



# Land distribution: concentration/dispersion; landlessness

## *Extended synopsis*

**Philip Hirsch**

**October 2018**

Overview .....	1
Key trends and dynamics .....	1
Key actors and interests .....	3
Key contestations and debates.....	3
Key differences and commonalities among CLMV countries .....	5
Key links and interactions across borders and across scale .....	5
Key reform issues and strategic openings .....	6
References .....	7

### Overview

Inequality in landholding is a longstanding issue in land relations and their wider place in the political economy of the Mekong Region. Historically, the distribution of landholdings in some countries and regions within them has been much more unequal than in others. This has been associated with landlessness and the hunger, destitution and subservience faced by farmers with no other options than exploitative tenancy and/or poorly remunerated agricultural labour. While land reforms have periodically sought to redistribute land progressively, land grabbing and other processes have recently seemed to reverse the "land to the tiller" ideal. This is complicated by the voluntary move of some farmers in some places out of agriculture, together with the difficulties in measuring land concentration, dispersion and landlessness.

### Key trends and dynamics

Unequal access to and ownership of land has long been a hot social, economic and political issue in all countries of the Mekong Region. Yet the patterns of land distribution and landlessness have varied across the region and changed over time, based on historical trends, geographical contexts and social relations. As the region has become more integrated economically, certain convergences and inter-connectedness in patterns of land distribution have also become apparent. However, the

systematic measurement of land distribution is complicated by the absence of good data and the complexity of what defines inequality in land.

Concentration of land is a long-standing concern in agrarian societies, both because it leads to unequal and thus for many unfair levels of inequality in food security, wealth and associated social status, and also because it can be a cumulative process. That is, those who accumulate land are able to accumulate wealth at the expense of others, through a range of activities such as money-lending, landlordism and so on. In the Mekong Region, Vietnam has a history of having the highest rate of landlordism during feudal and colonial times, exacerbated by the gradual appropriation of communal “safety net” lands by village elites (Kleinen, 2011). The social tensions and resentment that this engendered played a significant part in mustering revolutionary support from the peasantry. Thailand, too, saw concentration of landed wealth in the central and northern regions, but less so in the more subsistence-oriented northeastern region or the rubber smallholding southern rural economy. In Laos, there was little concentration of land under the French, and in Cambodia such concentration was mainly in those areas suited to colonial rubber plantations. Meanwhile, farming in Myanmar saw a high rate of landlessness in colonial times, in part because of usury associated with local moneylenders including Chettiar brought in by the British from southern India.

Land to the tiller campaigns played a significant part in anti-colonial movements in all Mekong countries, and they continued after independence through communist-inspired revolutionary movements. Even in Thailand, which was not formally colonised and hence experienced no anti-colonial upheaval, one of the rallying calls of the leftist movement of the 1970s was for fairer distribution of land. Pre-emptive government-led land reform in South Vietnam by distribution of land to poorer households sought to win back the hearts and minds of the peasantry.

Responses to landlessness and unequal landholding include not only land reform, but also tenure reform that seeks to limit the rents charged and to increase tenure security for poor farmers who must rent out their land. Land settlement schemes have also sought to deal with land shortage among the rural poor by clearing and distributing new land. In Thailand, the Agricultural Land Reform Office established in the 1970s has mainly allocated land in forest reserve areas that had been spontaneously settled, and in Vietnam large areas of land were cleared after 1975 in the Central Highlands under the New Economic Zones policy.

Three main trends have served to mitigate against, or even reverse, attempts to create a more equal land distribution in Mekong countries. First, the various programs have been working against a socio-economic dynamic in an increasingly marketized agricultural system that tends to witness accumulation by dispossession. Second, policy has increasingly shifted to supporting large-scale concessions in attempts to modernise agriculture and to achieve visible and taxable surplus, particularly in the socialist economies that have undergone market reforms – namely, Vietnam (Hirsch, Mellac, & Scurrah, 2016), Cambodia (Neef, Touch, & Chiengthong, 2013), Laos and Myanmar. Third, many smallholder farmers have found it increasingly difficult to stay within agriculture and have sold, abandoned or rented out their land to larger farm operators. There has thus been a series of processes in recent years that appear to reverse gains in securing more equal land distribution in all Mekong countries.

