

**PART 3**

**LIMITS OF GOOD GOVERNANCE IN VARIOUS  
FACETS OF DEVELOPMENT**



## CHAPTER 10

# IS LAND REFORM A FAILURE IN THE PHILIPPINES? AN ASSESSMENT ON CARP

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### INTRODUCTION

The land reform in the developing world has been put in question for its failure to address poverty issue in agrarian setting despite the altered agrarian relations in the latter half of the past century. As a result it started to disappear in the development agenda; though I *still* find this issue relevant if we look into the poverty and worsening inequality problem common among developing countries amidst the recent promotion and adoption of industrialization-led development. The objective of this article is to restore the critical view on whether the recent past land reform is just a mere propaganda of political achievement given its deficiencies and loopholes to bring about a *genuine* reform with the Philippines as the case in point. The outlined arguments provide a glimpse on the politics and historical origin of land reform in the Philippines and identify core issues delimiting the effective implementation of the present government reform program- CARP. Despite of the common belief that land reform would bring economic well off to the poor farm beneficiaries, I raise some problems stemming down from *weak* government and *tainted* political leadership. The national level political dynamics, dominated by the landed oligarchy behind the legislation of CARP in 1988, have been a constant feature of the Philippine politics when it comes to land reform legislation of the various regimes in the past. As a consequence, the CARP has done not much to improve the lives of those people in the countryside. Given the failure of governance for effective land reform, the end results have been far from the goals after more than two decades of implementation. This argument therefore is very timely in assessing CARP since this program is nearing its end, and will hopefully provide insights if CARP is indeed failing or not in meeting its promises.

Land reform was high in the development agenda in the 1950s particularly in Asia and the Middle East, and in the 1960s-70s in Latin America. It subsequently fell off not because of the lack of demand by the rural poor or for lack of agreement on the importance of the issue, but due to the difficulty in managing the political economy of the reforms at that time (de Janvry and Sadulet, 1989). Why land reform was high just after the World War II and eventually fell off in the development agenda among many poor and transitional countries, is partly due to the fact that in each period the development planners differed in developmental approach and priority. Further, inappropriate land policies obviously constituted a serious constraint on economic and social development in a number of respects that are of great significance for developing countries in the latter half of the past century. Despite the disappointments, land reform was placed back in the development agenda in the 1990s especially by the initiative of the World Bank. The reason has been to implement the mechanisms of adjustment which put emphasis on ensuring property rights for achieving security of tenure, developing markets in which land can easily be leased, purchased and sold, and increasing access to credit in which the land and real property is utilized as collateral for transaction (Deininger, 2003). This approach is obviously opposed to one-time and generally dramatic historical events of land reform. This time, poverty has become a potent force in pushing for undertaking this highly politicized reform. While not the only pathway out of poverty, the evidence suggests that it is effective in helping rural households generate higher incomes. The cases of Japan, Korea and Taiwan provide evidence on a successful land reform program in history (see Boyer, 1991; Kawagoe, 1999; Jeon, 2000; Kay, 2002).

In the Philippines, land reform has been a highly political issue for centuries, a factor that contributed to its sluggish performance in every regime in the last century. The historical records of land reform programs were believed to be implemented as a social justice measure in order to change the prevailing situation of unjust and inequitable ownership of land and resources by a few individuals in the society (Putzel, 1992). The rural peasants' struggles remained the potent force at the grassroots level in the different regimes that led to the undertaking of land reform beginning from the Spanish colonialism up to the Aquino presidency (Hayami *et al.*, 1990). With agricultural lands that had been in the possession of a few powerful landlords and corporations, for centuries the majority of people remained as tenants, farm workers and landless agricultural laborers, a reality that has contributed to the poverty in the countryside for long time (Lindio-

McGovern, 1997). Consequently, it was viewed that agricultural development policies of the government had been unresponsive to the needs of the peasantry as a whole for many decades (Lindio-McGovern, 1997: 144). The apparent exploitative agrarian structure intensified the claims for land reform. It was in 1988, under the government of President Corazon Aquino, that Republic Act 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL), set in motion the implementation of the Comprehensive Agrarian Reform Program (CARP). Upon her ascension into power in 1986, President Aquino envisioned agrarian and land reform as the centerpiece of her administration's social legislative agenda which took effect two years after the peaceful People Power Revolution and the end of the Marcos authoritarian rule. Its fundamental principle and slogan was land-to-the-tiller.<sup>1</sup> Under this law, land reform becomes a major component of agrarian reform.

This paper attempts to provide a historical presentation on how land reform in the Philippines has progressed beginning from the colonial rule up to the present time. This article emphasizes on agricultural lands where agrarian relations between farm owners/landlords/corporations and tenants/farm workers exist. This unique agrarian relation after all has been the root of unrest and political debacles for centuries. Given this view, this article raises the question: Is land reform program a failure as a policy? Or, it is just deficient in its content to achieve the goals. This article is divided into four parts: the argument considerations for land reform, the historical origin and politics of land reform in the country, the reasons why the present CARP is deficient that can cause its failure, and a concluding argument. This paper emphasizes on the *still* significance of land reform within the agrarian development framework and in tackling poverty issue and equity consideration.

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<sup>1</sup> Land-to-the tiller essentially means that those who directly labor and till the land have the right to own it (Lindio-McGovern 1997: 145).

## **1. THE ARGUMENTS FOR LAND REFORM AS BASIS OF POLICY FORMULATION**

The renewed interest on land reform in the 1990s was initiated by the World Bank (Deininger and Binswanger, 1999), which had extensively revised its philosophy in addressing land policy issues, and experimented in formulating and implementing new approaches to favor access to land for the rural poor via subsidies on the land sales market. This proposal is contrary to the state-led land reform prior to the 1990s, which is another political episode common among many developing countries toward the latter half of the past century. Redistributive land reform programs among many countries have mostly been “state-led” because the state initiated the land redistribution by expropriating and distributing private lands or by resettlement on public lands (Borras *et al.*, 2006). State-led land reform in the post-World War II period resulted in swift and substantial land redistribution, effectively eliminating landlordism and establishing small-scale family farms in Japan, South Korea and Taiwan.

The socio-political imperatives have in fact provided the critical push for such policies among many developing countries in the past, albeit highly political in nature. After World War II, the question of how to address the issue of rural poverty, through what type of land reform, and within what broader development framework, have tickled the minds of national governments and development planners (Borras, 2006). The pursuit of land reform was reinforced this time with the view that agriculture can be the center of development agenda of national governments. Although, the most prominent reason in adopting land reform is that the states used this to prevent rural unrest and struggle for social justice (Fuwa, 2000). Despite the diverse notion, the main preoccupation that underpinned debates on land reform at that time was more related to the growing changes in the political scene of many countries. After World War II, de-colonization process unlocked the land reform regime and remained in the agenda of the nationalist governments until 1970s. The subsequent Cold War became an arena where the capitalist and socialist ideological perspectives battled against each other on different contentious themes, among which was the question of how to address the issue of rural poverty (Borras, 2006).

