### **LANDLESSNESS**

### Myanmar Land and Livelihoods Policy Brief #2



Agriculture is the engine of Myanmar's economy, employing more than two thirds of the population and accounting for one third of GDP. However, almost half of Myanmar's rural population is said to be landless<sup>1</sup> – the highest rate of landlessness in the Mekong region<sup>2</sup>. Various studies in Myanmar provide contrasting figures on landlessness and indicate that the problem stems from a lack of clarity in the concept of landlessness.

A number of recent policies in Myanmar have aimed to address landlessness. In its election manifesto, the NLD committed to resolving farmland disputes and to allocating land to the landless. In addition, the Agricultural Development Strategy (ADS) sets out activities such as land restitution, redistribution and allocation to the landless as ways for the government <sup>3</sup> " to redress legacies of five decades of poor rule of law and land governance". These plans have driven various land reclamation and land allocation programs across the country. However, landless beneficiaries are often selected without comprehensive criteria. Land allocation modalities and the absence of support measures raise many challenges for these newly landed farmers.

This paper, drawing on research mainly conducted in the Delta and Dry Zone, argues that the first step to addressing landlessness

is to understand the current diversity of landless households. This will offer insight into the causes of landlessness and people's needs in terms of land access and livelihood improvement.

In addition to the two areas studied in this paper, landlessness is now developing in upland regions as well. Due to open agricultural frontiers and social and agricultural systems that once allowed all families to access land, landlessness did previously not exist in many villages, but the individualization and commodification of land and labor, combined with debt, are gradually creating classes of landless people.

### 1. WHO ARE THE "LANDLESS"?

In Myanmar, the term "landless" broadly refers to rural people who do not own<sup>4</sup> farmland. Authorities and politicians refer to them as *le me ya me* (without farmland). In the Delta, landless people are referred to as *bauk thama* (laborers) – a term that distinguishes them from *le thama* (farmers). In the Dry Zone, they are referred as *myauk thu*, while landed farmers are called *taung thu*.

However, evidence<sup>5</sup> from rural areas in the Dry Zone and Delta suggests that landlessness, as understood by authorities and NGOs, is not a uniform category. In fact, the term includes a wide range of households with different wealth statuses and varied levels of dependency on agriculture-related activities. Some landless, although they do not own land, can access land through a variety of tenancy arrangements, such as renting or sharecropping, and they farm the land as their own. Others make a living through agricultural wage labor. Many have diversified livelihoods,

taking on multiple activities such as fishing, livestock raising or operating small business. Finally, some rural landless households exclusively depend on off-farm activities such as government jobs, trade and service businesses.

Thus, not all landless are engaged in farming nor even interested in becoming farmers. The concept of landless is thus ill-defined when it comes to formulating policies and implementing actions aimed at addressing landlessness.

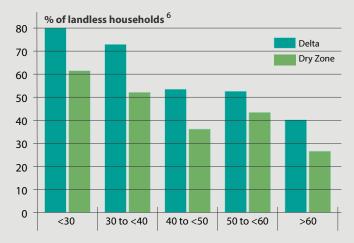


Figure 1: Link between age and access to land

<sup>1 46%</sup> of landless households in average (LIFT 2012).

<sup>2</sup> In Cambodia, agrarian landless farmers now make up 28% of the rural population (Phann et al. 2015), while in Vietnam, agrarian landlessness rates among rural households are estimated at 12% (Mellac and Castellanet 2015).

<sup>3</sup> Ministry of Agriculture, Livestock and Irrigation. 2018. Myanmar Agriculture Development Strategy and Investment Plan (2018-19 - 2022-23). Naypyidaw: MOALI 45.

<sup>4</sup> While the state is the ultimate owner of all land in Myanmar, we hereafter use the term "landowner" to describe farmers having permanent land use rights over land.

<sup>5</sup> Boutry et al. 2017.

<sup>6</sup> Data based on Quantitative survey done on 1129 households (598 in the Dry Zone – Monywa and YinMabin townships and 531 households in Ayeyarwaddy – Bogale and Mawgyun townships)

## 2. WHAT ARE THE REALITIES BEHIND LANDLESSNESS?

Landless is not a uniform category. It is also not always a permanent state, as shown in the typology elaborated by GRET. (see Figure 2). Understanding landlessness entails looking into households' lifecycles and livelihoods.