## Key actors and interests

Actors in land concentration and distribution include four main groups: small farmers, larger economic actors seeking to gain control over land, policy actors and those advocating on behalf of landless and land-short farmers.

Small farmers are far from a uniform group. Many of the processes of land concentration arise through local processes of accumulation, whereby neighbours exclude others from access to land – what Hall, Hirsch and Li term “intimate exclusions” (2011). Studies of agrarian change have tended to group smallholders into poor (landless or land-short tenants), middle and wealthier farmers. These studies have been informed in part by earlier debates on the peasantry in Europe and Russia, and they do not always fit the realities of rural Southeast Asia.

Larger actors include those pursuing a more industrial approach to farming, including large plantation concessionaires in boom crops such as sugar, rubber, coffee and shrimp. Not all such actors necessarily gain – or even seek – formal ownership of the land in question, but rather achieve what Borrás et al (2018) term “land control” through leases, contract farming arrangements and so on (see also Friis, 2015). Larger economic actors are also engaged in non-agricultural concerns, ranging from large dams to mines to tourist enterprises to peri-urban industrial estates and housing developments. All of these have exacerbated concentrations of land by being able to fetch a higher fiscal return than smallholder farming and hence persuade relevant agencies and policy actors to grant access to such land. Market processes also lie behind such accumulation and concentration.

Policy actors in land concentration and distribution include agencies and actors whose main function is land-related, and more indirect actors who help shape relevant policy. Often there are tensions, whereby on the one hand land titling programs and concession policies facilitate land sales and deals at various scales, and on the other hand land reform, land settlement and other related agencies seek to redistribute land. Policies such as the Land and Forest Allocation program in Laos both enhance formal access to land, while at the same time constraining smallholder farming (Soulihanh, Chantalasy, Suphida, & Lintzmeyer, 2004). The “formalisation fix” (Dwyer, 2013) both secures land farmed by smallholders while at the same time putting much larger areas off-limits (Hirsch, 2011).

Ever since the revolutionary movements based on land to the tiller campaigns, advocacy for land justice has been a powerful force in the Mekong Region. More recently, such advocacy has sought to roll back some of the regressive trends identified above, in particular with regard to large-scale land concessions. As a result, community land reform, customary tenure, advocacy for legislation that places ceilings on land ownership and so on have become a central plank of many civil society campaigns. Similarly, a number of development assistance initiatives have sought to secure tenure for smallholders, and many of these are associated with the Mekong Region Land Governance program.

## Key contestations and debates

Unequal land distribution has been contested at many levels over a long period of history. As indicated above, anti-colonial and post-colonial revolutionary movements sought support from the peasantry through redistribution of land. At times of political openness, land reform has been high on the agenda of those advocating for the well-being of the rural poor. In some cases, community

land titling has been put forward as a protective measure to guard against the concentration of land, since a community title cannot be bought, sold or otherwise taken from any one land user.

During the colonial period and also during the Green Revolution era of the 1960s and 1970s, most concern over landlessness and the unequal distribution of land was focused on core rice-growing areas, where commercial advantage attracted capital and tended to lead to the accumulation of land in the hands of wealthier farmers and absentee landlords at the expense of the small peasantry. In Myanmar, the Ayawaddy Delta region saw high levels of land inequality, in part caused by the foreclosure of loans that had been secured by land certificates, and today the rate of landlessness ranges from 50-90 percent of rural households (Haggblade et al., 2014: 61-62). In northern Vietnam, the Red River Delta and the Mekong Delta, the most productive rice-growing areas, had high levels of landlessness. In Thailand, the Chaophraya Delta had seen the emergence of landlordism at an earlier stage, as a result of royal land grants in exchange for the construction of irrigation, drainage and transport infrastructure in the form of canals.