The terms land reform and agrarian reform are commonly interchanged to mean the same thing that is to reform existing agrarian structure (Borras *et al.*, 2006: 3). Agrarian reform is oftentimes used as a synonym for the term land reform, though these terms may have different meaning.

Although the distribution of land is the most contentious part of agrarian reform, it is broader than merely land reform (Cousins, 2005: 10). In particular, land reform pertains to the reform of the distribution of landed property rights, while agrarian reform refers to land reform and complementary socio-economic and political reforms (Barraclough, 1999: 4). The other measures taken in agrarian reforms, in addition to land reforms as the central part, are usually of a supporting nature, making the implementation of the land reform component possible and in strengthening and stabilizing its effects. These measures can be farm related help, legal assistance, and support services such as irrigation facilities, infrastructure, educational programs, health services, among others (Cousins, 2005: 10-11). Although distinct and poses different challenges, land reform and agrarian reform are inseparable (Cousins, 2005: 10). They are quite overlapping in nature and complementary measures to each other (Borras *et al.*, 2006).

The attention to poverty reduction in the developing countries renewed the interest of land reform in the framework of agrarian development (Lipton, 1996). Agrarian reform and land policies are widely seen as a means to promote the well-being of the rural population (World Bank, 2001: 4, 57-64). While not the only pathway out of poverty, the evidence suggests that it is effective in helping rural households generate higher incomes (El-Ghonemy, 1990). But this should not be viewed as a panacea, because access to land is neither the only strategy out of poverty, nor it is sufficient to guarantee escaping poverty (Deininger, 2003). Hoddinott *et al.* (2000) provides empirical data on the experience of China, Chile, Ethiopia, India, Tanzania, and Zimbabwe by showing the positive effect of access to land in household income from nil to high. Despite an experience of deep disappointment in some countries, this renewed attention presents an opportunity to make economic growth work better for the less well-off members of society. The poverty consideration concerning land reform has become a driving force this time, overriding the socio-political considerations highlighted in the past. While development agenda have taken different path to get out of poverty, agrarian development is *still* one effective way in helping rural households in securing employment and provision of income that will significantly affect the economic welfare of small farmers. As industrialization pace in many developing countries moves at a snail's pace nowadays, the focus for local agro-industrial development is being reconsidered in the framework of national economic development as agricultural sector still plays a significant role in the economies of many poor and developing countries.

## **2. HISTORICAL ORIGIN AND THE POLITICS OF LAND REFORM IN THE PHILIPPINES**

Land issues have a centuries-long history in the Philippines, beginning from the colonial time of Spanish regime in 1500s up to the EDSA<sup>2</sup> revolution period in 1986. In each period of colonialism and independence, access to and power over land has played a decisive part in political reality. The agrarian issues were decided presumably upon the well-being of farm households and acceptance of political leadership especially in the midst of rural unrest, despite the fact that every colonial power and government followed land policies differing in terms of emphasis and prioritization. Putzel (1992) concluded that in regard to the many regime changes that the country has undergone in the last century, the legislation effort led to the accumulation of a diverse set of land policies, laws, and programs either complementary or opposing to each other. The succeeding sections impart this fact as it conveys the origin of agrarian structures, early agrarian reform measures in various political regimes, and the present CARP agenda of the government.

### **2.1 The Origin of Agrarian Structures**

To trace the origins of the Philippine land issue, one has to go back to the time of Spanish colonialism beginning in the 1500s. It was during this period that land-related system affected the islands for the first time. This was believed to be part of the common strategic outline of almost every colony (Putzel, 1995). The few reports about pre-Hispanic times suggested that there had been some kind of social stratification and that individual private property of land did not exist (Putzel, 1992: 44). The first group of people that were able to concentrate a large amount of land in its hands was the Spanish friars (Roth, 1977). They were beneficiaries of a series of royal land grants from the Spanish Crown. In later times, the friars were able to enlarge their properties through lands passed to them by way of mortgage claims and outright land grabbing, including donations or purchases from

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<sup>2</sup> EDSA stands for Epifanio de los Santos Avenue, a main highway in Metro Manila and the main site of the demonstrations. The EDSA Revolution, also referred to as the People Power Revolution and the Philippine Revolution of 1986, was a mostly non-violent mass demonstration in the Philippines. Four days of peaceful action by millions of Filipinos in Metro Manila led to the downfall of the authoritarian regime of President Ferdinand Marcos and the installation of Corazon Aquino as president of the Republic.

Spanish laymen in the late seventeenth century (Constantino, 1975: 66–69). As a result, the friars came in control vast areas of land on the island of Luzon, especially around the capital of Manila by the end of Spanish colonial time (Roth, 1977: 2).

Another land related system that was utilized by the Spanish Crown in the early times of colonization was the *encomienda* system. *Encomiendas* were distributed to Spanish *conquistadores* and early settlers. An *encomendero* was empowered to collect tributes from the natives living in the area of his *encomienda* but on the other hand had to preserve peace within the territory and defend it for the Spanish Crown against possible perpetrators. They also had to support clergymen in their missionary work (Constantino, 1975: 45). However, this *encomienda* system had already vanished from the islands before the first haciendas emerged, as the late Spanish colonial time gave place to the rise of yet other landed elite consisting of highly educated Chinese *mestizos* (children of Chinese fathers and Filipino mothers), the relatively small number of Spanish *mestizos* and descendants of the *principalia*, and the natives or Spaniards who had been officials in the early colonial administration such as tribute collectors (Riedinger, 1995).

In comparison to the Chinese *mestizos*, the Spanish *mestizos* were rather small in number. Chinese traders reached the islands due to trading opportunities with the Spaniards. They had soon established themselves in all areas of trade. As competitors to the Spanish, they often had to endure eviction from the country, which led to a ban on Chinese presence in the islands in 1755 that lasted for almost one hundred years (Putzel, 1992: 45). The *mestizos*, who were soon able to accumulate a lot of wealth, filled the gap they left in the area of trade. Being raised by their mothers as Filipinos, the *mestizos* blended culturally with the natives (Constantino, 1975: 121). They did not only concentrate in Manila, but also penetrated the countryside and started to establish themselves in rural areas. When the ban on Chinese immigration was lifted and they started to move back into the country, again taking over their old positions, for the *mestizos* land as an object for investment became even more interesting and large landholdings and haciendas began to emerge (Constantino, 1975).

