



Mugabe tests IMF with land grab plan

PRESIDENT MUGABE'S plan to expropriate land without compensation as part of a new Basic Law has brought him into conflict with the International Monetary Fund.

The Constitutional Commission has begun work in Harare to define amendments to laws regulating the possession of land, and the President's party wants to reverse the "brutal and unjust legacy" of colonial rule by redistributing land held by white farmers.

The proposal is that owners should be compensated for the "value of improvements", but not for the value of land which they would lose.

A change in the law is required because it thwarted the President's plan in 1997 to compulsorily take 1,480 farms from owners. The move was blocked because they were entitled by law to compensation. The President claims that it is "grossly unjust" for a large part of Zimbabwe's best land to be owned by 4,500 farmers.

But critics of the President's plan claim that the economy would suffer and that the main beneficiaries of a land grab would be members of an elite class. Of the 149 people short-listed for the allocation of land, at least one-third include three government Ministers, the President's press secretary, two senior army officers and 19 doctors.

The IMF has warned that its \$2 million standby loan is at risk if Mugabe fails to comply with norms of good governance which include resistance to wage increases and cuts in public spending.

Mexicali leads Mexico's property tax reform

DRAMATIC changes in the history of property taxation in Mexico began with reforms in Mexicali, the capital city of the state of Baja California.

The city switched to a land value tax approach to raising revenue in the early 1990s. Since then, revenue has risen from 5 million pesos to more than 65 million pesos in 1998.

Mexicali's example was then copied in the rest of the state and in the neighbouring state of Baja California Sur.

Mexicali's reforms originated with advice from consultant Sergio Flores Pena, who had studied city planning at the University of California at Berkeley. He convinced the Mayor to employ a mathematical model to calculate land values. From then on, revenues escalated and there was no legal or political objection from taxpayers. There was an increase in investment in public works but the use of the mathematical model for updating land values was abandoned. As a result, the land tax base was defined by a process of negotiation and bargaining between local authorities, politicians and the Municipal Cadastral Committee.

A study of the results by Manuel Perlo Cohen* reports a number of important lessons:

- Local government was strengthened
- Reform was built on a sound technical base and public acceptance
- The land value basis "proved to be extremely helpful in achieving successful reform at an early stage".

Cohen concludes: "Mexicali is a good learning experience. It shows that changes can take place in a field where one thinks that little can be accomplished".

* *Land Lines*, Cambridge, MA: Lincoln Institute of Land Policy, September 1999, pp. 6-7

Tribes fight for life

SURVIVAL, the worldwide organisation that campaigns to protect tribal peoples, is desperately seeking to prevent the final annihilation of the Jarawa people of India's Andaman Island.

When the British colonised the Islands in 1857 there were more than 5,000 Great Andamanese. Today there are only 28 left. Survival argues that it is vital to protect their land and their way of life. Otherwise, says Survival campaigner Sophie Rig, the last of the tribes will complete the genocide that started with the arrival of the British.

Similar campaigns for land rights are taking place in all five continents.

- In South America, leaders of the Guarani communities in Brazil have appealed to Survival to launch a long-term international campaign that would enable them to continue the struggle for the recovery of their land. In 1995, 56 young Indians committed suicide. In the last 12 years about 250 Guarani, including children as young as 9, killed themselves in despair at the loss of their land and way of life.

- In Indonesia, soldiers are used to murder tribal peoples in order to clear land. In one documented case, 11 people were killed by the army from West Papua.

The international campaigns are directed from Survival's London HQ: 11-15, Emerald Street, London WC1N 3QL, UK.

Massacre of the landless

A THREE year investigation into the killing of 19 landless peasants has finally resulted in the trial of 150 Brazilian policemen.

In April 1996 the police fired on 2,000 peasants in the Amazonian state of Para during a demonstration organised by the Landless Peasant Movement.

The massacre focused world attention on the unequal distribution of land. More than half the arable land is owned by 2% of the population, much of it unused or under used. Brazil has 40 million people who live below the poverty line.

Civil rights activists claim the investigation was hindered by the authorities.

Investigators found that serial numbers were filed off rifles which prevented them from identifying the troopers who were assigned weapons.

Green tax shift

NEW YORK-based Sustainable America has published a report describing 10 "environment friendly" taxes that can replace traditional taxes.* The taxes provide income for government but also incentives for individuals and businesses to behave in ways that protect the environment, thus harnessing "market forces" on behalf of environmental protection. The report is an "organizer's kit" aimed at citizens who want to mount campaigns to shift over to these new taxes. It identifies reasons why a particular tax will have regressive effects (penalising the poor, for example). It translates "sustainability" into public policies that people can advocate at communities and state level.

* Elaine Gross, *Environment-Friendly Taxes Organizer Kit* (1999): Sustainable America, 42 Broadway, Suite 1740, New York, N.Y. 10004-1617.

Land & Liberty Winter 1999