LAND REGISTRATION IN PAPUA NEW GUINEA: COMPETING PERSPECTIVES

Like other post-colonial states, Papua New Guinea continues to grapple with issues pertaining to land. In addition to being an important source of group identity, in resource rich Papua New Guinea, land is an important source of economic prosperity. Vigorous debate however, has ensued over the relationship between customary land tenure systems and economic growth, with official land registration being proposed as a more economically viable alternative to local systems of land tenure. This discussion paper, based on a seminar at AusAID, provides an overview of perspectives on land registration, which as demonstrated by violent protests in 1995 and 2000 is a highly contentious issue in Papua New Guinea.

Peter Larmour provides a brief theoretical introduction followed by a chronological overview of official thinking about land registration in Papua New Guinea, concluding with a practical consideration of the mechanics of registering land in the country. Tim Curtin and Hartmut Holzknecht then provide competing perspectives on land registration, with Curtin advocating the establishment of individual land ownership in Papua New Guinea in order to accelerate economic growth, a task for which he believes customary land tenure is ill equipped. Conversely, Holzknecht argues that customary land tenure systems are highly productive (drawing upon the example of a motivated and productive community in Morobe Province), and that in any case, the Melanesian socio-political context is likely to confound attempts at land reform.

LAND REGISTRATION IN PAPUA NEW GUINEA: FIFTY YEARS OF CONTENTION

Peter Larmour

‘Customary land tenure’ consists of informal rights and obligations that precede the introduction of colonial land legislation, and continue to exist in parallel with it. In many parts of the developing world traditional and informal systems of land tenure coexist and sometimes conflict with land legislation promulgated by a central, previously colonial, government. Custom may be officially recognised as an alternative to law, for some places or circumstances, or for indigenous people. Or the introduced legislation may simply be ignored, unknown or irrelevant outside the big cities, or in the shanty towns and squatter settlements that surround them. Over 98% of
the land in PNG is classified as customary, and traditional claims are often made over the remaining ‘alienated’ land.

Land registration or land titling aims to formalise, and give legal effect to these customary rights and relationships. It involves investigation, survey, and registration as well as the creation of an on-going system to manage dealings in registered titles, once they have been created. It is partly a process of extending the reach of legislation to include new places, and new objects. It is also a process of discovery and recognition. The extralegal arrangements already exist. Traditional landowners, for example, are said to know where their boundaries are – it is a matter of registering them, and allowing the title to be used for collateral. The process and effect of registration, of course, also changes them.

The Evolutionary Theory of Land Rights

The international orthodoxy used to be that the absence of title was an obstacle to development. It was based on what Platteau (1996, 1999) characterises as an ‘evolutionary theory’ of land rights, which he decomposed into two elements. First, indigenous land tenure arrangements were evolving in the face of population pressure and commercialisation (as he says, the ‘flexibility’ of custom is ‘tirelessly emphasised’ by scholars, 1999: 3). This evolution tends towards individualisation and formalisation. The second element is a public sector response to this spontaneous evolution. By providing titles, governments can reduce the disputes that result from the changes and induce other economic benefits. Farmers with title will be more willing and able to invest, mortgage and sell their land (and governments better able to tax it). These sort of arguments underpinned land titling schemes throughout Africa, Asia and the Pacific.

They have been more recently expressed in Hernando de Soto’s influential book The Mystery of Capital (2000), which celebrates the entrepreneurial abilities of the poor, and the informal institutions of loans and rents they create outside the formal legal system. He argues that countries failed to develop because their legal systems were unable to convert assets held by the poor, including their land rights, into capital, which they could use to grow rich.

These arguments are plausible. They sometimes have less resonance among people who, through colonial history, corruption or post-colonial conflict, see government intervention as a source of insecurity rather than security. ‘Individualisation’ of communally owned land may challenge local values, even if local farmers often, in fact, farm individualistically. The story also depends on a number of other circumstances being in place – banks willing to lend, farmers willing to mortgage land to borrow, and projects that are worth lending for.

Research Results

The evidence for the effectiveness of customary land registration as it emerged from sub-Saharan Africa was at best ‘inconclusive’ (Platteau 1999: 6). There was no discernable impact of registration on investment behaviour. Customary rights were often very secure, and negotiable. Markets in land were emerging without title. Lack of opportunities deterred investment more than lack of credit, and in any case farmers were reluctant to put their land at risk. The process of registration created disputes rather than resolving them. Where land was registered, the records were rarely kept up to date. Registration could not grasp complex bundles of rights, and so increased rather than decreased transaction costs. Beyond semi-urban situations, the cost effectiveness of centralised land registers versus decentralised informal mechanisms was doubtful. There were also unwelcome or unexpected effects on distribution, as registration tended to favour the rich, well educated, well connected and male.

Similar conclusions were drawn by Atwood (1990), who noticed that clarification of land rights might reduce transaction costs for outsiders, but increase them for insiders, who now had to pay survey and registration fees. It could also create as much as reduce uncertainty. Modelling by Sjaastad and Bromley (1997) raised questions about the flow of causation. Rather than tenure determining markets, they found tenures adjusted to markets that grew up, or failed to, for other reasons.

Empirical evidence of the non-effects of registration was found quite independently of the African research, in late colonial Solomon Islands. It helped put the nail in the coffin of colonial schemes that politicians were ready to dump for other more political reasons (Neilsen 1979, Totorea 1979a, 1979b)

Official Thinking about Land Registration in PNG

The development of official thinking about customary land registration in PNG can be divided into roughly four periods: a ‘modernising’ period in the 1950s and 1960s;
a nationalist reaction to it at independence; a 'liberal' period in the 1980s; and the current period of World Bank interest and demonstrations against it.

The Modernising Period

In what was called 'systematic adjudication', government teams would move through the country, region by region, interviewing farmers, surveying boundaries, adjudicating disputes and registering the results. Scattered holdings might be consolidated. Individuals or groups might be registered as owners. Thereafter any dealings in land would take place through the register. The system originated in colonial Sudan, and was taken up in Kenya, from where it was transmitted to Solomon Islands, Papua New Guinea and Vanuatu (then called the New Hebrides). It was transmitted by a group of officials in the British Colonial Office, which later became the Overseas Development Administration then the Department for International Development. Their careers had intersected in Kenya, and their experience was incorporated in a body of doctrine by Rowton Simpson in his Land Law and Registration (1976).

Simpson had discussed the Kenyan system with Hasluck (the Australian minister responsible for Papua New Guinea), as early as 1957, before the introduction of the 1962–3 package of Papua New Guinea land ordinances. His later critical report on the way they were working (Simpson 1971), led to the new Land Adjudication Bill drafted by Fleming. The Kenyan example of systematic adjudication, transmitted through Simpson, Fleming and Lawrence, was explicitly referred to in the preparation of the 1970 package of legislation in Papua New Guinea. Two Ministerial Members of the House of Assembly, and a separate 'technical party' of the Papua New Guinea Director of Lands and two other expatriate officials visited Kenya to see how the system worked.

However the Kenyan model was only partly transferred to Papua New Guinea. Simpson reluctantly recommended that the legislation continue to provide for individual applicants (Simpson 1971: 11-12). Secondly, the registration process stopped at the 'Record of Existing Rights' (Bredmeyer 1975: 65-69). There was no provision for subsequent consolidation.

The Nationalist Reaction

A nationalist reaction saw the transfer of the Kenyan model abandoned, or dressed in new clothes. Where it had been transferred through official networks and study tours, the nationalist model was developed through a Commission of Enquiry and the consultants they hired. These consultants were academics rather than colonial officials, and they brought to bear a different set of models: from Maori land tenure in New Zealand, and from other Pacific Islands, rather than Africa. The break can be seen in PNG in 1971, when Dr Alan Ward, a New Zealand historian, intervened in parliamentary debates about the Kenyan model.

The bills were running into opposition from several directions: the legal profession, who objected to the administrative provisions, and from Papua New Guinean politicians, who objected to lack of consultation (Bredmeyer 1975). Ward was then a visiting academic at the University of Papua New Guinea. The paper that he circulated among members was entitled 'Agricultural Revolution, Handle With Care' (Ward 1972). In it Ward sharply criticised the assumptions behind the bills, and predicted dire consequences if they were enacted. The paper provided alternative arguments to those of Simpson, Lawrence and Fleming, and drew on New Zealand policies towards Maori land rather than British policies towards African land, for examples and warnings. Newly elected Papua New Guinean MPs were already suspicious of the legislation, and the uproar forced the colonial government to withdraw it and set up a Commission of Enquiry into Land Matters instead. Ward then became a consultant to Papua New Guinea's Commission of Enquiry into Land Matters (Ward 1983). The Commission recommended a less individualistic system of registering group titles and conditional freeholds. In the 1980s, legislation allowing for systematic and sporadic registration was drafted and passed by two provincial governments (East Sepik and East New Britain), but the national framework within which it was to operate never emerged.