Putzel (1992: 49) explains the Spanish colonial period as a time of ongoing land concentration and the cradle of land distribution patterns and tenure systems in the country. These were characterized by peasants being share tenants or land laborers, the latter mostly found in the younger plantations and haciendas devoted to cash crops and established mainly during the time of American administration that followed the Spanish

colonial time. In his arguments, Putzel (1992, 1995) did not emphasize the differences and similarities between land laborers and tenant-farmers within the framework of land reform. The image of “peasants” described by him suggests both the land laborers and share tenants who were considered to be the landless poor at the time of legislation of various land reform laws.

While at the beginning of the Revolution, the friars’ estates were already challenged and subject of criticism, because these newly established haciendas remained untackled for many years (Putzel, 1992: 49). In the end, these haciendas were found to be most resistant to agrarian reform measures and some of them are still due for redistribution up to now (Carranza, 2004). The most famous example is *Hacienda Luisita* (which has a total plantation area of more than 6,000 hectares in Tarlac, Luzon), the landholding of the family of present president Benigno Aquino III, and the sugar landholdings in Negros islands. The families of the new landed elite who had gained wealth and land throughout the last period of Spanish administration were able to keep and often deepen their economic power including political power for their own interests (Regalado, 2000). They are still influencing much of the nation’s economy, political and social life, owning many of the biggest enterprises of the Philippines (Regalado, 2000: 22). This justifies on why land reform takes centuries old, as the elites passed on all this “power” to succeeding generations, a clear manifestation of economic and political dynasty combined. Land reform became more prominent during the American colonial rule. The introduction of land related laws and programs in this colonial regime unfold the redistributive aspect as introduced by the American rulers. The subsequent various reform measures were more of a representation of polity reality as a republic society and attempts to appease the growing rural unrest and inequitable distribution of land resource.

## **2.2 Early Agrarian Reform Measures**

Agrarian reform first appeared on the agenda of Philippine policy making with the beginning of the American colonial rule. Since the turn of the century, several land related laws and programs were introduced by the American administration, followed by another set of reform laws enacted by the Philippine government after the installation of the Philippine Republic in 1946. Most of them were tenancy reforms and land settlement projects trying to address rural unrest rather than pursuing economic or social motives (Hayami *et al.*, 1990). One of the first land issues to be addressed was the controversy on the friar estates encompassing 166,000 hectares, which were

purchased in the first years of American administration and for distribution to 60,000 peasants. However, due to high amortization fees that small-scale farmers could not afford to pay, these estates were purchased by the landed wealthy elites (Constantino, 1975: 297-298).

The Philippine Bill of 1902 introduced a fixed private ownership limit of 16 hectares for individuals and 1,024 hectares for corporations. This law intended to prevent the development of large-scale landholdings and haciendas in newly settled areas due to fear of rural unrest and a possible rise of competition to the American agricultural market (Hayami *et al.*, 1990: 43). The fact that a landholding comprising of 22,484 hectares could be purchased by the Sugar Trust Company in 1910, eight years after the Philippines Bill of 1902, despite the prohibition of landholdings larger than 1,024 hectares, shows that it was not completely implemented (Constantino, 1975: 289, 300). As a consequence, big plantations emerged even in the Visayas and Mindanao islands. They concentrated on export crop production and were operated by corporations accompanied by a breakdown of the paternalistic structure in tenant-landlord relationship that was found on traditional haciendas in Luzon (Hayami *et al.*, 1990: 47). These developments are still visible in the agricultural structure today, with commercial farming concentrating on cash crops in the South, in contrast to an agriculture that is marked by small-scale farming and some traditional haciendas in the North (Ibid.).

The first tenancy reform bill passed by the American administration was the Rice Tenancy Act 4054 of 1933 that provided a 50 by 50 percent sharing arrangement between the tenant and the landowner, a ten percent interest ceiling on loans by the tenants and the prohibition of dismissal of tenants on tenuous grounds. One of the provisions, however, was that the majority of the municipal council members had to petition for the implementation of the law in their area. This was a great obstacle for the implementation of the law as the municipality councils were controlled by the landlords and could, therefore, prevent the implementation of the program in their municipality (Adriano, 1991: 4).

The Rice Tenancy Act was the first of a row of tenancy reform bills to come with succeeding Commonwealth Act 178 and 461, Tenancy Act of 1946, and Agricultural Tenancy Act of 1954. All of them were intended to ameliorate the poor situation of tenants, for instance with the implementation of 70 percent-30 percent sharing arrangement in favor of the tenant (Tenancy Act of 1946), reduction of land rentals, and allowing the tenants to shift from share tenancy to leasehold (Agricultural Tenancy Act of 1954). However,

just as in the case of the Rice Tenancy Act, they always contained provisions that left loopholes for landowners and made the bills basically ineffective (Constantino and Constantino, 1978: 207, 264). As a result, share tenancy with sharing arrangements of 50 by 50 percent, or sometimes lower for the tenant, persisted as the major form of land tenure in rural farming.

The time from 1900 until 1972, especially prior to World War II, only few agrarian reform attempts provided for a redistribution of lands. The first attempt to redistribute big landholdings, generally beyond special selected haciendas, was the Land Reform Act of 1955 that planned the purchase of lands exceeding 144 hectares. The landlord-dominated Congress, however, extended the retention limit to 300 hectares for individuals and 600 hectares for corporations. Additionally, the law covered only contiguous areas larger than 300 hectares, thus exempting many large landowners. Another loophole was that the majority of tenants within one estate had to petition for redistribution and, given the power relations within haciendas, the landowners could easily avoid major petitioning (Constantino and Constantino, 1978: 264).

A second law that provided for land redistribution was the Agricultural Land Reform Code of 1963 that was enacted under President Macapagal. Landholdings larger than 75 hectares were required to be redistributed to landless tenants in rice and corn producing lands and share tenancy was eliminated (Adriano, 1991: 9). Although the program was far reaching in comparison to its predecessors, it had been accompanied again with legal loopholes, e.g., the exemption of lands devoted to crops covered by marketing allotments and lands planted with permanent trees, as coconut, cacao, coffee and durian (Constantino and Constantino, 1978: 319). However, this law was never implemented as Magcapagal's term ended after it was enacted and replaced by Presidential Decree (PD) 27 in 1972, the agrarian reform program of the Marcos Administration.

### **2.3 Land Reform under Marcos Presidency**

Ferdinand Marcos declared martial law in 1972. One month later, Marcos prescribed an agrarian reform program through PD 27. It was the first major attempt of redistributive reform after the Agricultural Land Reform Code of 1963 failed. In fact, the Code of 1963 served as the basis in the land reform legislation this time; hence, they shared many similar features. In 1971, the Department of Agrarian Reform (DAR) was founded, as the main implementing body of both PD 27 and the agrarian reform

program, along with local agrarian courts throughout the country (Borras, 2004: 88). The Marcos agrarian reform program tackled the power of the landed elites in corn and rice areas, but it did not cover the areas devoted to other crops. In fact, many of Marcos supporters were even able to extend their power and gain more lands. The martial law gave them the opportunity to register the lands under their name and establish vast haciendas (Franco, 2005: 127).

