



the Pacific Genius - customary land

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pacific land

customary land a mechanism for -

- food security
- shelter, social security
- massive employment
- medicinal warehouse
- store of biodiversity
- environmental stabiliser
- cultural support
- social cohesion & social inclusion

modernist land systems

- Pacific communities have preferred customary land over the registered and parcelised version, despite the latter's ability to -
 - raise substantial money for small groups of people
 - displace large populations to marginal lands and shanty towns
 - provide low paid employment to small groups
 - catalyse food crises in several dozen small countries
 - change dietary habits from home-grown food to junk food
 - enhance soil erosion, desertification, salination and the biological death of river systems, and
 - generally raise the GDP of participating countries

resistance

- a large but largely uncelebrated achievement in the region has been the successful resistance to a series of attempts to impose modernist land systems
- Pacific peoples have repeatedly resisted these moves, despite their backing from large banks, mining companies and international agencies - e.g.
 - people in PNG defeated the 'land mobilisation' element of the late 1990s SAP, provided by the World Bank
 - people and the government of the Solomon islands resisted the DFAT push for 'land mobilisation' under RAMSI *

DFAT on RAMSI, 2004

- Australia's Department of Foreign Affairs and Trade in its 'medium term priorities' for the Solomons, urged - the registration and commercialisation of land (because "customary land ownership places serious constraints on the growth of new higher value private sector activities") (DFAT 2004: 135)

DFAT (2004) 'Solomon Islands: rebuilding an island economy', Department of Foreign Affairs and Trade', Economic Analytical Unit, 157pp., www.dfat.gov.au/eau

'independent' advice from the CIS

- "Communal ownership has not permitted any country to develop ... [it is] the principle cause of poverty [in PNG] ... endorsement of individual titles by the traditional landowning communities [is needed] ... no country in the world has developed without individual property rights" (Hughes 2003; Gosarevski, Hughes and Windybank 2004; CIS reports)
- Based on 'mutual obligation' Hughes (2004) says aid should be made conditional on the individualization of customary tenure



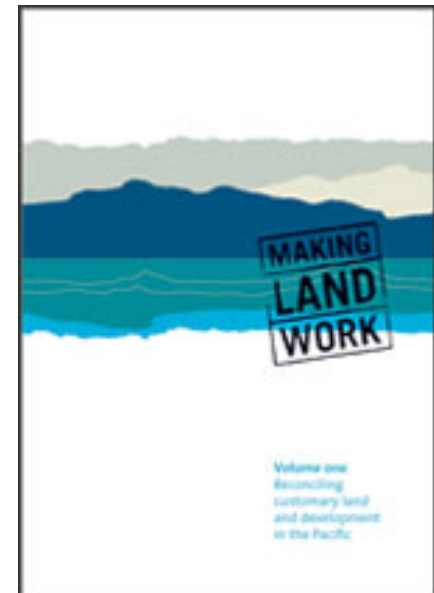
CIS Directors are also directors of: Westpac, Macquarie Bank, JP Morgan, News Corp, Deutsche Bank, CSR, Newmont Mining, Gates Foundation, Telstra, ASX, USSC

'Pacific principles', drafted by AusAID, 2008

- make tenure security a priority
- work with and not against customary tenure
- intervene only if it is necessary
- ensure land policies reflect local needs and circumstances
- be prepared for long timeframes to achieve lasting reform
- actively involve stakeholders rather than only informing them
- adopt simple and sustainable reforms
- balance the interests of landowners and land users
- provide safeguards for vulnerable groups

AusAID (2008) 'Making Land Work'
written by three AusAID officials and one academic

AusAID's 'middle way' involves promotion of leases



practical implications

practical implications of successful resistance, **from PNG**

- **women roadside sellers** (selling peanuts, betel nut and fruit) in rural Madang are earning K130 pw - cf women in the formalised '**Mama Loos Frut**' schemes of oil palm plantations in WNB and Oro, who earn K30 **(x4)**
- **informal sector workers** in four provinces earn an average of m120-150 pw, c.f. **fish cannery and mine workers**, who get 40-50 pw **(x 3)**
- **rural rents** which range from K20 to K100 per HA/year (paid by the plantation estates) are being rejected, because CLOs often earn an average of 3,000 from cash crops per ha/year **(x 100)**

ref: see the Aidwatch book

Rural customary land in PNG is undervalued

	Per ha/year (Kina)
Rural lease rents (Oro Pr.)	20
Rural lease rent plus oil palm royalty (Oro Pr.)	100 (est.)
Subsistence consumption value (Madang, WHP)	13,400 (est. av)
Commercial returns -	
Small holder cash crops (Madang, EHP)	3,100 (est. av.)
Smallholder oil palm	2,553 (US\$960)
Large scale oil palm	8,884 (US\$3,340)
Large scale oil palm	24,671 (US\$9,275)
Sources: *Gou and Higaturu 1999; **King 2001 & Higaturu 2003; ***Anderson 2006; #Grieg-Gran 2008; ##ITS Global 2009 Note: conversion rate used is 2.66 Kina = 1US\$	

