some peasants attempted to get such a land registered in their own names at the expense of their neighbours. These problems were solved, again, through the intervention, as witnesses, by community elders who recalled to whom they allocated the land during the land redistribution of 1976.

Leaseholders also contribute to the problem of boundary disputes. Many leaseholders, using tractors, cultivate land consolidating a number of adjacent plots that they lease in from various small holders. When they leave the plots at the end of the contractual period, original landholders are left to quarrel over the boundaries, whose original markers have been erased and are, therefore, difficult to identify.

As regards intra-family conflicts, the interviewees stated that sons who were worried that their parents would displace them from their *gulemma* holdings, wanted to register the land in their own names. However, most parents opposed such a move, and this led to intra-family tension. According to the pertinent legislations, however (FDRE, 2005; GNRSO, 2003), land should be registered in the name of the household that has held it since the *Derg* period or their legitimate heirs. This means that land use rights may be transferred to sons only with the consent of their parents.

Conflicts between peasants and *kebele* administrations also erupted in the process of land registration and certification. Peasants and experts interviewed reported that, assuming that occupying land would guarantee legitimacy over it, some peasants expanded into the

adjacent common grazing land and claimed it as their own. Further, some landless people migrated from the densely populated fertile midland areas and occupied the common grazing land in the highland or lowland areas and built huts on it, which implies enforcement problem (and also in some cases probably tacit agreements) on part of the *kebele* administrations¹⁴. In both cases, the land ‘invading’ individuals attempted to get the land registered in their names and receive land use certificates. The problem was solved through the intervention of *woreda* agricultural experts who persuaded such individuals to leave the land that they seized illegally; nevertheless, tension remains between the landless people and *kebele* administrations in the two *woreda*.

6. Concluding Remarks

Over the last two decades, Ethiopian land lease markets have moved from the strict control under the *Derg* towards the more balanced approach that the current government pursues. The current policy combines recognition of the lease markets, and imposition of certain restrictions on the operation of these markets. In devising these policies, the government seems to have accepted some tenets of the economic mainstream view, while rejecting others.

Although the restrictions are, apparently, against the principle of free market, they, nevertheless, are of paramount importance in the study areas. In terms of leasing, during the free-for-all that opened up following a change of government in 1991, rural communities in the two *woreda* under study underwent a transition whereby a substantial number of peasants lost their land through sales disguised as pledges. While in principle landholders should have the rights to lease out their land, in practice, problems emerge because wealth and power tend to dominate when legal evidence of possession is lacking and written contractual agreements are missing. In this context, the impositions of restrictions are valid as they help protect peasants from dispossession of their land by the wealthy and powerful individuals. This is one side of the coin, however.

The other side of the coin is that the restrictions will constrain access to land by land seekers and access to financial assets by landholders. This means that the restrictions fail to address the underlying problem, which is surely related to peasants’ desire to lease out land in the first place. This desire is a clear indication of the desperate terms under which most peasants in the study areas, like their fellow peasants elsewhere in the country, are forced to

¹⁴Deininger, *et al*, (2008) reported similar findings in other parts of the country.

cultivate their land, such as insufficient assets and worsening terms of trade. Restrictions on land transactions may temporarily force peasants to use at least some of their land; land certification and recording of transactions may enhance tenure security; but none of these measures are likely to solve the deeper problems that the majority of the peasants who have few viable options elsewhere face.

It must, however, be stressed that the possession and alienation of rural land in Ethiopia carries implications beyond the individual rights holder. Land is becoming increasingly scarce, leading to a variety of conflict, and alternative livelihood options are scant. Hence, a peasant who engages in land transactions makes choices that affect not only himself but also his family and future generations. The overall implication of this study is that under the current circumstances in the country, unrestricted land transactions will not only result in peasant dispossessions and associated acceleration and aggravation of social problems, but will also contribute to increased land conflicts and social unrest. Therefore, it is reasonable to impose some restrictions on the operation of land markets, until structural problems are addressed through industrialisation and urbanisation that may create some alternative employment opportunities or viable sources of income for the rural poor.

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Appendix

Interview Guidelines

(A)The Politics of Land Appropriation and Land Allocation in Arsi Negele and Hetossa Oral Historians (Community Elders)

The Conquest of Arsi, Local Resistance, and Land Appropriation

The Pre-Conquest Period

- (1) What type (s) of societal-administration system(s) existed in Arsi before the conquest and incorporation of the region?
- (2)What forms of property rights in land existed during this period?
- (3) How was land managed, accessed, and used?
- (4) Had there been conflict over land among the Arsi Oromo?

Conquest and Resistance

- (1) Can you tell me about the invasion of Arsi by the forces of the government of Menelik?
- (2) How did the Arsi respond to the invasion?
- (3) Can you highlight for me the major reasons for the defeat of the Arsi and the incorporation of their region?

Land Appropriation and Land Allocation

- (1) Can you tell me how the incorporation of Arsi had affected the system of societal administration?
- (2) How do you explain the impact of the incorporation on property rights regime(s) in land in Arsi?
- (3) How did the changes in property rights regime(s) in land affect the local people?

Land Bequeathing, Land Appropriation, and Marginalisation in Arsi Negele and Hetossa

- (1) Can you explain to me the similarities and differences between land bequeathing and other means of land appropriation by the government of Menelik in Arsi?
- (2) How did land bequeathing in your *woreda* differ from land bequeathing that had happened in other *woreda* in Arsi?
- (3) Why did the *balabat* in your *woreda* bequeath the land in their traditional territories?
- (4) How did the people in your *woreda* perceive land bequeathing and land grants?
- (5) How did the local people in your *woreda* react to land bequeathing deal?
- (6) Can you tell me about the impact of land bequeathing on various social groups in your *woreda*?

