

# Outreach

The main cause of deforestation is the poor being forced off their land into the forests. **Marcus Colchester** argues that collective land tenure is a better solution to the problem than separation and creation of individual title

## See the wood, not the trees



Land titling has led to the indigenous peoples being forced off their land and into the forest, where they have cleared the trees to set up farms and grow their crops

PERU'S INSTITUTE OF Liberty and Democracy President Hernando de Soto has many supporters for his argument that the poor in developing countries require secure property rights to invest in improvements and emerge from political marginalisation and impoverishment.

The customary land tenure regimes of indigenous peoples and of other rural communities throughout the developing world, while inadequately recognised by national laws, have provided them with security and livelihoods for millennia. There are many examples of how the break up of collective holdings into privatised, individually-owned plots has destroyed and dispossessed such peoples.

For example, the Dawes Act in the 19th century, which parcelled up Native American reserves in the US into family small-holdings, led them to lose their lands faster to settlers and land speculators than they had over the previous hundred years. World Bank-sponsored land titling of Maasai livestock ranges in Kenya in the 1980s led to the emergence of a wealthy tribal elite, with the majority squeezed off their ancestral lands into penury. "Land titles are just a licence to sell land," concluded one disillusioned Maasai. Individual land titling in the highlands of Guatemala has led to many peasants being forced off their lands, obliged to migrate to the lowlands to clear forests for their farms.

On the other hand, research in Central Africa, for example, shows how customary tenure regimes provide more equitable access to resources than individualised land holdings and provide the basis for social solidarity networks that cushion farmers against disasters. Rather than break up these sophisticated systems, the need is for governments to recognise and secure collective tenures: something that international law already requires. In Amazonia, indigenous peoples have made much progress in this direction: over 20 million hectares in Colombia for example have now been secured as '*resguardos*' – collectively-owned permanent, inalienable and unmortgageable properties.

## Reports From The Ground Up



The City of Liverpool

How to break down barriers to urban rebirth in Liverpool was the burning issue at the recent **From the Ground Up** conference,

which took place in February.

Held at the Liverpool Tate, the event saw key policy formers, researchers and experts from the US and UK speak about their experience of creating ways to fund regeneration.

The day offered insight into how land value tax can be engineered for the UK, to breathe life back into the rotten areas of cities like Liverpool itself.

Here are some of the leading stories from the event.

### The Mersey beat

As many as 175 historic and legally protected buildings in Liverpool are in danger of being lost through neglect, according to Charlie Parker, Liverpool's regeneration director.

Parker told the conference that of the city's 2,500 listed buildings, seven per cent could be considered in the high risk category. He added that the city contained about 20,000 properties that will probably need to be demolished because of their condition. Around 17,000 premises are vacant.

To help Liverpool's regeneration, Parker said that £3.7 billion of public sector investment had already been made in infrastructure. Another £35 million of Objective 1 European funding and £25 million in Single Regeneration Budget money is also being poured in.

The many schemes being put forward to receive this financial support include the creation of Liverpool Vision, the country's first dedicated urban regeneration company.

### End of steel town blues

Pittsburgh in the USA has provided a template for urban development.

Harry Finnegan, Director of the Pittsburgh Downtown Partnership, told the conference how the city uses a split-rate tax on land and buildings.

In recession, Pittsburgh increased the tax on land and reduced it on buildings several times. This increased urban development at a time when other towns and cities were in decay.

### Clear the way

The secretive nature of property transactions and the other parts of the valuation process sow seeds of distrust among taxpayers and obscure comparisons between properties.

Rob Kane, of the Institute of Revenues Rating and Valuation, told the conference that valuers face many problems under the rating system. These range from identifying hereditaments (units of rating assessment), through the extent of legal title and problems of apportioning liability for tax between interested parties, to site preparation costs and the reliability of valuations. Kane said he recognised the ethical case for LVT but said the problems need to be overcome before it could be viable.

### Dumb and dumber

The tax system should encourage development in line with land use set out by local authorities, according to Richard Bate, a planning advisor to the House of Commons.

At present the UK has a two-stage process for planning development in a local area. First, land is allocated a likely use, and then a specific development project is given planning permission.

Often local authorities will plan for something that developers won't deliver because there isn't a market need, leaving the land undeveloped.

Recognising LVT would be a move in the right direction, Bate characterised the Government's current planning proposals as a "dumb tax" – discouraging development and creaming off increased land values.

### A scaffold for LVT

Legislation for the introduction of LVT in the UK would need careful drafting. Local authorities need the power to raise their own taxes, and local government must have the option of an LVT system.

A legal definition of land needs to be made to distinguish it from buildings or other improvements if a tax is to be levied on land values. The Land Registry is far from satisfactory and often obscures who owns land through its inefficient system (see page 4). As a result compulsory registration extending to all parts of the UK is needed.

But don't such collective tenures blunt the entrepreneurial spirit and provide obstacles to investment? Development agencies like the International Fund for Agricultural Development argue that micro-credit schemes are a far better way of promoting small-scale improvements in rural livelihoods than setting your future in jeopardy by using land as collateral to secure loans from Banks or money lenders. Development agencies are increasingly accepting that community-based forest management, ranching and protected areas provide viable ways of securing both livelihoods and natural resources.

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