

# **Agricultural Development Strategies in Sub-Saharan Africa: The Case of Ethiopian Land Certification**

## **Introduction:**

“Historically, few countries with large rural populations have been able to industrialize without a previous successful productivity revolution in agriculture. Sub-Saharan Africa countries belong to this category” (Janvry and Sadoulet 2012). Most African scholars would not doubt the need for expansive development in the agricultural sector in order to boost overall economic development and social wellbeing for the vast majority of the population. Agriculture is directly related to aggregate growth in Sub-Saharan Africa and makes up approximately 30% of the GDP for most nations in the region (*Ibid.*). Yet the debate surrounding the most effective method to cultivate strong agricultural development has not lessened despite years of programs, projects, and policies implemented by a variety of actors. Currently there are several strong arguments for different processes through which agricultural growth should be achieved, and debates about which sections of society should be the focus.

In the following study I will discuss several major schools of thought on agricultural development in Sub-Saharan Africa including state intervention, focus on smallholder farmers, agro-investment, and land rights acquisition. Looking more critically at these various methods through the lens of social equality and ecological stability I argue that assisting smallholder farmers to acquire the formal rights to their land is the best way to promote agricultural development in an equitable and ecologically sustainable way. In my argument supporting land tenure reform I will first explore tenure security as a potential strategy to increase agricultural development and the necessity for such action, particularly in the climate of Sub-Saharan Africa where rural poverty

remains high and the threat of land grabs is increasing. Next I will discuss the theory behind land tenure and tenure security programs, including the potential benefits of such projects like investment potential and access to credit for rural communities. I will then examine the case study of Ethiopia to determine whether better access to certified land tenure has made an impact on the agricultural sector, and what further work needs to be done in this area. I will look briefly at the history of land reform in Ethiopia and the current outreach program sponsored by the Ethiopian government to increase access to land tenure through certificates. A successfully implemented localized land certification program in Ethiopia could provide a model for other nations to adopt in the future. Ethiopia is a nation with a fairly large agricultural population and a moderately high functioning government. The Ethiopian government has made changes in the last twenty years to the land rights system in an effort to bring the customary rules and rights into the more formalized realm. Land rights in Ethiopia are a focus for several major NGO's working in the country including USAID and Landesa, and thus land rights changes are being made from both a top down approach and a more localized strategy. Ethiopia is also striving to be more socially equitable in their land rights system by taking measures to ensure women are receiving the same access to land despite cultural and historical limitations.

### **Literature Review:**

Most scholars would agree that any advancements in agricultural production require serious involvement of the state in order to succeed. Carlos Oya (2012) argues for increased state intervention into the agricultural sector to promote the spread of rural capitalism. He writes that the rapid liberalization in many Sub-Saharan African countries

is partially to blame for the lack of development and stagnant agricultural productivity. By deconstructing domestic parastatal marketing boards the governments effectively removed an incredibly dependable and constant source of income for many agricultural producers. Rural labor markets are detrimentally underdeveloped in non-farm related sectors and people need to be given more opportunities outside of the agricultural sector in order to develop a more robust capitalist class. In his view there is a need for long-term policy changes that create more public investment into infrastructure, especially irrigation and land improvements, more labor intensive public works to enhance rural labor markets, and national food markets that benefit both rising capitalists and the low-income net food buyers. These are essentially top-down approaches intended to reach all levels of rural populations, reinvigorating the rural capitalists and drawing more people away from subsistence agriculture and towards larger and more productive farms or other industries entirely. In regards to smallholder farmers he writes:

The (still predominant) ideological commitment to small farmers, together with public expenditure cuts, donor pressures on policy, and reduced aid flows to agriculture in Sub-Saharan Africa have been obstacles to the spread of capitalism relations of production on a large number of African countries (Oya 2012).

While the decrease in smallholder farmers according to “social Darwinism” may seem like a harsh reality, in Oya’s point of view this can actually be seen as a positive trend away from agriculture based economies and on to more advanced industrial markets.

However, in cases like Uganda (Marriage 2010) some areas of the country are left strategically underdeveloped or ignored due to ethnic divisions, and equitable distribution of state services is not guaranteed. In such cases it would appear that a more focused and localized distribution of development is necessary to address the rural agricultural sector.