PNG: Formal sector incomes are very low

Formal sector incomes -	AWE (Kina)
Ramu Sugar basic wage, 2006 (Madang Pr.)	42
RD Tuna factory wage, 2006 (Madang Pr., women)	34
Ramu Nickel construction wage, 2006 (Madang Pr., men)	50
VOP/LSS oil palm growers, 2006 (Oro Pr.)	61
Mama Lus Frut income, 2000 (WNB Pr., women)	28
National minimum wage, 2006	37.20
Informal sector incomes -	
Informal sector survey 2003 (Central Pr.)	158
Informal sector survey 2003 (ENB Pr.)	124
Informal sector survey 2003 (Morobe Pr.)	130
Informal sector survey 2003 (Western Highlands Pr.)	138
Women roadside sellers, 2006 (Madang Pr., women)	138
Sources: Anderson 2008, except * Soweï et al 2003	

commerce & subsistence

- so the **commercial opportunities** seem better in the pacific informal sectors, given access to good quality land and if the community is not too remote, let's look at subsistence value
- **subsistence** is never included in a country's national accounts (like housework) for lack of formal exchange
- however if families had to **start paying** for the benefits of just the food and housing they get from their customary land, we would come up with 3,400 to 11,000+ for food and 6,000 to 10,000 or more, for housing = 9,400 to 21,000
- when these basic subsistence values are added to informal sector cash crop values we end up with figures 5 to 10 times PNG's minimum wage

**Subsistence equivalent values, by an
'opportunity cost' method (PNG Kina)**

Food	housing	cash incomes
3,400 to 6,200 (regional)	6,000 to 10,000	1,000 to 10,000+
7,300 to 11,400 (POM)	More!	2,000 (min wage)

problems of CLOs

of course, customary land owners face a number of problems, most commonly -

- school fees - courtesy of the 'user pays' ethos, PNG does not use its natural resources riches to provide free schooling
- health fees - or just plain lack of medical services
- roads - not all families have access to roads/markets

I note that these problems are considered by some modernisers as 'necessary pressures', to force 'lazy' pacific people to participate in low wage jobs and to continue to give over their land for peppercorn rents

food security

- when a global food crisis struck in 2008 (sharp rises in food prices thanks to oil prices, the ME wars, secondary markets and biofuels) 70 small countries went deep into malnutrition - raising the hungry in the world from 800m to over one billion, in a very short time
- this was barely noticed in the Pacific, where CL systems rule - and this despite the growing populations
- if the Pacific had been subject to trade liberalisation and grain dumping, like poor Haiti, it would be a very different place (NB the recent Bill Clinton apology to Haiti *)
- Food security is a powerful and essential benefit of CL, that even the bankers' think-tanks recognise

Bill Clinton apologises to Haiti

- Clinton in the mid-1990s encouraged the impoverished country to dramatically cut tariffs on imported U.S. rice.
- **"It may have been good for some of my farmers in Arkansas, but it has not worked. It was a mistake,"** Clinton told the Senate Foreign Relations Committee on March 10. **"I had to live everyday with the consequences of the loss of capacity to produce a rice crop in Haiti to feed those people because of what I did; nobody else."**

Jonathan Katz (2010) With Cheap Food Imports, Haiti Can't Feed Itself', Huffington Post, online at:
http://www.huffingtonpost.com/2010/03/20/with-cheap-food-imports-h_n_507228.html

sustainable development

- so to sustainable development, or rather E.S.D. - one environmentalist almost used to remind us to add 'ecological' to the SD - plenty of ugly developments might be sustainable
- the question is, does the Pacific Genius of customary land better fit this idea than the modernist versions of land tenure - registration, parcelisation and commodification?

- the Pacific Genius, over millennia, has continually adapted to survive - it has adopted new crops and methods, met the needs of rising populations, accommodated migrations and maintained a fair degree of ecological integrity, biodiversity and inclusive support for basic livelihoods
- could we say the same about the Australian land tenure system, rooted in definitive registration which specifically denies all cultural law and prior claims - this was created, of course, specifically to dispossess Aboriginal Australians
- has this heavily commercialised system - up to and including the 'water rights' of the current era - preserved the river systems? has it preserved biodiversity? has it maintained rural livelihoods for millions of peoples?
- **Maybe we have something to learn from the Pacific Genius?**