

MORTGAGING THE FUTURE: THE WORLD BANK'S LAND AGENDA IN AFRICA

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In his recent speech to the Labour Party Conference in Britain, Bill Clinton said: 'I have just come here from Africa which provided me with all kinds of fresh evidence of the importance of politics. In Ghana, a new president is working with a great Peruvian economist, Hernando de Soto, to bring the assets of poor people into the legal system so that they can be collateral for loans.'

De Soto's book *Why Capitalism Triumphs in the West and Fails Everywhere Else* has also had an important impact on the World Bank's land agenda. Whilst our eyes are trained on events in Zimbabwe, an equally important development in land matters is receiving next to no attention. Yet the changes which are underway in land matters elsewhere in Africa are at least as important as the Zimbabwe land question.

For many African countries, the last decade has been the decade of land reform. Many countries – including Eritrea, Ethiopia, Rwanda, Tanzania, Uganda, Malawi, Zambia, Mozambique, South Africa and Namibia - are faced with new land laws which aim to liberalise land relations and encourage the sale, purchase and mortgaging of land. The World Bank is promoting the idea that land is important to both economic growth and good governance. It has recently issued an important report on land matters which sets out its agenda for the future.

The World Bank's report is a reminder that the land reform debate in Africa is by no means over. It has already been severely criticised by a number of organisations concerned with land issues in Africa. This summer, the World Bank together with other donors such as Britain's Department for International Development (DfID) held four international workshops to consult on the report. The process of consultation was marred by the World Bank's reluctance to listen to civil society groups. The workshops were dominated by consultants chosen by the World Bank. This was perceived by many as an attempt to rubber-stamp the report. As a number of NGOs have pointed out, this throws into question the legitimacy of the World Bank's consultation. Groups working on land rights in Africa, including South Africa's National Land Committee and Landless People's Movement, have recently written an open letter to the World Bank criticising its approach and pointing out that this is not the way to decide future land policy. The situation is now grave. The report will be considered by the World Bank's Board early next year. If it is approved it will form the basis for coordinating the Bank's approach to land issues well into the future. Criticisms of the World Bank must be taken seriously. The report has important implications for the future, not least that of women in Africa. So far, these are not known and have not been debated.

The report sets out the World Bank's plans to encourage small-scale peasant farmers to borrow money from banks using loans secured on their land. The World Bank believes that secure tenure and the availability of credit will allow farmers to improve their farm or start up small businesses. It believes that small farms are extremely efficient because they rely on family labour and therefore have very low labour costs. The World Bank believes that this land should be viewed not as a source of subsistence and shelter but as a source of capital.

The author has had the opportunity to carry out a detailed analysis of the report. It contains a number of assumptions which must be challenged. The World Bank aims to encourage the use of rural credit by small farmers because it is impressed by their agricultural productivity, that is, their low labour costs relative to output. It does not mention that this agricultural productivity is only possible because of the availability of women's unpaid labour. In fact, the report celebrates the flexibility, motivation and low costs of family labour. It ignores the fact that women's labour in the household and on the land is often based on quasi-feudal domination and on coercion rather than freedom. The idea that women's agricultural labour is freely available as an extension of their reproductive labour needs to be challenged. Instead, the World Bank is seeking to build economic development on the fact that women will demand less in terms of wages and conditions than waged labour.

The report treats the household as an undifferentiated unit in which the needs and interests of men and women are the same. It ignores the fact that the family often functions as an ideological and material site of oppression. The availability of women's unwaged labour within the family is a function of male control over women's reproductive capacity. This has been the central focus of feminist writing since the 1960s. For the World Bank, another advantage of family labour is that it is more 'motivated' than waged labour because it is based on family ties. This ignores the fact that much of women's labour is far from voluntary and that a great deal of coercion can be involved in gender relations. Rather than trying to get rid of patriarchal, feudal gender relations, the World Bank plans to encourage them in the name of economic development.

Another matter of concern is the fact that the World Bank says nothing about the consequences for households of defaulting on loans raised using land as collateral. There is a very real possibility that rural farmers will find themselves landless as a result of mortgaging their land. The World Bank has pushed for the privatisation of public services such as healthcare and education in Africa over the last decade. It is now promoting the idea that rural families should mortgage their land in order to invest in these previously public goods. This amounts to encouraging the poorest and most vulnerable to exploit their sole productive asset (i.e. land) to raise the credit by which to pay for these recently privatised public goods. The promotion of rural credit to pay for public goods, far from contributing to efforts to reduce poverty, as the World Bank claims, will ensure that it remains a persistent reality.

The World Bank's reluctance to allow us to debate its plans cannot mask the fact that issues of labour and of capital are now of central importance to land relations in Africa. The World Bank's recent report is a reminder that, far from being over, the most important struggles over land relations in Africa lie ahead.

Read the World Bank's Policy Research Report at
<http://lnweb18.worldbank.org/ESSD/essdext.nsf/24ByDocName/PRRe-Discussion>

Useful websites:

www.oxfam.org.uk/landrights

www.worldbank.org

www.nlc.co.za/pubs/wbopenletter02.htm