Janvry and Sadoulet (2012) also push for a “strong state for agriculture” in Sub-Saharan Africa with investments into infrastructure, innovation, land rights reform, and crop diversification, but present a view somewhat opposite to Oya (2012) and contend that smallholder farmers should continue to be the priority of agricultural development efforts. They argue that by focusing on smallholder farmers, a population more prone to poverty and food insecurity, projects and policies aimed at agricultural growth will not only benefit the agricultural production sectors but also generate development and quality of life improvements for some of the most vulnerable populations. They state that Sub-Saharan Africa has a largely rural population, with 70% of poverty concentrated in rural areas and rain-fed agricultural characterizing about 88% of the cultivated land. These marginalized rural societies will also be the most effected by climate change, currently observed as increased unpredictability in rainy seasons and severe droughts throughout the continent (Stringer et al 2009). Statewide policies have the potential to reach down to all levels of the population, but it would appear that such disadvantaged groups like smallholder farmers need specific attention and solutions to leverage new opportunities. While a heavy focus on industrialization and capitalization may have created drastic economic improvement in other areas of the world, Janvry and Sadoulet (2012) argue that Sub-Saharan Africa will need a very unique and specialized development agenda to address the vast heterogeneity, especially in agrarian systems. Large farms have access to technology and international markets, but Janvry and Sadoulet (2012) argue that this type of growth is solely economic, and does not address the same number of issues subsistence and smallholder support is capable of.

In spite of the potential challenges, there are other scholars who believe that agro-investment, if done sustainably and responsibly, is exactly the kind of boost agricultural sectors in Sub-Saharan Africa need. Matondi (2011) looks at the case of Zimbabwe and describes both the benefits and costs of agro-investment led by the government, public-private partnerships, and private trusts with local investors. He argues that agro-investment is typically capital intensive, can attract foreign cash injections, and generate foreign currency into an otherwise stagnant economy. Governments and investors seek to develop and maximize the potential of “underutilized” land to revive industry, create more jobs outside of smallholder farms, and take advantage of economies of scale to reach global markets. Yet Matondi has reservations about the methods of land acquisition and wellbeing of local populations, even going so far as to characterize two examples in his case study as land grabs. He warns that agro-investors and the governments partnering with them need to carefully investigate the possible costs of new operations on national and local food security, the environment, and the long-term livelihood of local populations, especially their ownership of the land. He states “the poor require protection because they have a limited ability to organize and lobby to gain benefits from agro-investments” and looks to the government to act in the population’s best interest. Matondi concludes that,

Agro-investments that include local people and communities in all structures of the operations (shareholding, technical management, shop-floor labor) have better prospects for sustainable development that benefits the rural population than do models that rely on external or foreign technical people and investors who have a limited understanding of complex rural contexts (Matonti 2011).

This seems like a strong development strategy that incorporates local participation, agricultural production improvements, and government oversight, but the realities of such

alliances are uncertain. Large farms also have a reputation for under-compensation of land, insufficient labor markets, volatility, and little to no environmental protection (Janvry & Sadoulet 2012). The social equity and ecological stability of agro-investment is particularly subject to the actors involved with the deal.

Despite the variability of agro-investment, it is still considered a natural next step for development of agriculture in Sub-Saharan Africa on the path towards industrialization and development of an economy based less in agriculture. Yet it has been argued that before such a system is fully implemented, land and tenure rights need to be strengthened and formalized within developing countries to provide more protection for the smallholder farmers currently at risk of land grabs. Much of Sub-Saharan Africa continues to operate on what Peter Ekeh (1975) calls the “two publics”, the “primordial public” which is more customary and based in cultural norms and narratives, and the “civic public” which is more formalized, Westernized, and inherently suspect as an imposed system. One of the ways to assist in agricultural development is to bring some of the customary land tenure rules and rights into the more formally recognized sector. Doss, Meinzen-Dick, and Bomuhangi (2014) write about the importance of recognized land rights in the face of large land acquisition deals, and focus specifically on the lack of formalized legal rights for women, despite customary and cultural ideas of joint ownership and decision-making. Doss, Meinzen-Dick, and Bomuhangi state, “those who do not have recognized land rights are unlikely to be included in negotiations over the land transfers, or to receive compensation for losing their land”. Aside from providing protection and security from land grabs, certified land rights can also increase overall levels of investments in land improvements and opportunities for credit and small-scale

loans. But land rights reform can be a complex and politically charged process, as seen in Zimbabwe, where the government created reforms based on popular opinion then reversed the laws creating chaos (Matondi 2011). Furthermore, the structure of customary land rights is complex and often misinterpreted when viewed through a Western lens.