Whereas the attraction of capital to productive agricultural land has in the past focused attention on landlessness in core rice-growing areas, a critique of regressive land policy has more recently focused on upland areas. It is here that land concessions have expropriated farmers, often ethnic minorities, whose lands are deemed "wasteland" and whose livelihood practices are rendered illegal or invisible (Jones, 2014). Shifting cultivators, in particular, have lost access to customary land as their main cultivation practices have been criminalised. Various policies have declared fallow land "vacant" or "wastelands", facilitating accumulation of such land by large scale concessionaires (Ferguson, 2014). "New landlords" have emerged, for example the revamped State Forest Companies in upland Vietnam (To et al., 2014).

A word of caution is in order, however. Too exclusive a focus on land grabbing as the main source of rising inequality in landholding may hide more proximate processes and instances of accumulation and dispossession within villages and even between neighbours, in part accelerated by the marketisation of land and other social relations. It also hides the voluntary exit, or partial exit, from agriculture by younger generations of smallholder families. There is thus continuing debate over the main causes of unequal land distribution and their social consequences.

There is also debate on the extent to which private property and associated markets in land should be created. In Vietnam, for example, despite the creation of transferable title through reforms and land laws, property rights are not fully privatised and markets not fully developed (Kerkvliet, 2006). In Thailand, civil society organisations have tended to advocate for community titles rather than the extension of fully transferable freehold rights, based on a concern that the latter will facilitate outside investors to gain control over local farmland.

A number of policy measures exacerbate unequal land distribution. In Vietnam, there is a strong push by government to consolidate smallholdings, which are seen as unviable and backward, into larger farm enterprises (Van Hung et al., 2007). The World Bank seeks a "balance" between the (purported) efficiencies of larger plots and an inclusiveness of land policy (Pham et al., 2012). In Thailand, the policy of "*plaeng yai* (large plots)" in rice farming seeks to bring economies of scale through mechanisation and more efficient water management than tends to be the case in many scattered plots. Similarly, zoning under the "*Pracharat*" (civic state) policy of the military regime

seeks to consolidate commercial farming through contract arrangements to large agribusiness for crops such as maize and sugar cane.

### Key differences and commonalities among CLMV countries

Historically, the distribution of land has been more unequal in some countries than others. In Laos, where agriculture was until recently largely a subsistence occupation, landholding has been remarkably even, with most lowland farmers cultivating between one and two hectares of land. In Vietnam, by way of contrast, landholding has been very unequal. However, in all five countries of the Mekong region, smallholdings have dominated agriculture until recently, and even today the main pattern of farming is family-based production.

In three of the Mekong countries, experiments with socialised agriculture led to the formation of cooperatives, from the 1950s in northern Vietnam and from 1975 in the rest of Vietnam, Cambodia and Laos. However, the actual experiences of socialised agriculture differed between these three countries. In Cambodia, the extreme Maoist practices of the Khmer Rouge did away with all private property and related activities. This was followed by a much more tempered form of collectivisation following the overthrow of the Pol Pot regime in 1979, with the establishment of “*krom samakkhi*” (solidarity groups). In Laos, collectivisation only reached about a quarter of the country’s villages, and it collapsed after only a few years, reverting to smallholder subsistence-oriented farms. In Vietnam, the collectives started to disband from the late 1970s, and from the late 1980s individualised family farming was once more the dominant model. All three countries saw a redistribution of land such that landholding was unusually evenly distributed at the start of the market reforms, and all three have seen processes of concentration of landholding as a result of foreclosures and land sales, some of which have been distress sales and some voluntary investments in non-land based economic activity.

Land distribution in Myanmar is highly uneven, both because of the historical patterns of landlessness in the Delta and some other areas, and because of the longstanding practices of land grabbing by the military and their cronies. Unequal access to land remains one of the top social issues in the country, and the opening up to foreign investment may exacerbate rather than ameliorate the situation despite the more open climate for expression of grievances.