The Liberal Wave

The third wave of transfer was organised by a conservative think tank called the Institute of National Affairs, which was established in Papua New Guinea in 1976, funded by local businesses. Its influence on government was institutionalised in a National Development Forum, which brought businessmen and senior ministers together.

It would invite distinguished North American scholars to look at current issues of concern to the private sector. The models proposed drew on the lively tradition of Public
Choice and the New Institutional Economics, introducing a fresh set of ideas into what had become a rather tired debate between modernists and nationalists. Some research in the public choice tradition had dealt specifically with customary land tenure, including North American Indian land rights (eg Bottomley 1963; Trosper 1978).

Knetsch and Trebilcock’s 1981 report on land policy was influential on government policy in the early 1980s. Its argument was universalist: Melanesian landowners were assumed to be self interested maximisers, like everyone else. Their report led to the establishment of a joint public-private sector ‘task force’ whose report provided the basis for Lands Department’s drafting of new legislation for the sporadic, rather than systematic, registration of customary land rights. The legislation was abandoned, particularly after a critical report on it by a consultant for the World Bank (Noronha 1985).

Robert Cooter’s (1991) proposal, as consultant to the INA, was the subtlest. He rejected the centralisation of Kenyan and other models of adjudication, proposing instead a ‘common law’ process that built decisions on custom in particular cases. Instead of trying to register all land under a central stature, local courts would be encouraged to record and share their decisions, made as and when conflicts occurred. Over time, he argued, a practice based, nation wide, common law would be built up out of ad hoc decisions, generalised, adapted, and shared through legal conferences and training. In this case an external adviser recommended an endogenous process, not borrowing from Africa, or looking to neighbours. Cooter was also realistic about the costs of a centralised approach.

Enter the Bank

The line between the liberal advice of the INA, and the advice of the World Bank was not very clear, not least because the Bank spoke with different voices, particularly by the late 1990s. It became influential in PNG in the early 1990s, as the government turned to it for loans (Kavanamur 1998). Its consultants generally took a conventional economic approach, but were also less suspicious of state activity than the INA’s public choice advocates. Whereas the INA had relied on lobbying, seminars and publications, the Bank had a more powerful instrument for transferring its ideas in loan conditions. In 1995, it proposed the following condition:

Complete framework legislation for customary land registration. Complete registration in East New Britain and Sepik

Once leaked, the proposed condition provoked a nationalist backlash led by NGOs. Students demonstrated, government vehicles were burned, and there were demonstrations in the Highlands. The government quickly backed down, and the Bank dropped the condition (Filer 2000: 32-37).

Conclusions

There has been a softening in the orthodox view. Ian Williamson, for example, has been closely associated with World Bank titling programs and has a professional interest in the process as a professor of surveying. He argues that registration systems must be ‘appropriate’ or they will end up doing more harm than good. He also identifies a shift in World Bank thinking, quoting a senior Bank official saying that security did not necessarily mean freehold, and that in any case rights must be adjudicated systematically, not ad hoc in response to applications from individual farmers (2001: 12).

Plateau concludes that African governments should only intervene if and after local and informal methods are no longer reliable (1996: 76). How, then, to decide?

Cost and Benefits

The costs and benefits can be thought about in different ways: in relation to subsidies, as opportunity costs for government, and in the transaction costs to users of formal over informal systems. Systematic adjudication may be more efficient and fairer than sporadic registration in response to demand from particular owners. But it requires a higher rate of subsidy. Figures from a Solomon Islands scheme in the 1960s illustrate some of the issues: costs at then current prices to the government were about $6 per acre, with beneficiaries charged only 5% of the commercial rate for survey fees, and $5 per parcel, plus 25c per acre (Hughes 1969 quoted in Larmour 1984: 75). Sporadic registration, where the costs can be sheeted home to the beneficiaries, may require less subsidy, but at the cost of dangers of land grabbing. In practice, as with other public services in developing countries, the middle class may be able to attract subsidies to themselves, at the expense of the government budget, and equity.

There are also opportunity costs in devoting highly skilled survey and adjudication resources
towards land registration, rather than (say) the courts (as Cooter’s common law proposal, above, suggested).

A ‘transaction costs’ approach that looks at the costs and benefits of making and securing agreements would not prejudge the outcomes of choice between formal and informal institutions. In some cases registration may be more efficient than self management, but in other cases not, and the result is likely to be a mixture (Larmour 1990).

Implementation

Registration can also be considered as a problem in policy implementation. Research on the conditions for successful implementation finds simple policies, consistent with local values, are more likely to be implemented than complex policies that challenge local values (Rose 1993: 118-142; Parsons 1995: 486). The process may be one of dialogue and interaction, as much as the imposition of a blueprint.

Experimentation

PNG’s provincial system allows different legal approaches to be applied, and the results (if any) compared. Experiments began in East Sepik and East New Britain in the 1980s and the results could be systematically compared. Funds might be available for provincial level experiments, provided there was a commitment to compare and evaluate the results.

Good Governance

Platteau suggests that the success of registration will depend on the quality character and capacity of the state – ‘good governance’ in the sense that donors define it. For example, it was this that tipped the balance in Ensminger’s account of institutional choice in post colonial Kenya. Using a transaction cost approach she describes how the nomadic Orma people began to make more use of state institutions and market relationships. One of the factors that determined their choices was the relatively benign face that state institutions presented in the 1980s, when power was being decentralised and there was less corruption and harassment than before (1996: 157-161). So a land registration scheme is unlikely to command much popular support, and local level cooperation, if there is widespread distrust of government, and suspicion of corruption among officials administering it. Sporadic adjudication is particularly open to corruption.
SCARCITY AMIDST PLENTY: THE ECONOMICS OF LAND TENURE IN PAPUA NEW GUINEA

Tim Curtin

Introduction
This paper examines the argument that Papua New Guinea’s system of traditional land tenure has not held back the country’s economic development and sets out the case for establishing individual land ownership in Papua New Guinea. Evidence is presented showing that output of those of PNG’s exported cash crops that are mainly produced by smallholders using communal land has not kept pace with population growth, and that production of food has at best grown no more rapidly than the population. The paper cites experience in other countries that indicates that land reform can be successful in raising productivity in the rural economy, and provides evidence indicating that tenure issues could explain the very low level of bank lending to agriculture in PNG. A concluding section makes some suggestions for how a land reform programme could be managed in Papua New Guinea in such a way as to win the support of most of the country’s people.

Land ownership in Papua New Guinea
Almost all Papua New Guineans claim to be landowners, and indeed they are, but only collectively, since they may not as individuals freely buy, sell or otherwise dispose of their land. There is a clear difference, all too often overlooked by some anthropologists, between buying, owning, and, when one chooses, selling a car, without reference to third parties, and “owning” land that one has not bought and may not sell. There is no doubt that landowners in PNG do have some of the rights of ownership, extending to entitlements to build homes and to make use of the output from identified trees and gardens, but those rights generally do not include disposal of existing, or purchase of new, trees and gardens. Moreover while registration of customary land holdings would be a step forward this would not of itself create individual tenure, by which in this paper is meant the right to buy and sell land like any other commodity.

Harding (cited in Hogbin 1973: 107) spells it out:

(individual land ownership) confers a number of definite rights: principally the right to use the land, the right to exclude others from its use and enjoyment; the right to transfer it by sale, lease, or gift; and, perhaps most notably the right to receive income from the property independent of use. This particular combination of rights – use, exclusion, alienation, and income – does not occur in any Papua New Guinea society.

The ‘Anthropologetics’ of Communal Land Tenure
Some – but by no means all – anthropologists and other social scientists are staunch defenders of the belief that communal land tenure is compatible with economic development. Thus although it is true that at most only some 3% of PNG’s land area has been alienated from customary owners to the State, from which individual leasehold titles may be purchased, it by no means follows that “the unequivocal corollary of this is that some 97% of the land area and resources are currently held in private hands (sic)” (my italics), (Holzknecht 1999:141). This failure to distinguish between usufruct rights, whereby land owned communally may well be worked by individuals who retain the benefits of that work for their own purposes, and full ownership rights, is clear from Holzknecht’s further comment that in a traditional land tenure system “development of any kind cannot proceed without the explicit approval of the customary owners … through decisions made by customary corporate groups”. That requirement to obtain collective consent to any development from groups, rather than from private individuals acting independently of each other, conflicts with two of the four criteria laid down by Harding (exclusion and alienation) and they form the crux of the land issue in Papua New Guinea.