According to Adoko, Akin, and Knight (2011):

Land is held in trust by the family, for all past, present and future generations, with the current adult occupants responsible for managing it, in the role of trustees. Unfortunately, over time, this management role has become confused with actual individual land ownership, bringing about confusion, misconception, distortion, and abuse.

Despite these challenges, accessing land rights can be a powerful factor in agricultural development and overall community wellbeing. Doss, Meinzen-Dick, and Bomuhangi (2014) reference several studies that correlate land rights, specifically women's land rights, with increased net farm income and off farm income, higher rates of autonomous decision making, higher shares of expenditures on food, and decrease in women's vulnerability to HIV/AIDS.

When viewing agricultural development approaches through the lens of social equality and ecological sustainability, the strategy to secure land rights for smallholder farmers in rural areas incorporates both goals and serves as a foundational step in promoting greater agricultural development. This is an approach that combines many of the best aspects of other methods and sets up a community and a country for future success and achievement. Access to land rights requires action from the state, participation of the people, and education and outreach efforts to ensure equitable distribution of opportunity. Agro-investment provides tremendous potential for growth, development of industry, and increased value chains in Sub-Saharan Africa. However,

without secure land tenure rights this cannot be a fair and balanced process, especially when the government sells “underutilized” land that has significant historical and cultural meaning to a group of people (Matondi 2011). Increasing access to property rights has the potential to address this issue and create social equality in the face of land-grabs and tenure insecurity. In terms of ecological sustainability:

Property rights affect the time horizon for resource use, and the incentives for conservation, as well as for investment in improving the resources. Without rights to manage the resource or exclude others from using it, it is difficult for users to sustain the resource condition. Full ownership rights, including the rights to dispose property through sale or inheritance, are often assumed to provide the strongest incentive to maintain the resource over time (Meinzen-Dick, Brown, Feldstein, and Quisumbing 1997).

### **Land Tenure Rights Theory:**

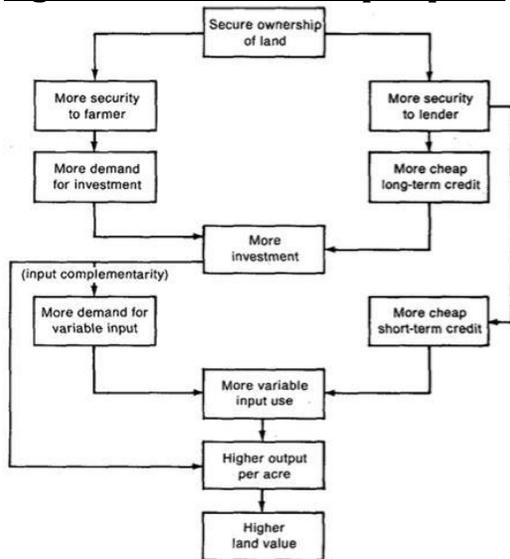
In addition to the social and ecological benefits of land rights security, for those who believe tenure security enhances farm efficiency and agricultural production, the most significant gains are: 1) the confidence to invest more in one’s land, 2) better access to credit to finance those investments, and 3) fair compensation in land acquisition and transfer deals. In regards to the first argument Feder and Noronha (1987) write that:

The main (and obvious) effect of a lack of secure ownership is the uncertainty in a farmer's mind about the value of improvements made to the land. This uncertainty tends to increase as farming becomes more commercialized. There is ample evidence that the incidence of land disputes and land grabbing by larger or more powerful farmers increases as the potential return to land rises...Uncertainty regarding ownership will also tend to affect the sale and rent of land, which would otherwise allow land to be owned or used by those who are likely to put it to best use.