In Thailand, the absence of socialised agriculture has resulted in less dramatic shifts between patterns of distribution. Thailand has been described as one of the more unequal countries measured by land ownership (Laovakul, 2015), yet smallholding continues to dominate farming. One of the difficulties in resolving this paradox lies in the difficulty of obtaining comprehensive data. The best study to date measures distribution of privately owned land with full title, and finds an extremely high Gini coefficient (ibid). However, this figure includes urban land, which is much more valuable, and so does not give a meaningful idea of the real distribution of wealth. Furthermore, it leaves out various forms of state land title, such as that of the Agricultural Land Reform Office. There is even less by way of comprehensive and systematic study of land ownership distribution in the other Mekong countries.

### Key links and interactions across borders and across scale

The distribution of land is quite specific to individual countries, and indeed varies significantly between different internal regions. It tends to be exacerbated with the commercialisation of

agriculture, and further accelerated by the development of active markets in land that facilitate accumulation. Less directly, the marketisation of agriculture and other land-based activity lies behind policy in the name of modernisation and development that allows accumulation through involuntary land expropriation that is legitimised through purported or actual higher value uses by larger players. In Vietnam, this process has seen much involuntary land conversion in peri-urban areas (Suu, 2009). This is different from eminent domain, where land is used strictly for public-interest and publicly owned infrastructure projects, and has socially differentiated effects (Nguyen Thi Dien et al., 2011). Nevertheless, there have been some more successful and innovative approaches that achieve a wider sharing of benefits based on awareness of the potentially unequal distributive effects (Phuong Anh Bui, 2009).

This being the case, there is only an indirect effect of regional economic integration on patterns of land distribution. The most clear-cut of these derives from land grabbing that results from cross-border land deals, in particular the securing of long-term leases in Cambodia, Laos and Myanmar by companies from China, Thailand and Vietnam (Üllenberg, 2009). While this incontrovertibly leads to a concentration of control over land by wealthier foreign and comprador national players, it tends not to show up in statistics on land distribution. The reason for this is that the land in question tends to be untitled land that is often part of fallow cycles, so that it was never registered as “owned” by those expropriated.

Scale of production is an important consideration in shifting patterns of land distribution. In all five countries, government policy seeks to modernise agriculture by attracting capital, and this is usually – although not always – assumed to require economies of scale that require consolidation of farm plots. At the same time, the movement of labour out of agriculture has the effect of creating larger farm sizes, even if ownership remains with the smallholding family. In Thailand, for example, there has been a clear shift from larger landholders renting out to smaller ones, in favour of small farmers renting out to larger ones (Tubtim 2019). In northern Laos, we see a trend toward farmers leasing out smallholdings to Chinese investors whose rents exceed the expected return to farming of those smallholders, an effect enhanced if the opportunity costs of labour are considered (Friis 2015). Movement out of agriculture is also a consequence of unequal access to land, leaving the rural poor with few choices (Scheidel et al., 2014). We therefore need to distinguish ownership and management in measuring distribution of control over land, and also to differentiate between voluntary and forced moves away from farming.

### Key reform issues and strategic openings

There are several older and more recent approaches to addressing unequal distribution of land at a policy and advocacy level.

- Conventional land reform is politically targeted at redistribution, but its purpose and effects are more complex. In the case of both Thailand and South Vietnam during the 1970s, land reform was driven in part as a response to leftist movements and can be seen as a pre-emptive political measure as much as an attempt to address inequality. In the case of Thailand, land reform has largely involved formalisation of land documents on spontaneously settled forest land. In recent decades, unlike the continuing work of the Comprehensive Agrarian Reform Program in the Philippines, mainland Southeast Asia has

seen very little by way of conventional land reform, despite the continuation in Thailand of the work of the Agricultural Land Reform Office.