The Operation Land Transfer was a conversion from share tenancy to amortizing ownership status for farmers cultivating land belonging to a landowner, whose landholdings exceeded a certain retention limit by receiving a Certificate of Land Transfer (CLT).<sup>3</sup> The size of awarded parcel of land was 5 hectares for non-irrigated lands and 3 hectares for irrigated lands. After 15 years of amortization, the beneficiary would receive an Emancipation Patent,<sup>4</sup> which is equivalent to the title of the land (Putzel, 1992: 125). The landowner was compensated at two and a half times the value of the average value of the three normal crop years preceding the decree (Putzel, 1992: 124).

The Operation Leasehold is a conversion from share tenancy to leasehold status of farmers cultivating land within the retention limit of the landowner or on land smaller than 7 hectares was another provision. The land was leased to a fixed rent of a maximum of 25 percent of the average harvest for three normal agricultural years previous to the establishment of leaseholder status (Hayami *et al.*, 1990: 63). The retention limit was reduced from 75 hectares to 7 hectares in comparison to the Agricultural Land Reform Code of 1963. But, similar to its previous reform laws, the PD 27 was limited to corn and rice producing lands. The decree included tenanted farms, but excluded landless farm workers from being beneficiaries. These two restrictions limited the scope of the PD 27. Consequently, only 12 percent, or 1.01 million hectares, of the total area of 8.49 million hectares that were cultivated in the country in 1972, were covered by PD 27 (Hayami *et al.*, 1990: 69). The landowners had the opportunity to escape the program through either changing the planted crop from rice and corn into another crop, or turning it into non-tenanted holdings by evicting tenants.

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<sup>3</sup> A Certificate of Land Transfer (CLT) is a certificate which guarantees ownership of the land of the farmer and which proves that he has started paying the taxes and amortization of the land.

<sup>4</sup> Emancipation Patent is the title of land issued to the tenant upon fulfillment of all the requirements of the government. It is a proof of the tiller's full emancipation from the bondage of tenancy.

Hayami *et al.* (1990) provides a detailed description on the accomplishment of the Marcos regime. The reported accomplishments of the Marcos land reform program were high especially for the Operation Leasehold. By 1987, 100 percent of the targeted area was under leasehold contracts. The achievements of operation land transfer were lower. By 1987, CLTs had been distributed to 314,000 former tenants for an area of 539,000 hectares, which is equivalent to 66 percent of the targeted area. Emancipation Patents had been distributed for 145,000 hectares, or 18 percent of the targeted area. These data, however, do not give any information on how many of the 314,000 CLT holders were able to amortize their lands and receive an Emancipation Patent. Numbers on this are difficult to obtain as official reports from 1988 onwards do not distinguish between the accomplishments of PD 27 and the latest Agrarian Reform Program of 1988. Furthermore, it is to point out that these data only refer to the targeted area but not to the total agricultural lands. If set in relation to the total amount of cultivated area, the area for which CLTs were distributed would make up only of 6 percent and the area of emancipation patents is less than 2 percent.

With the percentage of accomplished Operation Leasehold added, the area that was affected by the PD 27 until 1988 made up less than 15 percent of the total cultivated area. Despite the limited effects shown in these numbers, the Marcos land reform is still seen to have limited the political power of landlords in rice and corn areas, and can be credited for the establishment of an administrative infrastructure in land reform. However, as Reyes (2002: 9) concludes that other than limited scope of the reform program, problems in land valuation and landowner's resistance proved to be some of the reasons for failure despite the dictatorial leadership of Marcos. This reflected the refusal to accept the reform among landed elite.

Fuwa (2000) summarizes that the historical land reform up to this time was a difficult task to change land tenure systems and land related rural structures. The early sign of failures can be explained by the political power of landed elites and the dynasty it built in the Philippine politics thereby promoting their vested interests for century. Their economic wealth provided them access to political offices and enacted legislation for their own favor that crippled the implementation. Landlords used their power to influence the law making process and the implementation of land related policies that are oftentimes unfavorable to the common people. The local power combined with lack of political will by the responsible politicians to withstand this influence, led to the failure of land and tenancy reform attempts which perpetuated poverty and inequality especially in rural areas (Borras *et al.*,

2006). The reform laws contained legal loopholes that gave landlords the opportunity to have their lands be exempted, if not delaying the inclusion, through legal means. This fact gave rise to rural unrest that peaked up at the time of Marcos

This historical overview shows that there always has been a big gap between the reform laws and the actual situation in the rural areas, as landowners continue to amass vast landholdings while poor people continually lived in dismal state. The growing social upheaval and discontent in the countryside peaked toward the end of Marcos regime. To address this historic gap, Cory Aquino made land reform as her political slogan to gain the sympathy of depressed rural people during the 1986 presidential election (Wong, 1989). While it is believed to be a very ambitious reform agenda, her government was able to promulgate and enact a new reform law dubbed as the Comprehensive Agrarian Reform Law (CARL) as discussed in the next section.

#### **2.4 Land Reform within Agrarian Reform Context: From Aquino Legacy up to Arroyo's Stretch**

The Marcos land reform program left an estimated number of at least 56 percent of households dependent on agriculture, landless or with little land (Putzel, 1992: 25). Rural uprising, therefore, played an essential role in the 1986 EDSA Revolution, which led to the presidency of Corazon Aquino. Before her term in office, she had committed herself to making land reform an essential part of her governing period promising to address her own family's landholding, *Hacienda Luisita*, one of the first targets (Wong, 1989: 1). Land-to-the-tiller must become a reality, instead of an empty slogan, was Aquino's motto when she set the agenda for land reforms. A land reform commission was formed, and the CARL, otherwise known as RA 6657, with its implementing program the Comprehensive Agrarian Reform Program (CARP) was enacted in 1988.

The total original area to be covered by CARP was 10.3 million hectares, one-third of the country's land area of 30 million hectares. As a result of CARP Scope Validation (refer to Table 10.1), the covered area was reduced to 8.169 million hectares to be distributed among the 4.5 million beneficiaries. This reduction is attributed to the number of exemptions and exclusions on land types (although it was rumored that this was another manipulation attempt of the landed elites in the Congress). Of this total amended area, 4.4 million hectares (54 percent) falls under the responsibility

of DAR and 3.8 million hectares (46 percent) are under the jurisdiction of the DENR being public and forest lands.

