

Promised the Earth:

Agrarian Reform in the Socio-Economic Agreement

Since the colonial period, unfair land distribution and the prevailing agricultural economic system have been the prime causes of armed and civil resistance in Guatemala. Successive authoritarian governments have granted national and international business elites unrestricted privileges over communal lands expropriated from the Maya. As a consequence, the majority of Guatemalans live in abject poverty and *campesino* organisations have continually fought for the reinstatement of their ancestral lands. It is estimated that over 300 land disputes currently exist in 15 of Guatemala's 22 departments.

The Agreement on Socio-Economic Issues and the Agrarian Situation, while redirecting and restructuring approaches to the 'land problem', does not contain a strategic, long-term vision of Guatemala's economic, particularly rural, development. Its overly technical, market-driven proposals do not begin to address the economic injustice and inefficiency and the deep historical grievances which are the root causes of past and ongoing rural conflict.

Patterns of Land Use and Ownership

Both the culture and economy of Guatemala is still, to a large extent, rooted in the land. Out of roughly ten million Guatemalans, around two thirds live in the countryside. Over half of the 'economically active' population work in agriculture, though it accounts for only 25% of the official Gross Domestic Product.

Land distribution and usage, however, remain grossly unjust and inefficient. Figures from the last Agricultural Census, carried out in 1979, indicate that only 38% of Guatemala's territory was registered as private farming land, with over half this amount devoted to forestry and pastureland and less than a quarter to consumption crops. Further analysis shows that much of the registered land has been misallocated, with large high-land areas best suited to forestry stripped bare for arable farming, and more fertile land, such as that along the southern coast, given over to pasture. At the same time, the census showed that the overall area devoted to subsistence farmers is disproportionately small. On one hand, farms of up to seven

Campesinos rejoice as they hear the Committee for Campesino Unity (CUC) has won them a legal reprieve and postponement of their threatened eviction from occupied land in Champerico, SW Guatemala

Nigel Dickinson/Leader Photos



hectares -less than is required to feed the average family - accounted for 90% of productive land units, but only 16% of all privately-owned land. On the other, 65% of private land was taken up by the 2% of productive units larger than 45 hectares. Unjust in itself, this land regime also results in credit, loans and other resources being channeled disproportionately to urban areas and the agro-export sector, and to chronic underinvestment in the countryside.

While the shortcomings of Guatemala's system of land usage are evident, it is extremely difficult to envisage a solution which can satisfy the divergent interests of landless *campesinos*, tenant farmers and elite landowners. Attempts to effect a redistributive land reform in 1952 led to the overthrow of the government two years later. Since that time, the state authorities have implemented measures which have not begun to address the land problem. The

Land Distribution in Guatemala in 1979

Size of farm units (hectares)	No. of farms	(%)	Surface area of farms (hectares)	(%)
<0.7	250,918	41.1	60,871	1.5
0.7-7	296,654	48.7	608,083	14.7
7-45	49,137	8.0	774,974	18.4
45-902	13,158	2.1	1,793,619	42.7
>902	477	0.1	955,922	22.7
Total	610,344	100.0	4,193,469	100.0

Davis, S.H., and Hodson, J., 1982, *Witness to Political Violence in Guatemala: The Suppression of a Rural Development Movement*, Oxfam America, Boston

Poverty in Guatemala

The World Bank estimated in 1995 that approximately 75% of Guatemalans live in poverty, and almost 58% in extreme poverty. In 1989 the minimum wage of a male rural worker in the western highlands was US\$1.35 a day, while women earned scarcely \$0.76. Wage levels have not risen significantly in the 1990s and at present a seasonal worker picking coffee receives no more than \$3 a day. The World Bank has also drawn attention to the lack of access to basic services such as health, education and housing, a consequence of enormous resource distribution inequalities in Guatemala.

1996 Agreement on Socio-Economic Aspects and the Agrarian Situation promises a new approach, but many doubt whether it can improve the lot of the impoverished rural majority.

Opposing Civic Proposals for the Socio-Economic Accord

Throughout 1994, wide-ranging discussion of the planned Socio-Economic Accord produced a series of sectoral reports. Among the more radical of these was published in July by the National Co-ordination of Campesino Organisations (CNOC). The central proposals of the CNOC document were land tenure reform and greater rights for *campesinos* in natural resource management. Its most radical element was the clause calling for a redefinition of land ownership and use based on the idea of the social function of property. This directly challenged definitions of private property upheld by every Guatemalan government since 1954 and enshrined in the 1985 constitution.