- Whereas earlier approaches to redressing landlessness took the form of programmed or spontaneous (but often tacitly recognised or even supported) land settlement, the land frontier has become highly constrained in the Mekong Region. Even in countries where until recently forested areas have been lightly settled, in particular Cambodia and Laos, land pressures are now high, and further settlement mainly encroaches on land hitherto worked largely by ethnic minorities, often practicing shifting cultivation. This policy option is therefore largely redundant.
- In response to the landlessness caused by large scale concessions and the associated recognition of livelihood impacts, checks have been put on large scale land deals. In Laos, moratoria have been placed on such concessions, following – but not traceable as a direct result of – advocacy by largely foreign civil society organisations and some donors. In Cambodia, social land concessions have been put in place on “state private land”. In Myanmar, there have been some attempts to redress land grabbing carried out by the military and their cronies, but to date relatively little has been returned to farmers.
- Alternatives to large scale land concessions are sought that maintain small and medium scale farming, but with an intensified relationship with capital, most notably through contract farming arrangements (Byerlee et al., 2014).
- In contrast to the protections associated with the partial rolling back of large-scale land leases, there are also reforms in the other direction. In both Thailand and Vietnam, policies for land consolidation are based on the official perception that small plots are decreasingly viable. An important policy question is whether such consolidation leads or follows livelihood choices of the small farmers whose land is consolidated into larger holdings.
- Devolved rights to manage forest land have been implemented in Vietnam and Laos, but the benefits of such programs on redressing inequality are mixed (Sikor & Nguyen, 2007).
- A number of initiatives have been proposed by civil society groups, with partial response from government. These include Thailand’s “four laws for the poor”, calling for the issuing of community titles, the establishment of a land bank, the setting of a progressive land tax, and provision of legal support for poorer farmers involved in land disputes. All of these are geared to redressing unequal land distribution.

## References

- Borras, S. M., Liu, J., Hu, Z., Li, H., Wang, C., & Xu, Y. (2018). Land control and crop booms inside China: implications for how we think about the global land rush. *Globalizations*, 15(1), 134–151.
- Byerlee, D., Kyaw, D., Thein, U. S., & Kham, L. S. (2014). *Agribusiness Models for Inclusive Growth in Myanmar: Diagnosis and Ways Forward*. Retrieved from <http://fsg.afre.msu.edu/papers/idwp133.pdf>
- Dwyer, M. B. (2013). *The Formalization Fix?: Land titling, state land concessions, and the politics of geographical transparency in contemporary Cambodia*.
- Ferguson, J. M. (2014). The scramble for the Waste Lands: Tracking colonial legacies, counterinsurgency and international investment through the lens of land laws in Burma/Myanmar. *Singapore Journal of Tropical Geography*, 35(September 2012), 295–311.