**Table 10.1.** Adjusted Scope of CARP by Agency and Land Type, 2005

Land Type	Scope in Hectares
Department of Agrarian Reform	4,293,463
A. Privately-owned Agricultural Lands	
Deferred Farms	35,635
Operation Land transfer (OLT)	579,520
Voluntary-Offer-to-Sell (VOS)	396,684
Voluntary Land Transfer	287,742
Compulsory Acquisition	
Over 50 Hectares	420,963
24-50 Hectares	312,355
Below 24 Hectares	736,420
Government Financing Institution-Owned	229,796
Sub-Total (Private lands under DAR)	2,999,115
B. Government-owned Lands	
Settlements	566,332
<i>Kilusang Kabuhayan at Kaunlaran (KKK)</i> (Movement for Livelihood and Progress)	657,843
Landed Estates	70,173
Sub-Total (Public Lands under DAR)	1,294,348
Department of Environment and Natural Resources	3,771,411
Public Alienable and Disposable (A&D) Lands*	2,502,000
Integrated Social Forestry Areas	1,269,411
Total DAR and DENR Scope	8,064,874

\* Alienable and disposable lands are those lands of public domain classified and determined not needed for forest purposes and are available for disposition under Philippine laws.

Source: Department of Agrarian Reform. 2005.

The CARL was the product of a legislation process in the Senate and the House of Representatives that took more than one year for its formal proclamation and passage; both Houses fought for their own proposal of a land reform law, which reflected their respective composition of representatives and the apathy they have on rural poverty (Wong, 1989). The important details of timing, priorities, and minimum legal holdings were deter-

mined by Congress in which majority of members were connected to landed interests, if not owners of large tracks of farms. At the time of deliberation of the CARL, the landlords dominated the House of Representatives and the Senate mainly consisted of urban-based businessmen who regarded agrarian reform essential for the development of the country (Bello, 2004). The bill proposed by the Senate was quite far reaching. It claimed a retention limit of five hectares and the distribution of large land holdings to be addressed first. The bill of the House of Representatives reflected the landlord domination in this part of Congress.<sup>5</sup> It contained a proposed retention limit of seven hectares, plus three hectares for every heir and provided that public lands should be addressed and distributed prior to private lands (Adriano, 1991: 13). In many ways, the CARL represents a compromise between these two bills and, therefore, reflects the struggle between pro-reform and anti-reform forces in the law making process (Adriano, 1991).

It is clear that the ownership and control over private agricultural lands in the country were largely monopolized by landed classes; although, only about one-third of these farmlands were reported in official census as privately owned by 1988 (Putzel, 1992). The lack of control over land resources is believed to be one of the most important causes of persistent poverty in the country. The exploitative agrarian structure had been the cause and effect of the lop-sided distribution of political power in society and the state (Putzel, 1992: 30). The same situation provoked periodic peasant upheavals that won only intermittent concessions from the state (Rutten, 2000).

A combination of repression, resettlement, and limited reform had been the traditional way through which the elites and the state responded to peasant upheavals (Riedinger, 1995), and so peasant unrest remained an important part of rural politics throughout the twentieth century. And, as Franco (2001) explains, the transition from an authoritarian regime to a national clientelist electoral regime in 1986 did not lead to complete democratization of the countryside. After Marcos' martial law, the transition period (1986–88) opened new political opportunities for partial democratization, which led to a heated policy debate on agrarian reform. After initially dragging its feet on the issue, the administration of Corazon Aquino

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<sup>5</sup> At the time of the late President Corazon Aquino, the Commission on Appointments (CA) of the Philippine Congress bypassed the confirmation of then Agrarian Reform Secretary Florencio 'Butch' Abad for being perceived as pro-CARP. The landlords and those with vested interests in Congress were making mockery of the CARP implementation and successful to have his appointment blocked.

was forced to act after the military opened fire to a 20,000-strong peasant march near the Presidential Palace, killing 13 peasants; this subsequently stirred up the highly contested land reform programs in the Philippine polity that resulted in the passage of CARL (Franco, 2001). It was a bloody transition for the peasants who viewed themselves as victims of injustices for centuries.

When Fidel V. Ramos took over the presidency from Aquino, he supported her land reform program by providing the necessary budget for its continued operations. In his presidency, he signed into law the extension of CARP implementation until 1998. During this regime and the subsequent administration of Estrada (who stayed in power as president for less than three years only), there were less agrarian related issues. Rural unrest has gone down as peasants have found their legal way through the CARL induced land reform courts. Disputes between landowners and peasants are adjudicated in these courts. The DAR (2005) reported that under the agrarian justice component from 1988 to 2004, a total 462,839 cases were filed of which 445,652 were solved. This justice component entails the settlement of cases, which are related to landlord and tenant relationships. It also deals with cases pertaining to land valuation. From this figure, more than 17,000 cases remain unsolved during the same period (DAR, 2005). This figure shows tremendous legal debacles between government, landlords and peasants, with the latter facing long deprivation of the “promised” land. This connotes that in the end, it is the peasants who are sacrificed in the legal delaying tactics. These cases are brought to DAR adjudication board and regular courts. The government is in lock up position given the many adjudication and court proceedings involved and the unyielding attitude of landowners. Obviously, landlords and corporate owners were employing delaying tactics in the inclusion of their farms for immediate implementation. At the same time, the government is rather preoccupied with relatively smaller lands for reform inclusion. What is remarkable as far as the policy program of Ramos is the passage of RA 8532 which extended the land reform program for another ten years (1998-2008) and the provision of more public funds to support its implementation amounting to PhP 50 billion (US\$ 909.09 million). As for Estrada’s regime, he initiated the passage of Executive Order 151 that allowed farmers to access long-term capital from the formal lending institutions.

President Gloria Arroyo continued and committed herself in the CARP implementation. Her administration formulated and implemented CARP related programs, i.e. KALAHARI ARZone. These zones consisted of

one or more municipalities with concentration of ARC population to achieve greater agro-productivity. One significant observation during Arroyo's administration is that CARP was supposed to end in 2008, where all targeted lands for distribution would have been accomplished, and the work of agencies concerned this time would be limited to support services by assisting farmers in their farm operations. Because of bureaucratic slowness, the total percentage of accomplishment was recorded at around 80 percent against the total land for redistribution. Without other alternative, Arroyo and her allies in congress extended the program. The year 2009 saw the passage of Republic Act 9700, otherwise known as the Comprehensive Agrarian Reform Program Extension with Reforms (CARPer) Bill. The CARPer Bill provides for additional funding of PhP 150 billion (US\$ 300 million) over the next five years. By 2014, it is projected that the total land distributed by DAR will be 5.166 million hectares of the total to 3 million farmers. This funding figures the costly land reform in the Philippine history.