Although CNOC proposals were debated in the Civil Society Assembly (ASC), they were significantly diluted in the final ASC submission to the peace talks, published in September 1994. While endorsing a redefinition of land tenure 'to permit the legitimate and historical owners . . . best access to and use of their land-holdings' and to guarantee land access to the landless, the ASC proposals made tacit concessions to the neo-liberal preoccupations of the private sector. They recommended more 'rational and efficient use of the land' not only to increase production and meet historical grievances, but also to reflect the competitive 'comparative advantage' of Guatemala in the new global economy.

In December, the Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associations (CACIF), who had boycotted the Assembly, also produced a set of recommendations. In contrast to the CNOC and ASC proposals, CACIF argued against the idea of social property, and stressed that 'collective systems of ownership have never in practice been as suc-

'Democratisation of Land Use, Rental and Ownership'

National Coordination of Campesino Organisations (CNOC)

This document included a number of demands in five specific areas:

- **Campesino Rights:** including guarantees of *campesino* land ownership; compliance with the 1994 Comprehensive Agreement on Human Rights; demilitarisation of rural areas to enable *campesinos* to organise without fear; the speeding-up of the legal paperwork to register *campesino* organisations; and a fair wage.
- **Democratisation of the Use, Rental and Ownership of Land:** involving the introduction of the idea of 'social property'; the recovery of communal and other lands illegally taken from *campesinos* during the previous 40 years; state expropriation of idle lands; the creation of a high-level multi-sectoral commission to establish the real situation with regard to land-holdings and to verify the peace accords on agrarian matters; the hand-over of state lands to *campesinos* in the form of collective titles; and the resolution of community conflicts over land.
- **Technical and Financial Support:** the document stated that this should be based on clearly defined policies which respect Mayan worldviews and respond to the collective interests of *campesinos* with regard to production, distribution, commercialisation, etc..
- **Reform of State Institutions:** CNOC called for these institutions to include representatives from the *campesino* sector, NGOs, the church, and government.
- **Constitutional Reform:** in order to put into effect the agreements signed by the government and Guatemalan National Revolutionary Unity (URNG) as part of the peace process.

**Consensus Proposal:
'Socio-Economic Aspects and the
Agrarian Situation', Civil Society
Assembly (ASC)**

The ASC submission focused on three areas:

- **Policies for Agrarian Development**
To promote, protect and strengthen the socio-economic development of rural areas, the ASC called for a special Agricultural Fund, similar in function to the Land Trust Fund introduced in the final accord. It also proposed an overhaul of state institutions involved in agrarian matters.
- **Property, Use and Rental of Land**
The ASC called for existing agrarian legislation to be reformed to introduce the idea of social use and ownership of land. It also demanded a new agricultural census, the creation of a land bank and other measures to regulate the land market.
- **Ecological Policies**
The ASC document called for specific policies and legislation to protect and preserve the environment.

cessful as it was claimed they were'. It refuted past attempts at redistributive land reform and, on the grounds of technical efficiency, called for the privatisation of the few remaining communal or municipal lands.

**The Socio-Economic Accord -
A Minimum Consensus**

After more than a year of acrimonious debate, the Agreement on Socio-Economic Aspects and the Agrarian Situation was finally signed on 6 May 1996. In its coverage of the 'agrarian situation and rural development', the accord clearly recognises the character and complexity of the land problem. It acknowledges that the concentration of land ownership is not a technical necessity, but rather the result of a political

and historical process with no in-built bias towards efficiency. While arguing that private investment has a fundamental role to play in securing an 'efficient and equitable agricultural sector', it proposes that the state should play a central role, coordinating the efforts of a wide range of institutions.