- Friis, C. (2015). Small-scale land acquisitions, large-scale implications: The case of Chinese banana investments in Northern Laos. In *Land grabbing, conflict and agrarian-environmental transformations: perspectives from East and Southeast Asia*. Chiang Mai: Land Deals Politics Initiative (LDPI).
- Haggblade, S., Boughton, D., Cho, K. M., Denning, G., Kloeppinger-Todd, R., Oo, Z., ... Wong, L. (2014). Strategic Choices Shaping Agricultural Performance and Food Security in Myanmar. *Journal of International Affairs*, 67(2), 55–71.
- Hall, D., Hirsch, P., & Li, T. (2011). *Powers of Exclusion: Land dilemmas in Southeast Asia*. Singapore: Singapore University Press.
- Hirsch, P. (2011). Titling against grabbing ? Critiques and conundrums around land formalisation in Southeast Asia Global Land Grabbing. *LDPI*, (April), 1–18. Retrieved from [http://www.iss.nl/fileadmin/ASSETS/iss/Documents/Conference\\_papers/LDPI/34\\_Philip\\_Hirsch.pdf](http://www.iss.nl/fileadmin/ASSETS/iss/Documents/Conference_papers/LDPI/34_Philip_Hirsch.pdf)
- Hirsch, P., Mellac, M., & Scurrah, N. (2016). The political economy of land governance in Viet Nam, 24. MRLG, Vientiane.
- Jones, L. (2014). The Political Economy of Myanmar's Transition. *Journal of Contemporary Asia*, 44(1), 144–170.
- Kerkvliet, B. J. T. (2006). Agricultural land in Vietnam: Markets tempered by family, community and socialist practices. *Journal of Agrarian Change*, 6(3), 285–305.
- Kleinen, J. (2011). The Tragedy of the Margins: Land Rights and Marginal Lands in Vietnam (c. 1800-1945). *Journal of the Economic and Social History of the Orient*, 54, 455–477.
- Laovakul, D. (2015). Concentration of land and other wealth in Thailand. In P. Phongpaichit & C. Baker (Eds.), *Unequal Thailand: aspects of income, wealth, and power* (1st ed., pp. 32–42). NUS Press, Singapore.
- Neef, A., Touch, S., & Chiengthong, J. (2013). The Politics and Ethics of Land Concessions in Rural Cambodia. *Journal of Agricultural and Environmental Ethics*, 26(6), 1085–1103.
- Nguyen Thi Dien, Vu Dinh Ton, & Lebailly, P. (2011). Peasant responses to agricultural land conversion and mechanism of rural social differentiation in Hung Yen province, Northern Vietnam. In *Meeting the Challenges Facing Asian Agriculture and Agricultural Economics toward a Sustainable Future* (pp. 1–34). Hanoi: Asian Society of Agricultural Economists (ASAE).
- Pham, H. T. M., Anderson, J., Tran, H. T. L., Jaffe, S., & Nguyen, D. T. (2012). *Revising the Land Law to Enable Sustainable Development in Viet Nam: Summary of Priority Policy Recommendations Drawn from World Bank Studies*. Hanoi.
- Phuong Anh Bui. (2009). *Behind "successful" land acquisition - A case study of the Van Quan new urban area project in Hanoi, Vietnam*. Retrieved from <http://dspace.mit.edu/handle/1721.1/49691#files-area>



- Scheidel, A., Farrell, K. N., Ramos-Martin, J., Giampietro, M., & Mayumi, K. (2014). Land poverty and emerging ruralities in Cambodia: Insights from Kampot province. *Environment, Development and Sustainability*, 16(4), 823–840.
- Sikor, T., & Nguyen, T. Q. (2007). Why May Forest Devolution Not Benefit the Rural Poor? Forest Entitlements in Vietnam's Central Highlands. *World Development*, 35(11), 2010–2025.
- Soulivanh, B., Chantalasy, A., Suphida, P., & Lintzmeyer, F. (2004). *Study on Land Allocation to Individual Households in Rural Areas of Lao PDR*.
- Suu, N. Van. (2009). *Industrialization and Urbanization in Vietnam : How Appropriation of Agricultural Land Use Rights Transformed Farmers ' Livelihoods in a Peri-Urban Hanoi Village* (Vol. 38). Hanoi. Retrieved from [http://younganthropologists.com/wp-content/uploads/2014/07/eadnwp\\_38-Industrialization-and-Urbanization-in-Vietnam.pdf](http://younganthropologists.com/wp-content/uploads/2014/07/eadnwp_38-Industrialization-and-Urbanization-in-Vietnam.pdf)
- To, P. X., Mahanty, S., & Dressler, W. H., (2014). “A new landlord” (địa chủ mới)? Community, land conflict and State Forest Companies (SFCs) in Vietnam. *Forest Policy and Economics*, 1–8.
- Tubtim, T., 2019, Political economy of smallholders in Thailand, in Eric Thompson, Jonathan Rigg and Jamie Gillen, eds, *Smallholders in Asia: transformation and persistence*, Amsterdam University Press (forthcoming).
- Üllenberg, A. (2009). *Foreign Direct Investment (FDI) in Land in Cambodia*. Retrieved from <http://www2.gtz.de/dokumente/bib-2010/gtz2010-0061en-foreign-direct-investment-cambodia.pdf>
- Van Hung, P., Macaulay, T. G., & Marsh, S. P. (2007). The economics of land fragmentation in the north of Vietnam. *Australian Journal of Agricultural and Resource Economics*, 51, 195–211.