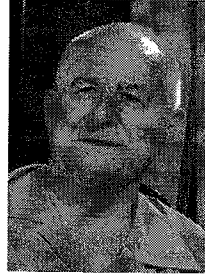


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After the tsunami struck Thailand, a second disaster befell many villagers: their land was seized by large-scale developers. This exemplifies an ongoing problem, whereby small-scale farmers sell their land to build a big house in order to gain status. But without land, they lose everything. Wherever land is treated as a commodity there is a danger that ownership of it will become concentrated, leading to higher rates of poverty, which is the absence of an opportunity for a dignified life.



At a recent UN Habitat World Urban Forum, I was reminded of my Peace Corps work in Thailand. Some families talked about the tsunami that hit southern Thailand and washed away everything many of them owned, including some of their family members. After the tsunami, a second disaster struck. During reconstruction, wealthy people seized their land to develop it for hotels, resort, whatever purposes. Many of the people who lived there had no land deeds. Their families had owned the land for centuries, but they did not have formal title to it. So there was a huge land grab. These families lost not only their family members, but their properties as well. Without property they were bereft.

My original Peace Corps service in Thailand was in 1962. I go back every ten years. It is amazing to see how many rural families in the area I lived in, have sold their land very naively, often at artificially low prices, in order to get the money to build a big house. They thought that would really set them up. They had no notion that the houses would have very little lasting value and that they would relinquish their place in the community forever because they forfeited their land.

They sold their land to gain status. Farmers have low status in Thailand. They felt that with the offers they were getting for their land they could build a big house, and that big house would give them more status in their communities. Some were my students forty years earlier. It was hard to explain that they were relinquishing something important.

Land was more important than the house because land gave them security. As farmers, they were able to produce rice to give them sustenance. After they sold their land, they became dependent on money they could earn in the city. But the land was important not only for the food they could grow and sell; it was also important for their status. Going to the city gave them higher status, but only momentarily.

WHY GLOBAL POVERTY?

Historically all of the land was owned by the king. Until the end of the 19th century, a farmer owned land as long as he farmed it continuously. In turn, the farmer owed to the king an obligation to work on the canals, the dikes, the irrigation systems, the roads. But it was his land for purposes of use, for farming. If he failed to farm for a period of three years, he forfeited the land back to the king. During the 20th century, the Western system of property ownership began to take hold. When I arrived in 1962, freehold ownership of land was well established.

Comparative Land Loss in Other Countries

Perhaps I can best explain the transition in Thailand by reference to a book by a Canadian historian, John Weaver, entitled *The Great Land Rush*. He traces how land was originally valued for its use. Later it came to be seen as a commodity, and it was valued for purposes of speculation, which meant that some people owned it who did not use it effectively. That change led to an enormous maldistribution of wealth, as people who did not understand this new economics were essentially disenfranchised.

An enormous number of people have been disenfranchised worldwide, who previously had use rights to their land. When they relinquish those rights, they have gone to the cities and become homeless or living in the favelas. The use value of land may really be of far greater consequence for economic equity than the value in the market.

Titling of land can be very helpful, because that gives a certain security to people who are using and living on the land, but title has many components. Lawyers refer to a bundle of rights. Titling not only gives security for use, but it can also be used to leverage money for purposes unrelated to use, and that is not good. The use value is lost sight of. The land simply becomes a bargaining chip or an asset to be mortgaged, and that leads to the loss of productivity and inefficiency throughout the economy.

As long as land is a commodity, many people cannot afford to purchase it and are thereby disenfranchised. That leads to greater concentration among people who can afford to purchase it. That is the source of economic injustice throughout the world and the disenfranchising of as many as two billion people.

People are simply driven off the land, but even if they are allowed to stay on the land they use, they sometimes have to pay exorbitant fees to stay on that property. That just adds to the wealth of another class. The people who could make best use of the land no longer have the security necessary to use it.

Most Americans own the land under their houses, but that is usually all they own. The most valuable land is corporate property, or property that is held out of use by speculators. The land underneath people's homes is only a fraction of the value of land downtown, in the central city, which is usually commercial property.

Poverty Related to Concentrated Land Ownership

Economic growth in a poor country frequently results from reliance on natural resources, since that is all poor countries have. They have mineral wealth, oil wealth, and agricultural wealth. That wealth becomes concentrated in a small group of people. There is a disparity between people who have title to ownership of those resources and the large majority of people who are simply the instruments of the owners. The more concentrated wealth becomes the more people are driven into poverty.

Poverty is the absence of an opportunity for a dignified life. One of the problems we have in the world today is the number of people who not only do not have food to eat, but who also do not have a stable livelihood or a place to live. Gandhi had a wonderful phrase: live simply so that other people can simply live. What we have today is a number of people who cannot simply live. Dignity is what people want. It is even more important than wealth. People trade wealth frequently for dignity.

That is what the story of the Thai villagers selling their land to build houses is all about. They see owning a big house as bringing them dignity. Whether that will bring them lasting dignity is another question. Status is another word, but dignity is all people really have to bargain with.