#### Need to consider households' age and lifecycle

The household's lifecycle is one of the major factors determining whether it has access to agricultural land. The occurrence of access to land increases with the age of the household, mainly through inheritance and purchase<sup>7</sup>. Landlessness can often be a temporary state for younger households, who will inherit land or are saving money to buy land. For households headed by persons over 50 years old, however, landlessness may be a permanent form of land exclusion<sup>8</sup>.

Landlessness rates are 80% in the Delta and 61.5% in the Dry Zone among households headed by persons under 30, while only 40% in the Delta and 27% in the Dry Zone among

households headed by persons above 60 years old <sup>9</sup> (see Figure 1). Average farm size also increases with age. Policies and livelihood support actions should therefore address the specific needs of different age groups.

#### Access to land under tenancy arrangements

Tenancy arrangements are more common in the Delta than in the Dry Zone. In the Delta, most tenants are landless, while in the Dry Zone, most are landowners. Almost a quarter (23%) of Delta landless households can access land through tenancy arrangements with landowners, compared to just 6.5% in the Dry Zone<sup>10</sup>.

In the Dry Zone, tenancy is mainly practiced by landowners to increase their farm size, while in the Delta, it is the first step for landless households to access land, build capital and establish their own farms.

#### Different levels of involvement (and interest) in farming

Overall, Delta landless are more dependent on agrarian activities 11 (90% of the Delta households against only 56% in the Dry Zone). In the Delta, 87.4% of farm laborers are landless, compared to 52.4% in the Dry Zone. In the Dry Zone, landless households enjoy greater labor mobility and non-farming livelihood opportunities<sup>12</sup>.

### CASE STUDY: Looking into the typology of Delta landless 13

In the Delta, GRET has observed three main types of landless households:

- Farming landless (23%) have access to temporary land use rights through tenancy contracts. They are associated with the youngest category of household heads. It is likely that they will access land ownership through purchase with savings over time or through inheritance.
- Farm wage-laborers and fishing landless (47%) rely mainly on farm-wage labor and fishing. They are associated with the middle age category of household heads and tend to be the poorest group of landless.
- Off-farm landless (30%) are mostly non-farm wage laborers or operate small businesses. They have adopted off-farm activities for income generation as their family labor force has aged or has migrated and are investing remittances from children. They are associated with the oldest category of household heads.



- 12 Boutry et al, 2017:211.
- 13 Boutry et al, 2017.
- 14 Based on a sample of 315 landless households in Mawgyun and Bogale townships.

Figure 2: The different types of landless households in the Delta<sup>14</sup>

<sup>9</sup> Boutry et al, 2017, 274.

<sup>10</sup> Boutry et al, 2017, 217.

Meaning exploiting natural resources, such as farming, livestock breeding, fishing, etc.

## 3. WHAT ARE THE CAUSES OF LANDLESSNESS?

#### **Historical causes**

Owing to their historic trajectories and agroeconomic differences, landlessness rates are higher in the Delta (60% of households) than in the Dry Zone villages (41%).

In the Dry Zone, land has been occupied, farmed and invested in since pre-colonial times, which has endowed long-established villages with strong social organization. In contrast, the Delta, which was turned into the country's "rice bowl" by British colonial authorities, is characterized by looser social organization, higher mobility and higher social inequities. The Delta has also been more affected by paddy policies such as the Compulsory Paddy Quota and summer paddy policy since the 1990s. The proportion of surveyed landless in the Delta who owned land between 1988 and 2014 and later lost access is 9% - three times higher than in the Dry Zone<sup>15</sup>.

# The forced procurement policy: driver for land dispossession

Starting in 1962, Burma's socialist regime required farmers to sell a fixed quota of their crops to the government at a fixed price, which was far lower than the market price. Although the policy applied to all food grains across the country, Ayeyarwaddy Delta farmers were the worst-affected as paddy procurements were the most tightly enforced. The policy, which lasted up to 2003, was a huge burden for farmers, particularly from 1962 to 1988. It engendered widespread land confiscation, indebtedness and distress land sales. Inversely, it led to land accumulation in the hands of larger landholders.



#### Intimate exclusion and indebtedness

The high rates of landlessness observed in Myanmar's lowlands do not all stem from large-scale land grabs and evictions. In fact, none of the villages sampled in GRET's study (Boutry et al. 2017) were affected by land grabs. Instead, the reasons farmers lost land or failed to obtain it stem from power relations within villages. In short, farmers' relationships to local authorities shape their capacity to overcome indebtedness and their susceptibility to be coerced to mortgage their land and suffer foreclosure or to be compelled to sell land to cover loans.