### **3. IS LAND REFORM A FAILURE IN THE PHILIPPINES UNDER CARP?**

Having witnessed the historical origin of land issues and every regime's approach on this, I would like to bring back my question given the various obstacles and political debacles it went through. Is the policy just a mere platform of political achievement of the various regimes and, yet, it failed to provide a *genuine* land reform to the landless farmers? Or, the reform is deficient only of the vital components to succeed? Genuine means a land reform that provides secure and equitable rights to productive land for the rural poor, free of judicial and political maneuver by those with vested interests.

The CARP may not be a complete failure; however, it possessed serious deficiencies to succeed as an agenda on poverty reduction. We have witnessed that we cannot split up the personal interest of landlords from landless poor's interest in any land reform laws and programs in the country. Land reform has been a polity reality, and the politics played a significant role on the various policies and programs in each regime. It is obviously deficient in many aspects as different reform laws have been debated and passed by legislators with vested interests detrimental to the reform's success.

The redistributive nature of CARP is believed to possess some flaws given its market-based orientation, biased exemptions and exclusions, disputable manner of acquisition and distribution, and the unwarranted cost both for the program administration and acquisition of lands. These flaws, to some extent, resulted in unsatisfactory outcomes. Issues such as land valuation,<sup>6</sup> payment to landlords and from beneficiaries, and access to support services for improved agricultural production constitute a setback to the greatest achievement of the reform goals. This problem is compounded by the lack of a more institutionalized support mechanism in the post-distribution stage. It is believed to be the most ambitious in the history of land reform in the country; I would like to identify some issues surrounding this claim.

The term “comprehensive” has never been clearly defined (as also emphasized in Bello 2005) in CARL. The only assumption here is that the reform covers all types of agricultural lands that made it comprehensive (though this was reduced as a result of various exemptions).<sup>7</sup> Other than this, all land reform laws of various regimes including CARP resemble in many aspects. Believed to be a *genuine* land reform law, this public policy is not complete and in fact suffers deficiencies. The program has already taken its political toll. With court cases taking up much time for due process, landowners have succeeded in stalling CARP, and this even resulted in violent clashes involving landowners, beneficiaries and the military/police. Land-related violence and problems have politicized further the reform.<sup>8</sup> Let alone the number of legal proceedings in the DAR adjudication board and regular courts proves this conflict and disagreement.

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<sup>6</sup> As provided for under RA 6657, a number of factors have to be considered in computing for land values. These include: cost of acquisition of the land; current value of like properties, its nature, actual use and income; sworn valuation by the owner; tax declaration; assessment made by government assessors; social and economic benefits contributed by the farmers; and, non-payment of taxes.

<sup>7</sup> Section 4 of CARL provides for the comprehensiveness of the program as it covers those lands, regardless of tenorial arrangement and commodity produced, all public and private agricultural lands, including lands of the public domain suitable for agriculture. More specifically, the lands covered under the program include: all alienable and disposable lands of the public domain devoted to or suitable for agriculture; all lands of the public domain in excess of the specific limits; and, all other lands owned by the government devoted to or suitable for agriculture; and, all private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon.

<sup>8</sup> For details of reported cases, you may check the online Land Research Action Network at <http://www.landaction.org/spip/?lang=en>.

The CARP basically consists of three key components, namely: (i) land tenure improvement that deals with the acquisition and distribution of lands; (ii) support services which involve the provision of extension services, credit, and infrastructure support, among others, to farmer-beneficiaries of the program; and, (iii) delivery of agrarian justice which entails the settlement of cases relating to landlord-tenant relationship and cases pertaining to land valuation and disputes. The law stipulates that landowners have a retention right limit of 5 hectares and the legitimate heirs are also allowed additional 3 hectares each. The law also stipulates that landowner compensation is based on the fair market value of the land and that beneficiaries will initially pay the owners in cash at least 25 percent of the land value, with the balance to be amortized over 30 years with 6 percent annual interest rate. In cases where the owner and the beneficiaries could not agree on the land valuation, the government has established a judiciary system to resolve this issue. Such market consideration and legal alternative favor the landowners obviously. The flaw of this aspect is the power struggle in price bargaining, defer in immediate inclusion for reform, court system that further delays the implementation, and low repayment among beneficiaries as a consequence of overpriced lands and low level of production output due to limited help and resources available for improving farm operations.

The concession regarding retention limits among landowners also led to dissatisfaction among beneficiaries. The land limit was too landowner-friendly given the privileges the law affords to them. The policy contains auxiliary components that gave landowners the right to choose which lands to retain; thus, farmers would be left with marginalized land that would be difficult to manage and make productive. In other case, agricultural crops are no longer productive and its replanting requires huge investment capital. This was the case of rubber farms in Mindanao, when I checked the age of rubber trees they were mostly matured and bound for replacement when I visited last 2006 and 2007. Since these are already senile trees, the CARP beneficiaries are in the losing end of their operations from the 1990s period up to now. This is aggravated by the limited government support for farm operations in the areas of credit, technology, marketing, extension services, among others, and their low level of entrepreneurial abilities in managing their own plantations. All these factors eventually brought them into crisis and the escalation of poverty incidence among ARB households, a true challenge of CARP at that time.

Coupled with market-based land acquisition, as proposed by the World Bank in its effort to revive land reform, makes the present reform impractical and costly for the beneficiaries. The market-based evaluation of agricultural lands is imperfect, given the single seller/landowner-buyer/beneficiary relationship. It is a costly land valuation since the true value is not reflected in an imperfect market (the value of senile plantation crop is an example). The country adopted a market-oriented land reform that has become a great burden and is viewed as bias in favor to those who can dictate and manipulate the land price in the bargaining process, and even contest to the court if it is perceived as unreasonably acquired and negotiated. This cost takes much from the financially strapped government coffer and poor land beneficiaries whose income primarily comes from the agricultural land received.

The agrarian reform law also offers a wide range of transfer mechanisms, namely, operation land transfer (OLT) which consists of transferring ownership from landowners to tenant-tillers. Another transfer mechanism is compulsory acquisition (CA), which consists of government expropriating private properties in non-rice and non-corn areas and distributing them to selected beneficiaries. These two arrangements are coercive and executed whether or not landlords cooperate with the program and are paid via a staggered bond cash payment. The voluntary-offer-to-sell (VOS) scheme consists of landowners surrendering their land to government for valuation and distribution. This is a scheme that intends to encourage landlords' cooperation by giving them incentives when they voluntarily cooperate with the program. The voluntary-land-transfer (VLT) arrangement, also referred to as the direct payment scheme, is a land transaction directly made between landlords and peasants under terms and conditions mutually agreed upon and subject to government's approval. In this case the government's role is minimal, and they are expected merely to facilitate the land transaction and subsequent transfer. While OLT and CA represent coercive methods of land redistribution, VOS and VLT schemes are voluntary. These alternatives put the government in modest position as what mechanism is applicable to a particular land subject for reform. Since landowners are smart enough to secure their interests, many opted for option that favors them most for the reason that is obvious by now. In fact, these modalities are more popular than the other two. By 2005, 55 percent (1.008 million hectares) of the total combined land (1.874 hectares) distributed under these four mechanisms was made through VOS and VLT methods (DAR, 2005).