Attempts by the Government, with World Bank encouragement, to move towards a system of individual land tenure culminated in the student-led riots in Port Moresby in 1995 and 2001. The rioters apparently believed that the introduction of land registration would inevitably lead to landlessness, either through nationalisation of land by the government, or even through transfer to foreign ownership (Lea 1997; Lea 2001:49). In reality the proposals under discussion (Henao 2001) did not contemplate more than widening the scope for leasehold arrangements for land that would remain under customary tenure.

Ironically, in 2000 every single Papua New Guinean man, woman, and child could have been allocated title to over 8 hectares, for Papua New Guinea has a land area of over 452,000
sq. kilometres, not to mention its very large oceanic area between and beyond its hundreds of islands, and a population in 2000 of just over 5.2 million. This implies a crude population density of about 11 persons per sq.km. (i.e. per 100 hectares), up from 6.5 in 1980, but still very low compared with Indonesia's 114, if not with Australia's 2. To be sure, much of PNG's terrain is mountainous and some coastal areas of the mainland are swampy, but compared with say Afghanistan, with its 27 million people in 640,000 sq.km. of equally rugged but arid mountains (a density of 40 per 100 hectares, i.e. 2.5 hectares per person), PNG's land endowment cannot be considered either small or ill favoured. Indeed, with the average family household comprising 5-6 persons, the land availability per household is about 45-50 hectares, almost all of it well wooded, with large potential for expansion of tree crop production, many unexploited arable areas that are also suitable for intensive livestock production, and all generally within relatively short distances of clean running water, although that becomes problematic in (the relatively infrequent) drought years.\(^1\)

Yet despite the evident plentiful availability of land per se, almost none of it is available for purchase for agricultural, commercial, or residential purposes, and there is as a result a serious shortage of land (Ploeg 1999). One potent sign of PNG's land scarcity is the extraordinary absence in the whole country – apart from the 3% of State land – of both modern housing, except in the towns, and of large-scale agricultural and tree-crop plantations except in the alienated State-owned areas. The lack of availability of land for development also partly explains the absence of tourist resorts along nearly the whole length of the country's coastline.

The low levels of mortgage financing for homes in PNG are discussed below. In the case of tourism, while PNG's long southern coastlines face part of the Great Barrier Reef, and other similar reefs with world-renowned diving possibilities, there is but a single tourist resort (Loloata Island) that exploits this resource, in contrast to both the hundreds on the other side of the reef in northern Queensland and to the dozen tourist resorts that have been developed on PNG's northern coast and the New Guinea islands, where there is access to alienated land, mostly on former copra plantations. Self-evidently, PNG's southern coastline provides little access to the credit secured against title that is usually necessary to develop the infrastructure for tourism.

The lack of development of PNG's tourist potential, which is as great in the highlands as along the coastline, results in total annual inflows of foreign visitors (including business visitors) of less than 40,000, compared with Kenya's 500,000 or Australia's 2.5 million. Tourist resorts are labour intensive, create markets for local farm produce, and provide income opportunities for cultural groups.

Moreover if land ownership were clearly demarcated, it would greatly facilitate both the development of PNG's still largely untapped mineral resources and the more equitable distribution of the royalties and compensation payments required of the developers. Disputes between putative landowners – many of whom have been as at Porgera and Mount Kare new arrivals in project areas whose claims could not easily be contested by residents who had no evidence to support their own claims – helped to delay some projects (e.g. the Gobe and Moran oilfields) and prevent others (Mount Kare goldfield) (Filer 1997; Ballard 1997:55).

Holzknecht (1999: 144) excuses the student-led opposition to land reform by contending that "it cannot be overemphasized how important land is for individual and group identity, survival, continuity, security, and well-being in PNG: to be landless is to be a person without roots, without merit, unpredictable, and undependable, a tripman" (Pidgin for a drifter). Yet whatever the psychic and cultural benefits Papua New Guineans derive from their land, there is no doubt that the income it yields them under present arrangements is not impressive and is indeed falling, certainly in terms of cash incomes from crops like copra, cocoa and coffee, and quite possibly also in terms of food consumption per head.

Agricultural Performance of Customary Landowners in Papua New Guinea

The data on population growth and growth of the main exported cash crops since 1980 in Fig.1A show how output of coffee, cocoa, and copra oil has fallen behind population growth in Papua New Guinea – the population increased by over 70% between 1980 and 2000, at an annual rate of 2.7%, and output of these crops in 2000 was higher than in 1980 by 31%, 32%, and 41% respectively, with annual growth rates

---

\(^1\) Increasing population pressure in some parts of the country, especially the Eastern Highlands province, has led to degradation or riverine water supply, and typhoid has become a serious health problem.
of less than 2%. The fall in the Kina since 1994 has exaggerated the money value of the exports of these crops and thereby concealed the extent of the fall in the real value of output per head implied by the comparative growth rates displayed in Fig.1A.

The minimal growth since 1980 of production of coffee, cocoa and copra (and others like pyrethrum and rubber) contrasts with the belief that since most of the total output of these crops derives from smallholders working on customary land, "customary tenure systems are not an impediment to economic development" (Holzknecht 1999: 156). However in his contribution to this discussion paper, Holzknecht accepts that despite PNG's "tremendous potential to harness the benefits of a resilient civil society with strong social capital... there is significant underdevelopment; a very large proportion of PNG's rural population do not have access to basic services. They live in situations of great economic and social hardship, and ... suffer from a great poverty of opportunity ... to such an extent that life in many villages is now worse than it was 10 or even 20 or more years ago".

That is certainly not the case in and around the great oil palm plantations in New Ireland, West New Britain, Milne Bay, and Oro Provinces. The casual visitor to these can hardly fail to be impressed by the evident prosperity of the neighbouring villages, based not only on supply of labour to the estates, although much of that tends to be from other parts of the country/province, but on their own production of oil palm and on the general economic activity and social services (like clinics and schools) underpinned by the estates.

It is also suggestive that oil palm is the only tree crop to have increased output consistently faster than the population growth rate (Fig.1B). But two-thirds of PNG's palm oil is grown by foreign companies (three British, one Malaysian, one Belgian) on alienated land, and the balance by smallholders – and many of these, notably in West New Britain, also own their land as individual block holders. There are some small-scale outgrowers working customary land and supplying fresh fruit bunches to the estates' mills in Milne Bay, Oro, West New Britain, and New Ireland, but they depend heavily on the estates for a range of services as well as access to the mills, which are of course all on alienated land, and their productivity even so falls well short of the nucleus estates', by as much as four times in the case of Milne Bay (Koczberski et al. 2002: 21). The five estates mostly occupy land alienated for copra or cocoa estates during the German colonial period, i.e. pre-1914.

Believers in the development potential of customary land have yet to explain why there has been no attempt by its "owners" to organise
palm oil production in other feasible areas (e.g. East New Britain, East Sepik and Madang). They could build their own milling facilities, perhaps using the legislation for establishing Incorporated Land Groups ("ILG") that have been proposed as an alternative to land alienation, to raise finance, but as explained by Lea (2001), such groups may fare no better than individuals offering only their customary land rights as collateral to banks (see below). Moreover Henao (2001) has documented how all too often as many as five ILGs have laid claim to the same land.

Similarly, PNG's landowners have failed to develop their livestock resources to their full potential. Hide (2002:19,84) has documented the low productivity of the country's pig industry, citing Gibson and Rozelle (1998:19) who estimated a rural production figure of 60,000 tonnes a year in 1996, from a total stock of about 1.8 million animals, valued at K243 million. This does not compare well with Australia's annual output of 370,000 tonnes p.a. from a total stock of 2.6 million animals in 1999 valued at K1.4 billion Kina (ABS 2001: 641-3).

Logging is the only other of PNG's primary industries to have grown more rapidly than the population (Fig.1B), and then only until 1996. Since the World Bank obliged the government to impose penal taxation on log exports in 1996, logging exports have also fallen like exports of all other crops apart from palm oil (Hunt 2002).

As with oil palm, it is foreign companies, mostly Japanese and Malaysian, which play the leading role. These companies operate under licenses issued by the Government, nominally with the approval of, or in association with, local "landowners". The licenses are a form of lease, but do not constitute transfer of ownership of the logging areas, and that in itself is enough to inhibit the loggers from replanting trees whose useful life would only emerge after their licenses expired.

Various reports have revealed the extent of malpractice in the logging industry, beginning with the bribing of successive Ministers for Forestry and their departmental heads to secure licenses, through breaches of permit conditions and transfer pricing to avoid PNG taxes, to exceeding sustainable cuts, and "persistent manipulation of resource owners (sic)" (Holzknecht 1999:147). The history of logging in PNG is indeed one of failure by the putative owners of the resource to establish their rights and secure an equitable distribution of the industry's profits, because of their inability to prove their title to any given area (Filer 1997).