#### **Land scarcity and fragmentation**

While land fragmentation occurs in both areas, it is particularly pronounced in the central Dry Zone, where the closing of the agricultural frontier and land saturation occurred much earlier. There is also limited access to land for the landless via leasing or sharecropping. Besides, landlessness also stems from everyday processes of land fragmentation, such as inheritance, causing steady decrease in the average area inherited per household.

# 4. IMPLICATIONS FOR LAND ALLOCATION TO LANDLESS

Based on the findings above and a study of more than 23 planned land allocation sites in the Delta, Sagaing and Magwe, the following key issues have been identified:

# Selection without comprehensive criteria

In a number of sites, beneficiaries are selected through a lottery system from among all types of landless. Although it is true that the lottery system is the easiest method in terms of transparency and conflict management, it is highly problematic since all types of landless may be selected, regardless of their socioeconomic status and interest in farming. In some cases, better-off traders, small business owners and government employees won the lottery, despite having no interest in farming. Most of them may end up renting out or selling their land.

#### **Limited size of allocated plots**

Most allocations range between 0.25 and three acres. Most lands considered for land allocation are low-quality in terms of soil fertility, water management conditions and transport accessibility. In a number of cases, these are flooded lands that only allow for one crop per year. The sizes of the plots are too small to make investments profitable for new farmers.

### **Limited support to landless farmers**

Genuine landless – those who practice farming as tenants or as farm wage laborers – are the ones most in need of farmland. They are seriously constrained in terms of capital and investment capacity. Despite their interest and skills in farming, it is often challenging for them to invest in the first years and maintain their farms. This is aggravated by the fact land allocation sites are often at high risks of flooding and thus at risk of crop destruction and financial losses as well.



#### **Factor diversity of landless** into policies and actions

As mentioned throughout this brief, considering the diversity of landless is a prerequisite to better understand the causes of landlessness and people's needs in terms of land access and livelihood improvement. This is a condition that can allow all development stakeholders to develop more relevant policies, laws and programs.

#### **Develop strategies, policies and laws** that clearly address landlessness

While there are some government guidelines for restitution of confiscated lands, the only legal instrument supporting the "land to the landless" motto is the problematic VFV law, which allows all sorts of actors to apply for land and has no specific approach to landless.

If the government wants to seriously commit to land allocation to the landless, then it must develop specific policy documents and define procedures, institutions, human resources and financial means to make it happen.

Beneficiaries need to be properly selected and supported with technical and financial interventions. The sizes of allocated farms must be viable.

#### **Avoid creating new landless**

 Implement concrete mechanisms for transparency and accountability of actors in charge of implementing and enforcing laws on the ground; regulate the power of key stakeholders through checks and balances mechanisms.



- Halt the implementation of the VFV law and scrutinize large-scale land acquisition projects and the allocation of VFV land. The NLD election manifesto promises to "identify fallow, vacant and virgin lands that are suitable for agriculture and distribute these lands to landless people, providing them with legal ownership rights". However, it is likely that the 2018 amended VFV law further exacerbates landlessness by prioritizing local elites and companies over landless households and smallholders for access to land (see VFV brief).
- Protect the lands of displaced persons until they can be restituted.
- In areas with available land, allow villages to define and manage a communal "land reserve" area that may be used to allocate land to new households.

#### **Conduct prospective policy** research on future needs of land

With a growing population and increasing commercial pressure on lands for urbanization, industrialization and large-scale land acquisitions, it is critical for the government to reflect on the future land needs of its rural population in the coming decades. Quantifying how much land will be needed to ensure the livelihoods of family farmers in Myanmar in the next 20 years could be achieved by looking at available data on land use change, land tenure, agricultural production and demographic trends in terms of population growth and migration and provide valuable insights for informed decision making.

> Photos by: Celine Allaverdian For more information, contact: allaverdian@gret.org Published by: Gret www.gret.org

### For further reading

Boutry, M., Allaverdian, C., Mellac, M., Huard, S., San Thein, Tin Myo Win, Khin Pyae Sone. 2017. Land tenure in rural lowland Myanmar: From historical perspectives to contemporary realities in the Dry zone and the Delta. Of lives of land Myanmar research series. GRET: Yangon.

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Funded by LIFT











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