When I conducted my fieldwork among rubber plantations in Mindanao,<sup>9</sup> the land beneficiaries revealed that almost all previous corporate owners of rubber farms in the area opted for VOS. This is because almost all standing trees at the time of the reform were old and matured (which means reaching zero level production). In this modality, former corporate owners determined the market price of lands plus the assessed value of old rubber trees which are expected to produce less latex this time. The situation affected much the capital constraint and poor farmers because replanting is to be done soon which requires huge investment. For the next 5 to 7 years, their own cooperatives will incur minimal income since this is the waiting period before the new rubber trees will start producing latex.

CARP was understood as adhering to the land-to-the-tiller principle. However, the divergent arrangements it encompassed, including stock transfer and leaseback schemes, violated this very principle. These modalities of land transfer favor the landowners who can persuade the beneficiaries to adopt a scheme that will make them *still* in control of farms. The case of *Hacienda Luisita* is an example of scheme that favors the landlords more than the farmers. To keep the vast lands intact, the management entered into stock distribution with the farm workers in 1988, a scheme provided in the CARL in redistributing the land. This left the owners the entire right and power to manage and control the farm operations. In Mindanao islands, where vast commercial plantations exist (banana, pineapple, rubber, etc.), some previous corporate owners still indirectly or directly control the agricultural lands under leaseback scheme, and, even if the small land is now tilled by the agrarian reform beneficiaries (ARBs), old landowners manipulate the activities and functions of marketing, production technology, and financial support. In such case, only in public document shows a change of ownership status of lands, in actual farm operation the beneficiaries remained as tenants or workers. This constitutes unfulfilled promise of land-to-the-tiller as hailed by the CARL framers during Corazon Aquino's term.

There are several coordinating bodies in the implementation of the CARP by virtue of RA 6657. The CARL mandates the creation of the Presi-

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<sup>9</sup> The rubber plantations I visited for field research last 2006 and 2007 were: United Workers Agrarian Reform Beneficiaries Multi-Purpose Cooperative (UWARBMPC) in Basilan; Sta. Clara Agrarian Reform Beneficiaries Integrated Development Cooperative (SCARBIDC) in Basilan; Latuan Agrarian Reform Beneficiaries Cooperative (LAR-BECO) in Basilan; Goodyear Agrarian Reform Beneficiaries Multi-Purpose Cooperative (GARBEMCO) in Zamboanga del Sur; and the Agrarian Reform Beneficiaries of Marcelo Multi-Purpose Cooperatives (ARBEMMCO) in Zamboanga del Norte.

dential Agrarian Reform Council (PARC) at the national level, Provincial Agrarian Reform Provincial Coordinating Committee (PARCCOM) at the provincial level, and the Barangay Agrarian Reform Committee (BARC) at the *barangay*<sup>10</sup> level. These institutional mechanisms for CARP implementation seem to be ideal considering the broad representation from among the different sectors of society: the government, landowners, farmer-beneficiaries, and the private sector that exist. However, several issues had to be addressed in an institution that is bloated, and coordination is rather hard to achieve. This also reflects the bureaucratic style of governance and the lack of accountability as a result of function delineation. In the end, DAR still assumes the full responsibility of land reform being the lead agency. Yet, other agencies share in the budget utilized for the program implementation.

The four leading government agencies mandated to participate in the land acquisition and distribution process are: the Departments of Agrarian Reform (DAR), Environment and Natural Resources (DENR), Land Bank of the Philippines (LBP), and the Land Registration Authority (LRA). The total budget for CARP with these agencies administering the implementation is now amounted to PhP 250 billion (US\$5 billion), making the reform costly enough for poor resource government. The bulk of the budgetary requirement is for land acquisition and distribution (54 percent), while the rest is for operational support (25 percent) and program beneficiaries' development (21 percent). How much money left for support services is a major problem now, despite the recognition that this public-based assistance complements the land asset.

This problem is compounded by the fact that in addition to shortage of funds for a more institutionalized support mechanism in the post-distribution phase, CARP implementation has been beset by misplaced priorities and misallocation of resources among line agencies. Bello (2004) articulates clearly the problems with the administration of the reform in the areas of capacity of agencies concerned, sound budget allocation, and the strategy undertaken throughout the implementation. With a bloated bureaucracy (DAR with over 15,000 employees and officials nationwide), disbursements for operations (especially for employees' salaries) take a bigger slice of the allotted government budget. This leaves other vital components of the program insufficient of funding. For those awarded with land, the lack of public services slowed down the farm operations. The agencies capability to

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<sup>10</sup> A *barangay* is the is the smallest administrative division in the Philippines and is the native Filipino term for a village, district or ward.

train the “new” farm owners in farm management, as urgent need to continually manage, is likewise diminished given this resource-based deficiency. In my own assessment from the survey I conducted among ARBs engage in raw rubber plantation, one reason of their struggling performance is caused by their own poor ability to manage the farms since they are more accustomed as salaried farm workers. Taking over the farm management requires another skills and knowledge in which they are less capable with.

The government created the Agrarian Reform Communities (ARCs), a cluster of rural communities wherein support services are being channeled to the beneficiaries. There are now more than 1,600 ARCs all over the country. Though this area-focused approach among agrarian communities deserves commendation, it proved to be inadequate. According to DAR report (2005), roughly half of the total 1,719 ARCs have received assistance necessary in the struggling farm operations, a factor that contributed to the sluggish performance of the agriculture sector in general.<sup>11</sup>

The program is criticized for low rate of amortization from ARBs since 1988. The collection of amortization payments has been in a dismal state given the 18 percent rate. By 2004 (DAR), the estimated collectible was PhP 14.3 billion (US\$ 334.50 million), while the actual amount collected was only PhP 2.5 billion (US\$ 46.52 million).<sup>12</sup> This would contradict previous claim that income level of ARBs has increased. If indeed beneficiaries’ income has gone up, they could have afforded to pay the land amortization and improved or expanded farm operations. Again, various studies (see Bravo and Pantoja, 1998; Reyes, 2002; Elvinia, 2008) pointed out the program’s lack of support services such as credit, market, infrastructure, technology, and beneficiary capability building, which the government admitted, as roughly 3 million ARBs out of the total 4 million received support after receiving the land. This resulted in modest performance of farms and justifies on why other ARCs have fairly small incomes.