In short, the problem has been that the "resource owners" have had no proof of their own ownership rights, so that the logging companies were free to treat with a range of so-called landowner companies that had no legal title but represented themselves as the "resource owners", when in reality they were no more than the satraps of local politicians: "agreements about access to resources were made behind closed doors, with very little if any broad consultation with the majority of resource
owners, (and the landowner companies) inevitably side with the loggers against their own people" (Holzknecht 1997b:98; 1999:149). As a result the royalties and other devolved benefits due from the licensees do not reach the customary residents of the affected areas who are the putative "landowners".

Another indicator of the poor development outcomes in PNG's logging industry is a tendency for population growth to be slower in the main logging areas than it is in the census districts where mines or oil palm estates operate on alienated land. Western Province is a case in point, with the fastest population growth in the North Fly district that hosts the Ok Tedi mine, and the slowest in the Middle and South Fly Districts where the loggers have moved in. Similarly in West Sepik, where the only significant commercial activity is a large logging project, population growth since 1980 is well below the national average (NSO, 2002). In the absence of title or long-term leases, loggers there have had little incentive to replant logged-out areas with the plantation timber that is necessary to sustain the large-scale capital investment needed to establish a timber processing industry with its significant labour requirements. By contrast PNG's only – until recently – plantation and timber processing industry, in Bulolo, largely accounts for the growing density of population in the Wau-Bulolo valley.

Food Production of Communal Landowners in Papua New Guinea

Communal landowners' food production is even less impressive than their cash crops. In the total absence of food exports (itself telling, given PNG's volcanic soils and excellent rainfall, vastly superior on both counts to Australia's), there is very little hard data, and almost none at all in the form of time series. There are a few snapshots: the Provincial Working Papers on Agricultural Systems of Papua New Guinea, like that by Hide et al. for the Western Highlands Province (1995), includes data on food consumption of farmers working with various crop systems in 1983. Gibson and Rozelle (1998) report on a later national poverty assessment. The conference volume Food Security for Papua New Guinea (Bourke et al., 2001) contains a number of papers with other "snapshots". The country's large agricultural potential has been documented by Hanson et al. (2001).

The limitations of subsistence food production are illustrated by a Western Highlands survey: some hundreds of families in each district were asked in 1982/3 what they had eaten the previous day: in a typical district 97% reported eating sweet potato, 15% banana, 5% taro, 2% cassava, 2% fish, and 24% ate rice (Hide et al., 1995: 25). All except the rice was grown locally. Apparently no meats or poultry were consumed, and apart from pork, reserved for special feasts, virtually none is produced.

Duncan and Temu suggested (1995: 37) that the value of subsistence production in the national accounts is under-estimated, for example, at only K396 million in 1989, and that it is likely to contribute more than half of agriculture's share of GDP. Gibson and Rozelle confirm this view by indicating a value of total rural household food production of K1.3 billion in 1995 (1998: 19). But that apparently large amount reduces to only K362 per person of PNG's rural population in 1995, i.e. less than one Kina per person per day (equal to US$0.70 in 1995, and less than the US$1.00 per person per day considered by the World Bank to be the bare minimum for survival).

It should however be noted that such per capita data, which averages total production over the rural population as a whole, conceals considerable variations. Compensation paid to some of the landowners in the Porgera Valley by the mining company varied from K15,000 per hectare for unimproved bush to K35,000 per hectare for land under active cultivation with many improvements, at a time when the Kina was nominally worth slightly more than US$1.00 (Burton 1997: 123). The latter figure implies an annual income of around K3,500 per hectare – but confirms Hernando de Soto's vision (1999) of the underlying but unrealized wealth of the poor in developing countries like PNG. With security of K35,000, a titled landowner could expect to borrow as much as K100,000 if he or she envisaged projects (e.g. housing for rental to Porgera's mineworkers, pumps, fencing, purchase of stock) yielding enough to service that debt – see below for a discussion of the low level of bank lending for agriculture in PNG.

Part of the explanation for the minimal growth of the smallholder cash crop sector may be that it has switched much of its effort from non-food cash crops to food production for the growing population. Data to document any such trend, if it exists, is not available, other than the evidence in the 1996 Household Survey of insufficient food production to provide an adequate intake of calories by the rural population, with 42% of the rural population...
receiving less than 2000 calories per day (Gibson 2001:409). In addition there are seasonal deficiencies, like those reported in the Eastern Highlands by Muntwiler and Shelton (2001:439). Gibson also noted that “the risk of child stunting and chronic energy deficiencies for mothers” was twice as high in the rural areas as in the towns, and Mueller (2001:428) reported how satisfactory child growth was critically correlated with household cash crop production, and in that context the failure of the output of crops like cocoa and coffee to keep pace with population growth is alarming.

Thus the demonstrable poor performance of PNG’s smallholder cash crop producers has considerable implications for the future standard of living of the mass of the population, with, as noted above, output below the population growth rate of 2.7% p.a. The Government’s response in the 2002 Budget is to allocate additional funding of K30 million for the coffee and copra industries, but if that funding is merely provided to the industry boards, both notorious for misappropriation of growers’ funds, it is unlikely to achieve much.

It has been argued that the existence of food production on customary land is enough “to refute economists’ claims that customary land tenure can be seen only as a severe impediment to development activities” because of the “extremely high value” of food production supplied to urban markets and of cash crops like betelnut (Holzknecht 1999:146). But the only specific data mentioned are an estimate of the gross value of betelnut production of about US$4.5 million in 1995 (then about K6.4 million) in Central, Morobe, and East New Britain provinces (the main producers). This is an important and valuable crop for the communities concerned, but after adjusting for costs, the net income from betelnut translates to a per person figure in those provinces’ total population of not more than K3-5 per year. The claimed “extremely high value” of rural food production was estimated by Gibson at only K1.3 billion in 1995, or less than one Kina per head per year of the total rural population. Thus in reality the available evidence provides scant support for the view that customary tenure has not prevented development of the rural economy.

It was noted above that PNG’s customary landowners have failed to respond to opportunities for growing the world’s most profitable food crop, palm oil, except where they live in proximity to a foreign estate and mill. Another possibility for these landowners is the large potential for both red and white meat production. PNG’s annual consumption of red meat (beef, sheep, and goat) has trebled over the last twenty years, growing at 6% p.a., to about 52,000 tonnes of cwe (carcass weight equivalent), but almost the whole increase has had to be met by imports, amounting to 41,800 tonnes in 1998. Domestic production is dominated by commercial producers on alienated land, such as Ramu Sugar. “Expansion of red meat production would lessen import requirements and save foreign exchange” (Vincent and Low 2000) – as well as providing gross income of K130 million (the value of imports in 1998), an amount double the estimated value of commercial betelnut production noted above.

Red meat demand is mostly for sheep meat, but PNG is not well suited for sheep, despite attempts in the Eastern Highlands. Suitable areas of grassland exist to allow for much larger production of beef, but this requires bigger holdings than most smallholders have access to, and clear property rights over herds. Goats, well suited for smallholder production, are a possibility but have not been widely adopted. PNG has maintained self-sufficiency in pork production – but has evidently failed to develop commercial production sufficiently to compete with imported beef for a bigger share of the total increase in meat consumption. For as shown in Table 1, pig meat’s share of total estimated meat consumption in PNG has fallen from 53% in 1980 to 20% in 1998. The Table indicates the failure of PNG smallholders to respond to the significant opportunities for commercial sales from their main livestock resource.

| Table 1 Meat Consumption in Papua New Guinea 1980–1998 |
|---------------------------------|------|------|------|
| Beef | 17.77 | 17.67 | 15.44 |
| Sheep meat | 6.73 | 32.94 | 34.47 |
| Poultry meat | 22.76 | 26.25 | 30.46 |
| Pig meat | 52.74 | 23.14 | 19.63 |
| Total | 100 | 100 | 100 |
| Total – in tonnes of cwe | 70,632 | 87,148 | 104,985 |

Source: Vincent and Low (2000).

Note: Domestic production accounts for about 15-18% of beef consumption; while almost all sheep meat is imported; all goat meat consumption is locally produced; PNG is self-sufficient in poultry, which was protected first by an import ban and then by prohibitive tariffs, and in pig meat. There are no estimates for production of sheep, goat, poultry, and pig meat for own (i.e. subsistence) consumption since 1980.
Anton Ploeg offers rather different arguments against the hypothesis that “the continued existence of customary land tenure, in other words the lack of registered land rights, especially individual ownership and leasehold, is a main factor hampering growth” (1999:165, 178). First he notes that the adoption of cash cropping by PNG’s subsistence farmers did not lead to any significant change in techniques, apart from the adoption of steel tools in place of tools made from sticks and stones, which continued to be based on manual labour and employed little capital: “accordingly labour productivity is restricted [and] production requires relatively much time which limits the expansion of cash cropping”. However this lack of adoption of labour saving equipment of all kinds, of which water pumps are an obvious example, that would be the norm in say Queensland or even any Australian suburban garden, is itself as much a symptom of the land tenure regime as an explanation for the continuing low productivity of PNG agriculture.