Eviction and Migration of Tenants, and Dispossession and Displacement of Small Landowners

Tenant Eviction and Migration

- (1) When and by whom was agricultural mechanisation introduced in your *woreda*?
- (2) How do you recall the role of agricultural mechanisation in tenant eviction and migration?

Dispossession and Displacement of Small Landowners

- (1) Can you tell me how agricultural mechanisation had affected small landowners in your *woreda*?
- (2) How did small landowners respond to the move by the absentee landlords and commercial farmers to dispossess them of their land?

Restoration of Land Rights: The Land Reform of 1975 in Arsi Negele and Hetossa

- (1) Can you tell me how the local people in your *woreda* perceived and responded to the Land Reform Proclamation?
- (2) How do you recall the impact of the Land Reform Proclamation on the local people in your *woreda*?

(B) Security of Tenure, Investment Incentives, and Access to Credit: The Policy Debate and Experience from Arsi Negele and Hetossa Woreda

The Policy Debate

Leaders of Opposition Political Parties

- (1) How does your party see the existing rural land tenure system?
- (2) If your party holds state power, what type of tenure policy (cies) will it pursue?
- (3) The ruling party and other supporters of the existing land tenure argue that privatisation will have far-reaching adverse consequences for poor peasants. Do you agree?

Party and Government Officials

- (1) Why does the EPRDF government pursue state and public ownership of land policy under a market economy?
- (2) The critics argue that under the existing land tenure system, peasants do not have security of tenure over their holdings; and the existing tenure constrains peasants' investment incentives and access to credit. How do you comment?
- (3) How long does the EPRDF government intend to retain the existing land tenure policy?

Experience from Arsi Negele and Hetossa

Security of Tenure

Peasants: key informants and participants of focus group discussions

- (1) Who owns land in your area, or how do peasants perceive the existing land tenure system?
- (2) In your opinion, do peasants have security of tenure over their holdings?
- (3) Can you explain to me the types of rights that peasants have over their holdings?
- (4) In your view, what types of future tenure policy options do peasants in your area prefer?

Investment Incentives

Peasants, Agricultural Experts, and Party and Government Officials

- (1) How do you review peasants' investment activities in your area?
- (2) Can you identify major types of peasant investments in your area?
- (3) Is there a link between the existing land tenure system and peasants' investment incentives?
- (4) In your opinion, what are main constraints to peasant investments?

Access to Credit

Peasants, Agricultural Experts, Bank Managers, and Leaders of Marketing Cooperatives

- (1) Do peasants in your *woreda* borrow money from banks?
- (2) Is there a correlation between the existing land tenure and peasants' access to bank loans?

(C) Land Scarcity, Land Leases, and Conflict in Arsi Negele and Hetossa Land Leases, Pledges, and Politics

Peasants, Agricultural Experts, and Party and Government Officials

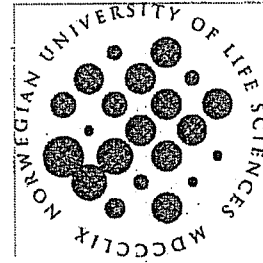
- (1) Why do peasants in Arsi Negele and Hetossa lease out land, instead of cultivating it themselves or entering into sharecropping arrangements?
- (2) Can you outline main restrictions that the government of the National Regional State of Oromia imposed on the operation of land lease markets in the region?
- (3) Why was it necessary to impose the restrictions?

Land Scarcity, Leases, and Conflict

Leaders of *Kebele* Administrations, Leaders of *Kebele* Social Courts, Participants of Focus Group Discussions, and Agricultural Experts

- (1) Can you tell me about land holding size in your area?
- (2) In your opinion, what is the root cause of conflict over land in your area?
- (3) What are the immediate causes of land conflicts?
- (4) How do you explain the current trend in land-based conflicts in your area?
- (5) How are the conflicts resolved?

GALATOOMAA- THANK YOU



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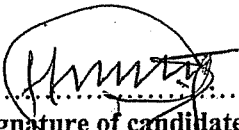
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The contribution of the candidate:


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Co-author: **SIEGFRIED PAUSEWANG**
Co-author's contribution: **SUPERVISION**

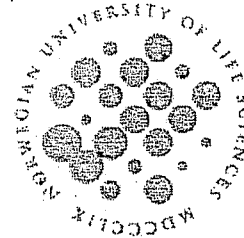
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Co-author's contribution:

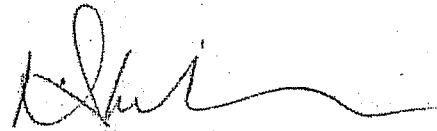
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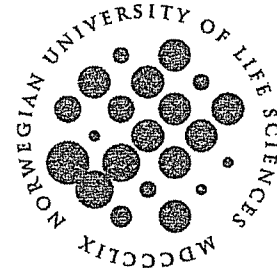
If yes, please elaborate: NO

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Co-author's signatures:

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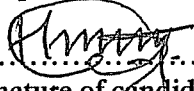
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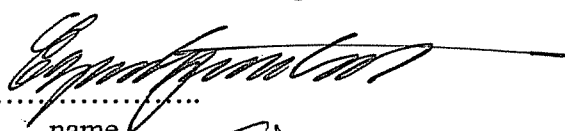
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