Thus as farmers gain confidence in the security of their land, investment and improvement opportunities, while potentially still risky, can provide more secure and significant returns. Not only do property rights create a more stable environment of investment, they can also provide incentive to use land efficiently and to invest in land conservation and improvement (Feder, Onchan, and Raparla 1988). These land investments can include things like water-conserving drip irrigation to create less reliance on rain-fed agriculture or drought and pest resistance seeds to decrease the percentage of crops lost due to natural causes.

Another benefit of securing land ownership is the ability to use land as collateral for inexpensive credit. Feder, Onchan, and Raparla (1988) write that the “availability of land as collateral, and documentation of land rights which make such collateral credible,

**Figure 1: Land Ownership Impacts**



Source: Feder and Noronha (1987)

affect the willingness of creditors to make loans”. The lack of credit opportunities to rural smallholder farms is well documented as a continuous problem in the face of agricultural development. Land rights assist in supporting more credit structures and increasing access to smallholder farmers who would otherwise have very limited options when purchasing inputs and investing in necessary technological advancements like

irrigation systems. Figure 1 illustrates this theoretical process of credit access and improvements based on land ownership for both

the farmer and the lender, resulting in more investment, higher output, and overall higher land value.

However, land tenure does have its challenges, particularly in regards to gender and the variety of land and property rights options. In most cases land tenure systems are thought to be either formalized and structured, or customary and flexible, but given the “two publics” (Ekeh 1972) environment of many African countries, a more pluralistic system is necessary to encompass the various levels and purposes of land tenure. In the early 2000’s Ethiopia began to implement a new land tenure project that incorporates customary land traditions and boundaries with a more regulated registering program through low-cost land certification. Results from the program show increases in land productivity and investment, but still pose challenges in terms of gender equality and standardization.

### **Land Rights: Ethiopia**

According to the 2011 report on land tenure in Ethiopia by USAID, “ Ethiopia’s economy is heavily dependent on agriculture, with more than 80% of the population said to rely in whole or in part on the production of crops and livestock and more than 40% of GDP coming from that sector” (USAID 2011). Ethiopia has a history of diverse land administrative structures, including a period of state ownership during the Marxist Derg regime and subsequent land restructuring after the regime’s fall in the 1990’s. More recent efforts to revamp the land tenure system have resulted in a low-cost certification process to recognize land ownership and increase tenure security in rural areas. The program is implemented through a very decentralized process in which “following a meeting describing the program, a land use and administrative committee (LAC), to be

elected by popular vote, assumes responsibility for implementation in a labor-intensive and field-based approach” (Deininger et al 2008). The LAC is comprised of approximately 12 people and usually given at least 2 days of training before starting the registration process with individual households. The registration is completed and discussed in public, rather than based exclusively on existing records in an effort to increase transparency and reduce error and conflict. Upon registration households are given a preliminary certificate and once records have been entered into the registry book households receive an official certificate with names and often photos. These certificates cost approximately 1USD, which is considerably lower than other certificate programs, like the Certificates of Customary Rights of Occupancy in Tanzania, which costs up to 15USD (Fairley 2012). In most regions it is required to have both the male and female heads of household on the official certificate along with photos to create more gender equality in the formalized system (Deininger et al 2008).

Participation in the program has been high and in the time period between the early 2000’s and the 2006 household survey covered in Deininger et al’s (2008) and Holden et al’s (2009) research, the program had registered about 5.5 million households and 20 million plots of land. According to the household surveys analyzed by Deininger et al (2008) “public participation was strong; in two thirds of cases all neighbors were present [*to discuss plot boundaries*]”. In one region 93% of the households surveyed had received certificates, although in another only 39% had registered their plots, showing the diversity between regions in response to the decentralized approach (Deininger et al 2008). People valued the certificate and were willing to pay significantly above the charged fee to replace a lost certificate.

In terms of function the Ethiopian land certificate provides only limited rights such as the right to compensation for investment in case land is lost, the right to bequeath land, and the right to lease out to land for limited periods of time. Though the certificate is not an all-encompassing document “in a country with a high and increasing land scarcity and a historical land policy that promoted tenure insecurity, the land certificates represent a substantial improvement” (Holden et al 2009). Previously the transfer of land rights was highly restricted. Transfer through lease, sale, or exchange was banned, inheritance of land was reserved for immediate family members, and “the ability to use land was contingent on proof of permanent physical residence, thereby preventing migration” (Deining and Jin 2006). With the new land certificates the land rental market was stimulated over time and increased levels of productivity and income in the rural regions (Holden et al 2009). Overall it was found that land certification had contributed to “increased investment in trees, better management of soil conservation structures and enhancements in land productivity. The productivity increase due to land certification was estimated to be about 45%” (Holden et al 2009). Women have become more aware of the land certification process and 85% of the women surveyed said they knew where their land certification document was stored and what information it contained (Deininger et al 2008).