Secondly, Ploeg notes that the amount of land where individuals can have secure customary rights within their existing villages is limited, because land is parcelled out in small lots, and new lots can only be acquired at some distance from existing settlements, adding to walking time between plots. Claims on such new areas may be contested and lead to disputes, which explains the prevalence of unused land through much of PNG’s rural areas. Moreover since inheritance systems exclude primogeniture, there is a tendency towards fragmentation of existing household plots. When even some households’ larger aggregate holdings comprise many small and scattered plots, the scope for economies of scale with equipment of any kind becomes limited.

Thirdly, Ploeg emphasizes the continuing importance of ceremonial activities, which preempt not only labour time but also any cash derived from crops. This militates against accumulation of savings for the purposes of investment in lieu of consumption.

Clearly Ploeg (1999:181) is right that it is far from certain that changing land tenure would be enough to create the conditions for increasing output and productivity in PNG’s rural sector. Yet experience elsewhere, starting with Europe, but including African countries like Egypt (since 1952) and Kenya (since 1955), suggests that such pessimism may be unwarranted.

Impact of Land Reform

It has been suggested that PNG’s forests are like “the commons”, i.e. the land that in Europe was not enclosed and transferred to private ownership until the second half of the last millennium, and so was in principle available to all for grazing and other purposes, leading to degradation and far lower productivity than was achieved after enclosure and alienation. The phenomenon known as ‘the tragedy of the commons’ arises when the users of common land for grazing (or in PNG’s case, for logging) have every incentive to maximize their own utilization of the resource since they need contribute nothing to the costs of maintaining it, the end result being its ruination (Jones and McGavin 2000:28).

The role of the enclosures in raising agricultural productivity in Europe has been discounted, with claims that in England enclosures resulted only “in a flood of landless people into urban areas, thus providing cheap labour to fuel the industrial revolution” (e.g. Holzknecht 1999:154). This stereotype of the enclosure movement is far removed from reality, and ignores the huge increase in agricultural productivity, whilst “the flood of landless people” arose from the reductions in infant mortality in families settled on enclosed land, which in conjunction with primogeniture inheritance that meant younger sons had not much to hope for if they stayed at home (Armstrong 1989:657).

Kenya’s land registration and titling programme was the inspiration behind the Australian government’s belated and unavailing attempts to promote land tenure reform in PNG in the years shortly before independence was granted in 1975 (Rowton Simpson et al., 1971). Prior to 1955 land tenure in Kenya had much in common with customary systems in PNG. Thereafter the colonial government combined a programme of land registration and consolidation in the customary land areas with resettlement of African farmers on former white-owned farms, and this was continued at an accelerated rate by Jomo Kenyatta’s government (1964-1977) (Halewood 1979; see below).

The outcome was an explosion of production of both old and new crops by Kenya’s formerly purely PNG-type subsistence farmers. Particularly striking was the emergence of small-scale dairy farming in the newly tenured areas, with enough milk produced to support the government’s free school milk programme in the country’s cities by the late 1970s, but this has received less attention than the large increases in Kenya’s smallholders’ production of coffee and tea. A key factor was the large provision of credit that became possible with the establishment of title (Okoth-Ogendo 1981:...
The data in Table 2 on production of coffee and tea in Kenya in the 1970s shows how smallholders accounted for a rising share of the rapid growth of coffee production in Kenya between 1964 and 1976. Smallholders dominated PNG's coffee production by 1975, when they accounted for two-thirds of total production, but expansion since then has been slow, as implied by Fig.1A (Fleming and Anthony, 1993:52).

It would be wrong to imply that changing land tenure changed everything in Kenya, least of all the propensity to governmental corruption, as endemic there as in PNG. One of the emerging problems from the 1980s onwards was that unreformed inheritance laws led in practice to breaking up of the titled smallholdings to accommodate burgeoning numbers of inheritors.

Nevertheless Kenya's agricultural production contrasts vividly with PNG's. In 1980 its food imports were 8% of total imports, while PNG's were 21%. Kenya's food and beverage exports were 44% of its total exports in 1980, and 59% in 1998 (latest available year); PNG's were 23% in 1980 and 23% in 1999 (dropping back from 27% in 1998 after the recovery in oil prices in 1999) (World Bank 1987, 2000; BPNG 2001).

Egypt's land reforms in the sense of moving to individual tenure had begun in the previous century, and the 1952 land redistribution was firmly based on individual title. It was accompanied by a large increase in the provision of rural credit and the development of a cooperative movement, essential when 90% of holdings consisted of one hectare or less. The outcome was dramatic increases in agricultural productivity, despite the fall in yields that might have been expected from the additional annual cropping permitted by the Aswan High Dam, with yields per hectare of most crops rising by at least 50% between 1951 and 1971 (Mabro 1974: 81). Above all Egypt demonstrates that individual land tenure is compatible with maintaining equity, by the use of legislation limiting the maximum size of holdings, contrary to common suggestions that customary tenure equals equity and that individual tenure equals monopolization of all land by a few.

Establishing a fully juridical system of land tenure in PNG, with enforcement of repossessions in case of mortgage defaults, would in all likelihood greatly increase banks' willingness to lend, and development of cooperatives would also be helpful (they played a leading role in Kenya's smallholder coffee sector – and in Tanzania's until abolished by Julius Nyerere in the 1970s). By contrast, some of PNG's commodity boards (cocoa, copra) have in some cases served only to expropriate growers' surpluses in times of high prices, and

<table>
<thead>
<tr>
<th>'000 tonnes</th>
<th>KENYA</th>
<th>PNG</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>coffee s/holders</td>
<td>total</td>
</tr>
<tr>
<td>1964</td>
<td>16.6</td>
<td>41.5</td>
</tr>
<tr>
<td>1970</td>
<td>30.4</td>
<td>58.5</td>
</tr>
<tr>
<td>1972</td>
<td>27.8</td>
<td>61.8</td>
</tr>
<tr>
<td>1974</td>
<td>39.3</td>
<td>70.2</td>
</tr>
<tr>
<td>1976</td>
<td>37.7</td>
<td>80.2</td>
</tr>
<tr>
<td>1978</td>
<td>N/A</td>
<td>95.0</td>
</tr>
<tr>
<td>1980</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Hazlewood 1979; BPNG 1998, 2001

Egypt's land reforms in the sense of moving to individual tenure had begun in the previous century, and the 1952 land redistribution was firmly based on individual title. It was accompanied by a large increase in the provision of rural credit and the development of a cooperative movement, essential when 90% of holdings consisted of one hectare or less. The outcome was dramatic increases in agricultural productivity, despite the fall in yields that might have been expected from the additional annual cropping permitted by the Aswan High Dam, with yields per hectare of most crops rising by at least 50% between 1951 and 1971 (Mabro 1974: 81). Above all Egypt demonstrates that individual land tenure is compatible with maintaining equity, by the use of legislation limiting the maximum size of holdings, contrary to common suggestions that customary tenure equals equity and that individual tenure equals monopolization of all land by a few.
have at best been more concerned with price stabilization than with expanding their clients’ production (Fleming 2001).

**Agricultural Credit in Papua New Guinea**

The lack of credit and other support services necessary for raising PNG’s rural productivity has been widely noted. The Government for many years provided substantial budgetary funds to the so-called Rural Development Bank (the former “Agbank”) for on-lending to the rural sector. The Bank accepted no deposits, and soon became known for being unconcerned with repayment or payment of interest, with the result that almost its total portfolio was non-performing by the time it was taken over by the state-owned commercial bank PNGBC in 1999. The lack of repayment of its loans for agriculture meant that it was always wholly dependent on budget funding for new loans.

Otherwise credit for the rural sector has depended on the commercial banking system, and as is evident from Table 3, that lending, at less than K200 million in 2000 and 2001, is a small proportion of total bank advances in PNG, and certainly out of line with the size of the rural sector with its 80% of the country’s total population. Bank lending to the agricultural sector has declined from K350 million in 1994 to K165 million in 2001, despite the increase in total lending over that period from K1.16 billion to K1.75 billion (see Table 3). Thus just as land is scarce in PNG, despite its abundance, there is also a scarcity of money for agriculture, but that is more apparent than real, given the banking system’s large unutilized lending capacity.