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<sup>11</sup> The countries that carried out significant land reform and where the state provided massive direct and indirect support, as well as in pro-poor social policies (e.g. health, education), were able to reduce rural poverty quite dramatically, as in the cases of Japan, Taiwan, China, Cuba, and Kerala (Kay 2002).

<sup>12</sup> In order to direct the compensation payment of the expropriated landowners into the industrial sector, land reform legislation in Chile, Iran, South Korea and Taiwan included provisions to use governments bonds for the purchase of shares in public enterprises. In this way, farmers can pay the government over a long period of time, if not partially subsidized (DAR 2006).

Despite the onset of gender equality on land access, this was never reflected in CARL. In the face of growing need of land asset among women as beneficiaries, their participation and ownership is very low approximately 23 percent only of the total agrarian reform beneficiaries (ARBs), oftentimes a consequence of succession only (as husband dies or incapable of succeeding). In short, it is not in the spirit of the law to include women as beneficiaries, despite their presence and labor contribution in farming. This is believed to be gradually changing due to the growing awareness on gender and development ascribed in the various gender programs implemented in the ARCs. But such figure is *still* not even with their male counterpart, and the law must be repealed to reflect this gender equity issue.

Given the loopholes and deficiencies, can we conclude that CARP produced the result that was aimed? Was it easy to transfer/redistribute the lands to the landless? While agrarian relations might have changed, does the reform offer them more relief than difficulties? The impact of CARP toward the improvement of household income and poverty reduction is a mixture of positive and modest outcomes among few studies made (Fuwa, 2000; Reyes, 2002; Olano, 2004). There are reasons for this incoherent pattern. However, among ARCs with complementary inputs, studies reveal that these were indispensable in maximizing the benefits from agrarian reform. These inputs partially resulted into higher incomes, especially among land beneficiaries engaged in food crop production such as rice and corn. But the positive claims of CARP to higher household income are fragmentary and if the data are correct then poverty would have noticeably declined in the countryside. Among plantation commercial crops such as rubber, coconut, sugarcane, banana and other fruit farms, the end results of agrarian reform are rather mixed due to the different modalities of land distribution decided for them. The impact of CARP in such case cannot be defined and measured as they remained farm workers.

An institutionalized supportive system that provides the credit, infrastructure, marketing, managerial skills, and technological needs, as part of land reform services in post-distribution phase, are necessary to help the “new” farmers. Although in the post-reform regime, it is more complex as budgetary and administrative capacities remained an issue in helping them. If ever modest funds are available, the government line agencies with CARP mandate share this budget as fund users. The government now relies mainly on foreign-assisted projects for post-redistribution agrarian development, especially on infrastructure development and farm inputs. When I checked the report of DAR as of 2005, a total of PhP55 billion (US\$ 1 billion)

foreign assisted projects have been incurred since the implementation of CARP in 1988. This amount mostly covered the infrastructure demands in the agrarian communities and usually in a form of ODA loans and grants from bilateral and multilateral donors.

In terms of contribution to the DAR's ODA portfolio as of December 2005, the Japan Bank for International Cooperation ranked first (33 percent) among donor agencies followed by the Asian Development Bank (24 percent), the World Bank (12 percent), the Government of Spain (12 percent), the International Fund for Agricultural Development (7 percent), the European Union (3 percent), the Government of Belgium (3 percent), and others. Without this substantial aid, ARCs would be in a dismal state even with the lands they have received. Apparently land reform carries some financial deficiencies to affect its success and in improving the environment of ARBs, a view that concludes agrarian development may not be an easy path after all as perceived to be.

The present President Benigno Aquino III inherited from former President Arroyo the commitment to finish the land reform tasks and to fulfill the promise of his mother- "land-to-the-tiller." There is still a total of 1 million hectares for land distribution targeting 600,000 beneficiaries until 2014. It is hoped that distribution process will take its way since the government cannot afford anymore of another extension. The mere fact that CARP has been implemented for over twenty years and has gone through different political debacles and legal maneuver, this makes the land reform in great disbelief. It is a symbol of *weak* government and *tainted* political will of leadership. The challenges and weaknesses of the reform program are so vivid. However, we have to make this reform work to address the serious socio-economic problems facing the agrarian sector of the country.

## **SUMMARY AND CONCLUSION**

Land reform programs have been enacted by different regimes for specific reasons, albeit political motive has been the common one. As the objectives of such reform had undergone changes over time based primarily on the socio-political context prevailing in each period, the original intentions of the reform have also been subjected to changes in each political regime. While the motive of the government in instituting this reform deserves commendation; however, the reform laws have been tainted with

vested interest of the landed elite in enacting the law, making the reform implementation difficult and derailed.

The political debacles between peasants and the landlords resulted into turmoil and bloodshed, with the peasants as oftentimes the victims, politicized further the reform. Let alone the high record of adjudication cases and court proceedings related to land reform prove that land distribution is not an easy task. We have witnessed that we cannot ignore the vested interest of the landed elites in the historical land reform laws and programs in the country. Land reform has become a polity reality, and the politics played a significant role on the various policies and programs undertaken in each regime more than the true concern of the plight of landless poor people.

The existing land reform law-CARP- is obviously deficient in many aspects which are detrimental to success. In the future, any land related policies therefore must seriously take into account the market-orientation, administrative capacity, budgetary requirement, the modality of land transfer, equity across gender, and the manner of its implementation. These issues are the causes why CARP is taking a long time. While I opine that the current reform may not be a complete failure; however, its deficiencies and loopholes disrupt the efficient implementation thereby producing discontent and disbelief.

Success stories of ARBs are available, though a thorough evaluation is necessary especially in correlating this to agrarian poverty issue. But this success was only made possible because of external help and favorable circumstances. In the post-land reform regime, supportive institutions and inputs, as part of land reform policy, are vital in making the entire reform work. And this support must be publicly supplied and government initiated. If the government is lacking of its effort, the reform will fail to deliver the best outcomes that tackle equity consideration and poverty reduction in the long run. Government should therefore provide the necessary resources to the still frail “new” landowners to be able to adjust in their new role. Only when they become stable and can stand on their own that they can contribute to the other goals of development. Land reform, after all, does not end in giving lands to the landless. They need public support that will enhance the effectiveness of the reform. We cannot just leave farmers in limbo without the necessary safety nets.

Overall, the program entails serious challenge to succeed as an agenda on poverty reduction of the government in the long run. While modest outcomes have been observed in the current land reform, in the future, however, more and more agricultural households can no longer secure their

livelihood from the land. In the post-reform regime, as the case of many developing countries now, land reform may have not probably solved all the social, political and economic issues embedded in the development agenda; however, it is *still* a crucial ingredient in improving the well being of poor rural people. After all, rural is still dominated by agriculture, and its progress within the framework of agrarian development benefits local poor people and tackles poverty in the long run.

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