Adopting much of the language of the ASC, the accord's stated purpose with regard to the land situation is to 'promote the access of tenant farmers to land ownership and the sustainable use of land resources.' This is to include not just the enhancement of productive capacities: the accord also commits the government to a 'global strategy' with ten core objectives:

- the promotion of participation
- improving access to land ownership
- a more equal distribution of credit, technology, training and information
- organisation of the rural population
- legal reforms
- prompt settlement of land conflicts
- the creation of a land register to clarify land ownership
- measures to ensure labour protection
- measures to ensure environmental protection
- tax reform

Within this broad strategy, key government commitments included:

1. Strengthening local and national agricultural development councils to enhance the decision-making role of rural organisations such as co-operatives, small farmers' associations, family businesses and trade unions.
2. The creation of a new, properly financed National Trust Fund for Lands to promote access of tenant farmers to land ownership. Land allocated by this fund will be state-owned (including currently uncultivated and state-owned farms and illegally settled public land); land legally expropriated or compulsorily purchased under article 40 of the constitution (this article refers to land expropriations and appropriate

'...Historic events... have left deep traces in ethnic, social and economic relations concerning property and land use...It is essential to redress and overcome this legacy and promote more efficient and equitable farming' (paragraph 28, Socio-Economic Accord)

'The State has a fundamental and vital role in (breaking with the patterns and prejudices of the past) ...as the force guiding national development; as a legislator; as a source of public investment and provider of services; and as a promoter of social cooperation and conflict resolution' (paragraph 31, Socio-Economic Accord)

compensation, although it does not mention under-utilisation of land as a justifiable cause for expropriation); or land purchased by the government on the open market. Purchases will be made with loans from international financial institutions; grants from foreign governments and international NGOs; and finance allocated through FONAPAZ (the body set up to oversee and co-ordinate projects targeted at populations affected by the armed conflict). The fund will also facilitate *campesino* purchase of agricultural lands through the provision of guaranteed low-interest loans requiring little or no down-payments.

3. Legal reform to simplify procedures for registering land ownership; and to protect and regulate community-owned land.
4. Developing a Land Register through a new land survey and the systematisation of existing information.
5. Establishing a Land Tax on under-used and undeveloped lands.

Reactions to the Accord: Winners and Losers

The Socio-Economic Accord partially reflects the various positions of the interested parties. However, its provisions implicitly indicate that resolution of the agrarian problem is understood as a process of reallocating resources within a marginally reformed institutional context based on private ownership and the market. There are no provisions for structural changes in land tenure or for expropriating unused or under-utilised lands, while the notion of social property is entirely absent. In terms of underlying philosophy therefore, it is CACIF's vision which predominates. In explaining this, most commentators point to the weakness of the insurgent Guatemalan National Revolutionary Unity (URNG) in talks and the powerful influence of landowners on government negotiators. It is also widely believed that the guerrilla leadership opted to make strategic concessions on the land issue in order to bring the peace

process to an end as soon as possible and to facilitate their own future participation in a legal political framework.

The reaction of the Guatemalan business sector and of those closely involved in the negotiations process was generally positive. CACIF president Humberto Preti hailed it as an important step toward ensuring agricultural productivity while 'providing legal certainty' for land owners. The National Farmers' and Ranchers' Council (CONAGRO) saw the agreement as a basis for national development within the framework of economic globalisation. Government negotiator Gustavo Porras Castejón optimistically argued that the implementation of the Land Register and taxes on idle land would lead to the solution of land ownership conflicts, while Rodrigo Asturias (Commander 'Gaspar Ilom' of the URNG), although recognising that the accord did not represent a definitive solution, hailed it as the first significant agreement on land reform for many years. The ASC limited its response to a brief communiqué expressing broad 'satisfaction'.

In marked contrast to these positive interpretations, many popular organisations, in common with the URNG rank-and-file, were less enthusiastic. CNOC, the Committee for Campesino Unity (CUC) and the National Indigenous and Campesino Coordination (CONIC), while conceding the accord provided possibilities for 'resolving ... the problems affecting *campesinos*', concluded that the accord was 'insufficient as a mechanism for solving land conflicts.' CONIC was the harshest in its criticism, stating that 'these are minimum accords, that do not satisfy Mayan and *campesino* demands, because our positions were not taken into consideration and because (the accord was signed) behind our back'.

In a personal interview in August 1997, Juan Tiney, leader of CONIC argued that the retention of article 39 of the Guatemalan constitution, which enshrines the principle of private landed property as an inherent human right and gives extensive state guarantees for landowners to use and enjoy their property, consolidates the present unequal system of land ownership. He also questioned the capacity of the Land Fund

and Land Tax to provide economic opportunities for *campesinos*, emphasising the lack of state-owned or fallow lands available for redistribution, and the difficulties inherent in defining what is taxable idle land, especially given landowners' tremendous lobbying power.