PNG’s banks in September 2001 had liquid assets equal to 37% of their lending, well above PNG’s very high legal minimum of 30% – the norm in developed countries is around 8% (BPNG, 2001). Were collateral available, the banks would no doubt lend more for agriculture – and the BPNG might well then be able to lower the liquidity ratio, since unlike most of the banks’ lending, which is taken up by importers, loans to the rural sector would relieve the country’s balance of payment restraint, by reducing food imports and raising exports.

**Mortgage Lending in Papua New Guinea**

The lack of collateral does not only hold back PNG’s agriculture sector. Bank lending for housing is less than K100 million, around 7% of total bank lending, compared with nearly 50% in Australia. Introducing individual land tenure could quite quickly lead to modern home construction not only in the burgeoning squatter settlements in PNG’s towns but also in its many villages, led initially perhaps by retirees from the urban areas. That in turn would stimulate the construction industry, which at present accounts for only around 3% of GDP, and which is both labour intensive and relatively reliant on local materials.

### Table 3 Commercial Banks Outstanding Advances by Sector 1994-2001

<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th>Manufacturing</th>
<th>Commerce</th>
<th>Construction</th>
<th>Housing</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994 A$M</td>
<td>519.1</td>
<td>90.5</td>
<td>317.7</td>
<td>59.8</td>
<td>65.2</td>
<td>667.0</td>
<td>2545.9</td>
</tr>
<tr>
<td>1994</td>
<td>350.5</td>
<td>61.1</td>
<td>214.5</td>
<td>40.4</td>
<td>44.0</td>
<td>450.4</td>
<td>1160.9</td>
</tr>
<tr>
<td>1995</td>
<td>321.4</td>
<td>68.5</td>
<td>217.7</td>
<td>44.2</td>
<td>49.8</td>
<td>539.8</td>
<td>1241.4</td>
</tr>
<tr>
<td>1996</td>
<td>286.8</td>
<td>73.5</td>
<td>226.9</td>
<td>31.1</td>
<td>46.7</td>
<td>517.1</td>
<td>1182.1</td>
</tr>
<tr>
<td>1997</td>
<td>294.3</td>
<td>70.5</td>
<td>245.1</td>
<td>32.2</td>
<td>49.3</td>
<td>599.8</td>
<td>1291.2</td>
</tr>
<tr>
<td>1998</td>
<td>248.0</td>
<td>95.4</td>
<td>285.4</td>
<td>51.7</td>
<td>78.0</td>
<td>932.7</td>
<td>1691.2</td>
</tr>
<tr>
<td>1999</td>
<td>180.5</td>
<td>67.5</td>
<td>363.8</td>
<td>62.8</td>
<td>83.6</td>
<td>961.2</td>
<td>1719.4</td>
</tr>
<tr>
<td>2000</td>
<td>141.0</td>
<td>71.9</td>
<td>386.2</td>
<td>58.2</td>
<td>96.2</td>
<td>1059.8</td>
<td>1813.3</td>
</tr>
<tr>
<td>2001</td>
<td>164.8</td>
<td>91.8</td>
<td>409.1</td>
<td>61.5</td>
<td>95.5</td>
<td>930.2</td>
<td>1752.9</td>
</tr>
<tr>
<td>2001 A$M</td>
<td>102.14</td>
<td>56.9</td>
<td>253.6</td>
<td>38.12</td>
<td>59.2</td>
<td>576.5</td>
<td>1086.5</td>
</tr>
</tbody>
</table>

**Source:** BPNG (Quarterly Economic Bulletin)

**Note:** Data is for March, usually the month when seasonal loans to agriculture are at their peak. Other mostly comprises loans to other businesses, the government, and non-housing loans to individuals.
The German development agency GTZ has acted on de Soto’s ideas (2000) by sponsoring large-scale registration of illegally built homes in the largest slum in the world’s most crowded city, Egypt’s Cairo, as a first step towards upgrading both housing and infrastructure. The residents of Ezbet Bakhit will be able to buy the land they occupy, and thereby gain access to credit, as well as start paying taxes (Drummond 2001).

David Lea (2001: 39) has discussed the structure of the 1974 Land Groups Incorporation Act, the enabling legislation for the ILGs advocated by Holzknecht (1997a) as an alternative to individual land tenure for purposes of raising capital. Lea quotes James’ description of the Act as “lineage clothed with legal personality” and retaining key elements of the customary land system, such as “collective ownership, mass participation in the decision making processes, traditional disputes settlement philosophy, and a distribution system based on one’s interest in the land” (1985: 50). That description almost fits a modern company or corporation, with its collective ownership by shareholders, their enfranchisement at annual meetings that appoint directors and determine profits distribution in proportion with one’s interest in the company. What the ILG lacks is the company’s liability to be bankrupted and lose its corporate assets (but not those of its shareholders) if it fails to manage them effectively. That penalty for failure provides the element of accountability or “contestability” that de Soto (2000: 47) has emphasized as crucial to the development process – and that was so signally lacking in the lending operations of the Rural Development Bank.

The unwillingness of much of rural society to contemplate the possibility of mortgage sales of estates and farms that have failed to service their debts largely explains the decision of PNG’s banks to walk away from rural lending even to formerly colonial enterprises working alienated land that are now in national hands. The Wahgi Mek coffee estate was a rare success story of a landowner company able to raise large bank loans because it had title to a former colonial estate – but that success excited the envy of adjacent communal “landowners” lacking title to their own holdings who claimed possession of Wahgi Mek by force in 2000. Such actions both explain the reduction in lending to agriculture evident in Table 3 – and indicate the need for comprehensive rather than piecemeal land reform (see below). But clearly the ILG model, if adapted to accommodate the principle of limited liability of its members as primarily owners of ground rents, whilst encompassing the possibility of losing its leaseholder rights over their land, could approximate modern corporations. This was indeed broadly the concept behind the tentative proposals for land reform, put forward on behalf of the Minister for Lands by Henao (2001), which led to the student riots on the streets of Port Moresby in July 2001.

A guide to implementing land reform in Papua New Guinea

Siaguru (2001) has well described the practical difficulties that would confront any new attempt to implement land tenure reform in PNG, in a dialogue with a friend of his whose comments are given here in italics:

“...There is no way that a registration of PNG customary land could be drawn up this century. Even if, in the odd case you could manage to come to a decision about a specific piece of land, do you imagine there would be no appeals? Bear in mind what is needed to codify the land. You have to establish what the unit of land-ownership is in the first place. Or rather, that’s not the first place. First you have to determine what types of land rights there are, then establish the owning unit for each category. And, of course, both the types of rights and the owning units are likely to vary from one part of the country to another. But that’s not the difficult part. Having set up the types of rights and the types of owning units, you then have to draw on the ground the boundaries of the extent of these rights on the lands concerned, and you have to draw up a list of the names, the identities, of the actual owning groups. And, then, once you have got that accomplished, you have to establish who are those persons who are rightfully members of all those different groups. Have you never come across instances in which royalties from some commercial exploitation of this or that local exploitable resource continue to lie in a bank deposit because the clans involved are so stubborn about what they consider is the correct division of ownership, and so proceeds, that they prefer seeing the cash left unused in the bank rather than entertain the idea that their neighbours might be illicitly benefiting from more than their rightful share? No, Tony, there is no way that a registration of PNG customary land could be drawn up this century. And, then, by the end of the century, there will be so many of us, given the current rate of population increase, that we would not be able to sell the land even should its boundaries be all neatly drawn and everyone with a claim given his or her certificate, because any one share would be only worthwhile investing on the horses, and anyway we’ll all be cultivating everything in sight with not a tree to be seen.”
It may therefore be helpful to describe how individual land tenure was achieved elsewhere, despite all the above problems, first in 1778 in the present writer's ancestral village of Wedmore, in Somerset, England, and secondly around 1960, in Kenya, where almost identical problems were successfully dealt with. The most important point is that contrary to the apparent belief of some of PNG's opponents of land reform, in neither case was any person dispossessed of any part of his customary land, even if subsequently as a matter of choice the land awarded was sold or otherwise disposed of. Thus in Wedmore in 1778, a large majority of the village's customary landowners themselves applied to the Parliament in London for an Act enclosing Wedmore Moor, being the common land to the east of the village (its other surrounding moors were dealt with later). The Act made a total of 258 awards of customary tenements within the Moor to some 168 individuals (some obtained more than one allotment, in accordance with their acquired customary rights) (Rose 1982: 20-26). This writer's distant relative William Stone was one of those “allotted and awarded” full title to his “tenement” (i.e. parcel of land to which he had customary rights), as defined by survey and measuring two acres (about 0.8 hectares). The Act also allotted several tenements of two acres each to William's brother Benjamin, his cousin Gabriel, and his aunt Mary Stone. In return for granting them title, the Act required the Stones and the other recipients of awards to maintain and keep in repair “all gates, styles, hedges, mounds, bridges, fences and watercourses” on their land (Rose 1982: 72-74). No persons who had customary rights to any part of the Moor lost their entitlement, but they did gain the right to sell their – or buy other – allotments. The population of Wedmore at the 1801 Census, by when the enclosure process had been completed, was 2,083; but contrary to Holzknecht's assertion noted above that the enclosures led to a decrease in rural population, the village's population had increased by the 1851 census to 3,865 (Page et al., 1911: 341).