Despite the progress made within Ethiopia’s land certification program, there are still significant challenges to be faced in the implementation of the project going forward. One major shortcoming of the program is the continued presence of gender inequality throughout the system. In the survey completed by Deininger et al (2008) it was found that only about 20% of the LACs had a woman member, even though one of the program

goals was to increase women's participation in the decision making process and require that at least one woman be present in each of the LACs. As previously mentioned most regions also require that both the head of household and spouse be included on the certificate, however only about 13% of the certificates actually showed joint ownership (Deininger et al 2008). Identifying the source of this particular shortcoming is difficult because cultural tradition and customary law can play a huge role in the process of certification, especially where gender is concerned. It is possible that certain LACs did not think it was important to include females on the certificate and faced no repercussions for excluding women, or some women may have been reluctant to disrupt cultural norms. But joint ownership is not the only way to assess gender equality. While analyzing the number of joint ownership documents can provide concrete evidence of gaps, this significantly narrows the lens of land ownership options to just formalized methods. Doss, Meinzen-Dick, and Bomuhangi (2014) write that when outside parties, particularly Western donors, evaluate the gender gap in land ownership:

They often only recognize titled-land ownership and fail to recognize the wide range of property rights that exist, and the complexity of men's and women's roles with independent and interdependent rights and responsibilities.

Doss, Meinzen-Dick, and Bomuhangi (2014) found that in Uganda, "women are frequently considered to be owners of land in Uganda and have strong participation in decision making about the use of the land", yet they still often lack the formalized documents to prove these rights. Gender equality in Ethiopia's land certification process could be more complex than the surveys would suggest, but in terms of recognized and formalized land tenure women are still at a significant disadvantage.

Another criticism of the land certification process in Ethiopia is the lack of enforced centralized standards. One of the strengths of the program is its localized approach to increase community involvement and address the homogeneity within land tenure structures even inside a single country. However this decentralized approach can also present a problem as certificates in different regions can be more or less accurate than others, or lack the same benefits. In the previously mentioned struggle for gender equality, some regions required both male and female owners on certificates, but other regions did not. In order to add value and incentive to land certificates, they need to meet an agreed upon standard. The process of updating and recording certificates also needs to be standardized as regions often differ in their practices. According to Deininger et al (2008) some registry books are compiled and kept within the kebel, or neighborhood administrative level, while others are compiled and kept at the woreda, which is the next highest administrative level. Some regions have books at both levels and “it is not clear who has the ultimate responsibility for updating and which of the two books will, in case of discrepancy, be considered conclusive” (Deininger et al 2008). Diversity within the process of land certification is essential, but each certificate should carry the same weight and provide the same information, and records of certificates need to be uniformly accurate and updated to make the system truly useful.

**Conclusion:**

Modernizing the agricultural sector in low-income Sub-Saharan African countries will not be a single pronged approach, and African states will have to implement different strategies at multiple levels in order to see results over time. Land rights serve as a foundational aspect in creating increased agricultural productivity, but certificates of land

ownership will be meaningless if there are no opportunities to create value through developments in infrastructure, agro-investment, pro-agriculture policies, and stimulation of non-farming labor markets. According to the scholars referenced in this paper, Ethiopia has seen significant increases in productivity as a result of their decentralized and low-cost land administration restructuring program, but other countries like Tanzania which attempted to implement similar programs, have seen very little individual participation and certificates appear to have low public value (Fairley 2012). Without clear and apparent incentives, land tenure certificates will not be successful. However, land rights have the potential to incorporate investment in sustainable intensification, environmentally conscious land and resource management, and pro-poor social equality, in ways that other approaches cannot. More research should be completed at the household and community level on the incentives and impact of land certification so that tenure security theory can translate to robust results.

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