With regard to the land register, Tiney criticised the lack of clarity over the definition of property rights. It appears that lands illegally seized from poor *campesinos* throughout history can now be registered as legal holdings. There is no questioning of how a title came to be held, although many were undoubtedly obtained through bribery, fraud and coercion. Neither is there any mention of what is to be done in cases where the legitimacy of land titles is contested and overlapping claims exist. Some community claims to land stretch back a century, but titles recently granted tend to legitimise the claims of new owners.

Negative reactions also came from sectors of the civic opposition not specifically involved in land issues. For Rigoberto Quemé, indigenous mayor of the city of Quetzaltenango, the accord proposes non-distributive land reform, putting *campesinos* at the mercy of market forces and the pressures of the credit and banking system, while down-playing the importance of social issues. According to the Co-ordination of Organisations of Mayan People of Guatemala (COPMAGUA), the accord breathes fresh life into structures inherited from the colonial period, and fails to challenge the overriding interests of large landowners. Writing for the Latin American Faculty of Social Science (FLACSO), Leopoldo Sandoval Villeda highlighted how the new National Trust Fund for Lands is likely to make a significant impact in only two areas: the recovery of some illegally occupied public lands in the northern department of Petén and in the Northern Transversal Strip (an area which was illegally settled by large landowners and military officers during the 1970s); and the commercial purchase of lands with limited official finances. As such, it represents an unsatisfactory, piecemeal and minimalist approach to land reform.

Losing Out in Implementation

The institutions set up for implementation of the Socio-Economic Accord have the role of mediating between landowners, the government and *campesinos*. Remarkably few verification mechanisms were specified, however, and so far, the interests of the powerful landowning sector have prevailed within these institutions. In June 1997, the government announced that it lacked the resources to carry out the Land Registry promised in the accord, and that it intended to contract the service to private firms. CONIC and other organisations opposed this idea, convinced that the Land Registry is primarily a state responsibility and that private firms would favour large landowners.

Prospects for the Accord and the Land Problem in Guatemala

To understand the prospects of the Socio-Economic Accord addressing Guatemala's land problem, it is essential to examine the political and economic agendas influencing its design and implementation. Broadly speaking, two agendas have dominated Guatemalan politics in recent years:

The first of these, the so-called 'peace agenda', was concerned with bringing the government and the URNG to a negotiated solution to the armed conflict and with satisfying the political and diplomatic lobbying of the international community. This agenda is reflected in the text of the accords, which strikes a fine balance between reformist rhetoric and a pragmatic consolidation of established interests.

The second agenda was the overriding concern of the government to 'do the right thing' in the face of pressure from the international financial institutions, particularly the International Monetary Fund. Now clearly paramount in government thinking, this agenda comprises two main priorities: the implementation of mechanisms to

'manage' macroeconomic imbalances (particularly fiscal), and 'modernisation' of the state. Privatisation, administrative reform and the search for ways of spreading the costs of political and economic transition across different sectors of society are now the main components of government economic policy.

Both these agendas overlook the multifaceted problems and aspirations of the majority of rural Guatemalans. In other words, they fail to consider reform of the historic favouring of agro-exports over domestic production, nor do they address the historical grievances which underpinned the war -- centuries of displacement and socio-economic exclusion.

While the Socio-Economic Accord recognised previously neglected issues such as access to credit and technology, the titling of lands and the reform of state institutions to consider smallholder needs, it does not articulate a broad, national and long-term vision of development, and avoids any direct challenge to the inequitable status quo. Its appeals to a 'transparent land market' and 'friendly governments' may bring about a partial alleviation of rural poverty, but more substantial dimensions of the land problem have been postponed for future generations. As a consequence, low-level conflict is likely to continue, as expressed in *campesino* land invasions, strikes by rural workers and clashes between smallholders and armed agents of wealthy landowners. In all probability, simmering agrarian unrest will not lead to a full-scale rekindling of the war, yet it may well preclude a substantive and stable peace in the Guatemalan countryside.

Further Reading

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