

Political Conference on a Progressive Agrarian Reform

Asian Center, University of the Philippines Diliman

25 June 2014

STATEMENT OF UNITY

The Aquino administration has recently declared support for a two-year extension of the Comprehensive Agrarian Reform Program (CARP/CARPER) until 2016, making the 25 year-old land reform program one of the world's longest-running in modern history.

Unlike radical land reform models in other countries which on average took five years to complete, CARP's seemingly unending period of completion is evidence of the program's weaknesses, primarily attributable to inherent flaws in program design and lackluster performance or lack of political will on the part of the implementing bureaucracy.

When CARP was enacted in 1988, it was riddled with loopholes that allowed non-redistributive forms of land transfer (stock distribution option, leaseback, voluntary land transfer, etc.), exemptions from coverage, and land valuation based on fair market prices. Although a few improvements were introduced into CARPER in 2007, they were not enough to plug these loopholes. After 25 years, CARP was able to cover mainly non-private agricultural lands (government-owned lands, settlements, public A&D), leaving behind a large balance of CARPable private agricultural lands (PAL) mostly in sugar and coconut. In commercial farms, CARP was implemented through non-redistributive forms such as leaseback, voluntary land transfer, and stock distribution option, all of which practically preserved the control of corporate land-owners over the land and farm operations.

What is a more alarming trend throughout CARP's 25 years is the re-concentration of land distributed either under CARP or Marcos' Operation Land Transfer in many places, and at a pace fast enough to nullify the meager land distribution under CARP. Agrarian reform beneficiaries in these areas have either "sold" or mortgaged their lands and forced back to various forms of share-tenancy such as "*arenda*", "*pabuto*", "10% sharing", forms that are far worse than the sharing system prevailing before CARP took effect.

The fact is that where land was actually distributed, CARP did not improve the livelihood of peasant beneficiaries nor did it make them economically viable. The so-called support services to beneficiaries of land distribution is sparsely dispersed, not generalized, and more important, was never meant to break the layers of monopolies exploiting the mass of peasants through predatory pricing and usurious interest rates among others. Peasant bankruptcy is rampant and ultimately leads to displacement from the land.

In peri-urban areas, land reform reversal occurs through land use conversion triggered by real estate speculation.

The failure of redistributive agrarian reform and rural development on one hand and lack of national industrialization on the other continue to produce an army of landless and jobless rural poor. While the administration boasts of spurts in GDP growth, it could hardly be sustainable as the drivers of such growth mainly come from speculative investments and the services sector (real estate, retail malls, etc.) while the productive sectors of the economy (i.e. agriculture and industry) stagnate.

The economic situation hence exposes the mass of poor peasants to the onslaught of global economic integration. Without capacity to compete or adjust to the impact of trade liberalization, small agricultural producers are outsold in their own markets. Without regulation on land accumulation by real estate developers, mining companies, and tourism investors, displacement of peasants have become rampant.

Extending CARP's life for another two years, without correcting its fundamental flaws, is a lame response to the peasant's and social movements' clamour for social justice and rural democratization. While some neoliberal stalwarts in the academe would like CARP to end ASAP, the discourse on agrarian reform and national development has to be sharpened without falling into the trap of defending CARP for the largely imaginary reprieve it could give the peasant movement in the next two years.

On the other hand, we reject the argument propounded by neoliberal economists that CARP/ER's failures can be traced to a non-functioning "property rights regime...due to strictures on the sale (and rental) of reformed lands and the land ownership ceiling." Where political factors often play a leading role under a rural elite bereft of commitment to a sustainable, long-term, and inclusive agrarian development and where rent-seeking property developers eagerly gobble up agricultural lands, instituting a market-oriented "property-rights regime" will simply be a step backward and a reversion of the countryside to the era of unrestrained and oppressive landlord rule.

At this juncture of the struggle, we, representatives of various peasant and social movements gathered in this political conference, hereby affirm our commitment to:

- Develop and build a democratic movement for a people's agrarian reform that is linked to the overall goal of national industrialization and development; and
- We will rally the broad masses of the peasantry and people for a radical agrarian reform that embodies the key principles of social justice and rural democracy with the following features:
 - Comprehensive coverage to include redistributive reforms in all agricultural, aquaculture and other alienable and disposable public land;

- Selective and progressive compensation to landlords based on tax-declared land value;
 - Zero retention limit for landowners;
 - Zero amortization for agrarian reform beneficiaries (or discounted amortization by subtracting the value of peasant labor already expended for years of tilling the land);
 - State recognition of peasant organizations as the lead organization in rural development; full state subsidies and adequate support services to increase productivity; and
 - While campaigning for fundamental changes in state policy on agrarian reform and agricultural development, we will pursue alternative economic models on the ground that empowers the peasantry, both economically and politically.
- In the immediate, we support the establishment of a *high level independent people's audit commission* that will investigate the performance of DAR, its professed accomplishment of CARP, including its ever-ambiguous data on land acquisition and distribution (LAD) targets, accomplishment and balances and litany of complaints about corrupt practices within the DAR bureaucracy.

[Statement issued by the Political Conference on a Radical Agrarian reform held on 25 June 2014 and participated in by 40 leading agrarian reform advocates, peasant leaders, and members of the academe, among these: Francisco Nemenzo, (Professor Emeritus and former UP President); Rene Ofreneo (Professor and former Dean UP School of Labor and Industrial Relations); Eduardo C. Tadem (Professor, Asian Center, UP). For reference and clarifications, please call IRDF Tel 9214673.]