The creation of individual title in Kenya was similar. Again, not only were traditional rights recognized, but in addition opportunity was taken to consolidate scattered fragments of land holdings into larger single units, and this was widely welcomed (Sorrenson 1967: 223). Unlike England, where the enclosures took place gradually over centuries, the process in Kenya’s highlands was completed within two decades. By 1977 92% of 30 million hectares (equal to about 66% of PNG's total area) of total registrable customary land (i.e. excluding the north-eastern nomadic areas) had been registered and title granted, amounting to some 1.7 million farms, of which about half were less than one hectare (Hazlewood 1979: 34-42). As noted above, the 2000 Census indicated that PNG has about one million households, so that providing each of them with registered title would not be more difficult than in Kenya – and as in Kenya, aid donors could be asked to support the process with expertise and funding.

A key feature of Kenya’s land reform, unlike England’s, is that it adopted South Australia’s Torrens system of 1858, whereby registration was compulsory and title was guaranteed by the State (Sorrenson 1967: 182-183). This was done to avoid the complexities of land conveyancing in England and use of the “corrupt” local courts in Kenya.

Table 2 above provided data on the Kenyan smallholder’s contribution to production of coffee and tea. In the case of tea, the area planted increased from 5,100 hectares in 1964 to 43,600 hectares in 1976 (Hazlewood 1979: 45). In addition to tea and coffee, smallholders made a notable contribution to sugar production, accounting for a third of total production of 1.9 million tonnes of sugar cane in 1977 (Hazlewood 1979: 45). By contrast, although sugar cane is native to the country, smallholders scarcely contribute at all to PNG’s commercial sugar-cane production, which is confined to a single estate that produces less than a quarter of Kenya’s output.

Summary and Conclusions

Holzknecht and Ploeg amongst others argue that there is no economic necessity for PNG to change its traditional forms of land tenure to modern forms based on alienation, “and making land a commodity to be bought and sold” (Holzknecht 1999: 141), “because a high percentage of coffee, cocoa, copra exported from PNG comes from smallholders working on their customary land” (Holzknecht this volume). The failure shown above of those smallholders to expand output in line with the growth of population is nevertheless prima facie evidence of a case for land reform, evidence that is supported by Holzknecht's assessment that "some 93% of the poor live in rural areas, where over 41% of the population live below the poverty line". Holzknecht's further comments...
that "large [sic] tonnages of garden greens and other vegetables – and certainly not all traditional crops – are sold in markets around the country", and that "the betelnut market around PNG is likely the highest value annual crop for which a sophisticated marketing network across PNG has been developed” were shown above to be based on inadequate interpretation of the data, as well as being inconsistent with recognition of the depth of poverty in PNG's rural areas.

The experiences noted above of land reform in countries as diverse as England, Egypt, and Kenya suggest the potential benefits available in PNG. In particular, the expansion of Kenya’s smallholder production of coffee and tea if replicated in PNG could well have more than doubled the cash incomes of the latter's smallholders in its highlands. The similar apparent inability of PNG’s customary landowners to respond to the opportunities for cash production of palm oil, sugar cane, and red and white meats also suggests that the problem may lie in land tenure.

Land reform of itself cannot solve all the problems of development, but it has been part and parcel of success in so many countries in the rest of the world that it deserves a chance in Papua New Guinea.
CUSTOMARY LAND TENURE SYSTEMS: RESILIENT, APPROPRIATE AND PRODUCTIVE

Hartmut Holzknecht

Introduction

Customary land tenure issues in Papua New Guinea (PNG) were most recently brought to national and international attention through a series of violent marches and demonstrations during July 2001. Demonstrators’ anger was directed in particular against globalisation, against the World Bank and the IMF and at their assumed coordinated efforts directed towards land mobilisation and registration of customary land in the country.

In mid-1995, almost to the day, there were similar violent demonstrations in many of PNG’s urban centres in response to virtually the same range of issues. At that time these public responses were directed in particular at one component of a World Bank-funded ‘Land Mobilisation Project’. That component was originally intended to review the kinds of land mobilisation activities then beginning in a number of provinces (in particular in East Sepik, in East New Britain, in the Western Highlands and possibly elsewhere) with a view to seeing what common core – if any – in terms of provincial approaches, could be found upon which a national approach to land mobilisation could be built. These tasks were given to a private lawyer to develop. Within a fairly short time this so-called land mobilisation review document seemingly became an official Land Mobilisation Policy, despite the fact that the draft proposal had not even been considered by Cabinet nor even been read by the then Minister for Lands (Barter 2001: 1).

As a result student and NGO groups organized themselves and major demonstrations against a rumoured World Bank take-over of all PNG land. The result was that this particular component of the Land Mobilisation Project was dropped and suggestions were made that the registration of customary land would not be pursued again. Six years later, with window dressing added to the draft act for Customary Land Registration, there were attempts to have the draft act approved by the National Executive Council, ready to put to the National Parliament.

Elsewhere in this discussion paper, Peter Larmour notes a number of internationally accepted views that consider customary tenure, or the absence of title, as being a major obstacle to economic development. Though many of the same considerations underlay attempts in the late 1960s and early 1970s to import land registration strategies from Africa to PNG, the latest version of this – also mentioned in despatches by demonstrators in the middle of this year – is Hernando de Soto’s book The Mystery of Capital (2000). De Soto pulls together much interesting evidence (especially from Latin America and Africa), about the lengths to which entrepreneurs go to remain outside formal state-controlled systems and suggests that peasant entrepreneurs would be better off if they had title to an area of land and were thus able to raise further capital. However, I believe that his thesis carries much less weight in Melanesia (Holzknecht, n.d.).

Supporters of land registration use a number of arguments to bolster their point of view (Lawrence 1974: 2-5), namely that registration automatically produces development, that the individual ownership of land and security of tenure enhance access to capital and motivate production, and that registration converts customary tenure. But even fully committed supporters sound notes of caution. One of the earliest proponents in Papua New Guinea, Rowton Simpson, has noted that:

Land registration must be kept in perspective. It is a device, which may be essential to sound land administration, but it is merely part of the machinery of government. It is not some sort of magical specific which will automatically produce good land use and development; nor is it a system of land holding (land tenure); it is not even a kind of land reform, though it may be a valuable administrative aid to land reform. In short, land registration is only a means to an end. It is not an end to itself. Much time, money and effort can be wasted if that elementary truth be forgotten (Rowton Simpson 1976: 3).

The introduction of land registration does not necessarily contribute automatically or directly to agricultural productivity, for it does not necessarily alter the nature of tenure nor the use of the land. Nor does it automatically change the attitudes or practices of the farmers on whom productivity depends. In South Pacific countries these statements stand...
on their own evidence as well as on the basis of common sense, but there is also a high degree of corroboration from evidence elsewhere. Experiences from sub-Saharan Africa (as just one regional example), where many of the negative assumptions associated with customary tenure on land and land productivity have been shown to be illusory at best, also support these statements (Platteau 2000).

These examples quite clearly demonstrate that inputs other than the registration of land are always necessary to begin to bring about these assumed changes. The nature or use of land may be changed, for example, by reclamation or irrigation works or by land reforms; the tenure of land may be changed by land law reforms, including the conversion from customary to statutory tenure; the attitudes of farmers may require a patient programme of re-education involving formal courses, new institutions, introduction of new crops and marketing facilities for them, or new farm implements, including mechanisation.

Land registration however, can facilitate or complement these other inputs in various ways, and this contribution to productivity is valuable. ‘Various ways’ include: in particular the facility for simple, quick and safe methods of dealing with land; the facility for mortgaging (charging) land as security for longer-term credit for development of farms thereby, if banks are ready to lend for agricultural purposes, greatly expanding the source of available credit; provision of security of tenure through guarantee of title and reduction of cost and time spent on wasteful land litigation (Lawrence 1984: 6).

The issue of ‘land title’ or ‘land titling’ is also raised in the context of land registration. In the PNG context, customary land is already privatised but just not in the preferred western mode, i.e. to individuals. Customary land is privatised essentially to customary groups; the actual land group involved, whether clan, sub-clan, lineage or other entity varies from place to place. ‘Title’ in the western sense has never been needed because each such land group has been able to establish the primacy of its claims and rights over a particular named area of land, forest, inshore reef or other resource. This primacy is each group’s title in a customary sense. This notion of ‘title’ is discussed further below.

Background

The issues of land mobilisation and land registration arise in the context of a particular socio-economic background. I will very briefly review some of these since they are of importance to what follows (drawn partly from Anderson & Parker 2001).

PNG has tremendous potential to harness the benefits of a resilient civil society with strong social capital based on enduring and valued cultural and social traditions, and drawing on bountiful natural resources. Despite this, there is significant underdevelopment; a very large proportion of PNG’s rural population do not have access to basic services. They live in situations of great economic and social hardship and, in trying to improve their lot and that of their children; they suffer from a great poverty of opportunity.

PNG’s population suffers from the effects of an unstable macroeconomic environment, declining per capita GDP, high levels of inflation and interest rates, growing external debt and a depreciating currency. Sectoral trends are not encouraging (agricultural GDP fell by 4.3% in 1997 and a further 13% in 1998); the delivery of basic services has dramatically declined (or, in many cases, ceased altogether), for rural agriculture in particular. PNG’s social indicators now trail behind those of other South Pacific countries. The impact of these deteriorating indicators is particularly devastating in rural areas, to such an extent that life in many villages is now worse than it was 10 or even 20 or more years ago.

Despite PNG’s status as a middle-income country, many social indicators are on par with significantly poorer countries. The monetary benefits accruing to the country are clearly not being translated into broad improvements in social and economic indicators. A national survey (World Bank 2000) has established that some 37% of PNG’s population does not have sufficient cash to meet a ‘poverty line’ based on income needed to purchase food to provide a sufficient energy intake (c. K461/yr/adult). Some 93% of the poor live in rural areas, where over 41% of the population live below the poverty line. These figures suggest that something is going drastically wrong and it is for this reason that issues related to customary land tenure need to be examined much more carefully to find the factors necessary to increase land productivity.

In terms of governance, most of PNG’s public institutions are not able to function effectively for a variety of reasons – lax financial controls, mismanagement and misdirection of public funds, corruption, and lack of effective sanctioning mechanisms. How does one
transform these public institutions into accountable, responsive organizations that can deliver services effectively? Donors sometimes view weak institutions as able to benefit from capacity building and training programmes, but without more fundamental reforms and proper coordination of approaches the impact of such interventions is very limited. Longer-term strategies are needed that will locate institutions in a broader Melanesian context, take time to understand the incentives and processes through which decisions are made and resources allocated, and aim to design strategies that address fundamental institutional constraints (see also Ostrom 1990, 1992).

If natural resources were appropriately managed, PNG’s forests, waters and land could potentially improve the quality of life for much of the rural population. Yet poor policies, boundless exploitation by unscrupulous developers, corruption at many levels and weak monitoring and regulatory institutions have all resulted in a significant loss of revenue, consequently reducing economic gains for the country as a whole, and for the rural population in particular. The trust and confidence of rural people in public institutions, still left over from colonial times, has severely eroded.

Virtually all forested land, for example, is managed under customary arrangements with interventions being initially made by government (through the PNGFA), and later by developers. The community management of forests is a major challenge and a significant opportunity for sustainable economic growth and environmental protection. Past exploitation however, has led to expropriated revenues and fraudulent deals with local entrepreneurs acting (usually illegally) on behalf of local groups. The survival of community-based land and resource management practices is integral to the maintenance of social cohesion and to the promotion of sustainable development.

Virtually all rural families have access to land for subsistence crop production and cash sales. Customary land tenure systems have provided remarkably resilient tenurial security, social stability and equity. From the perspective of market-based land ownership systems that permit the unambiguous and unimpeded transfer of ownership however, customary tenure is complex and poses major challenges to the mobilisation of land for development purposes. Land claims are of significant costs to the state and act as a serious disincentive to investment. Efforts to develop a uniform, national system for dealing with compensation claims have been developed and are now under consideration (Dwyer & Dwyer et. al. 2000), though those proposals are not thought to have reached the heart of the matter.

**Issues, Opportunities and Strategies**

My introductory comments have by themselves introduced a number of salient points on which to build further comments:

**Land mobilisation/land registration**

The ways in which land mobilisation and land registration are going to help PNG as a whole and, probably more importantly, of what help they will be to the ordinary rural person are yet to be explained to the PNG public. As someone in the backblocks of the Sepik River or on top of the Finisterre Range in Morobe might ask – “who is going to lend me money here even if I have a land title?” If there were a project and a business plan in such a location a bank might consider them, but how does an ordinary villager achieve that?

There are major problems with land registration that make it valid to seriously doubt that the state is able to implement it in a productive, coherent, organized and useful way so as to achieve useful and agreed-upon goals. If the state cannot even properly manage the 3% or so of land that is alienated, then what guarantee is there that it can properly manage 100% of PNG’s land? The contention that urban land could and should be different is a valid one to make, and I will come back to this point below.

But we cannot leave it at that. One thing stood out very clearly in all the speeches made by demonstrators objecting to land mobilisation and land registration in PNG: no single individual or group presented any viable alternatives (other than that put forward by the private lawyer mentioned above); there were no thoughtful discussions of what choices PNG had; no one mediated the extremes of the current dual tenure systems in PNG and the dreams of narrow economists who possess little understanding of what is happening on the ground in Melanesia. The one exception was the ‘PNG Land Symposium’ (Sullivan, ed. 2002) convened at the Divine Word University; where many thoughtful and provocative presentations were made.

There is an alternative, which is already utilized in PNG, and which both the Solomon Islands and Vanuatu are looking at with great interest. In 1974, following the submission of the report of the Commission of Inquiry into
Land Matters, PNG passed the Land Groups Incorporation Act [LGIA]. This is a rare law that has managed to capture the essentials of Melanesian flexibility as they apply to customary tenure systems and the people and groups who manage and use them. The law was virtually ignored for the 12 years following its legislation and has since been gradually acknowledged by resource developers in both the forestry and mining/gas sectors. There are now handbooks to help guide the process, resource development volumes to help guide communities and so on. Incorporated land groups (ILGs) are essentially customary land groups, which through internal identification of the highest level of decision-making and a process of registration receive modern legal recognition. For some purposes the customary grouping (usually but not always a clan) will come to the fore but for others the modern legal entity can be used.

As most rural communities are made up of more than one such grouping, they need to work out how to work together in order to improve their community. Each group needs to conduct an internal audit of natural and human resources and then collaborate with other groups to establish community goals and ways to achieve them. The initiative needs to come from communities, from the grassroots, and then co-ordination with local government, provincial government and national government is needed to achieve these goals.

The ILG process is by no means without problems, especially if used, as it is now, for activities for which the process was never intended. However, in the absence of alternative processes that build upon customary systems, the ILG process is the only currently operationalised process. ILGs, because they are based on land groups and their members, are an

<table>
<thead>
<tr>
<th>Product</th>
<th>Income (PGK)*</th>
<th>% of Total Income</th>
<th>Population Involved*</th>
<th>% of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arabica coffee</td>
<td>65,058,648</td>
<td>33.3</td>
<td>1,505,998</td>
<td>12.0</td>
</tr>
<tr>
<td>Fresh food</td>
<td>39,649,224</td>
<td>20.3</td>
<td>3,100,226</td>
<td>24.7</td>
</tr>
<tr>
<td>Cocoa</td>
<td>22,009,828</td>
<td>11.3</td>
<td>810,858</td>
<td>6.5</td>
</tr>
<tr>
<td>Betel nut &amp; pepper</td>
<td>18,622,028</td>
<td>9.5</td>
<td>1,227,234</td>
<td>9.8</td>
</tr>
<tr>
<td>Coconut and copra</td>
<td>16,742,676</td>
<td>8.6</td>
<td>559,433</td>
<td>4.5</td>
</tr>
<tr>
<td>Oil palm</td>
<td>6,624,504</td>
<td>3.4</td>
<td>125,511</td>
<td>1.0</td>
</tr>
<tr>
<td>Fresh fish, shell-fish</td>
<td>4,595,780</td>
<td>2.4</td>
<td>550,327</td>
<td>4.4</td>
</tr>
<tr>
<td>Firewood</td>
<td>4,442,004</td>
<td>2.3</td>
<td>1,032,259</td>
<td>8.2</td>
</tr>
<tr>
<td>Irish potato</td>
<td>3,248,112</td>
<td>1.7</td>
<td>573,355</td>
<td>4.6</td>
</tr>
<tr>
<td>Tobacco</td>
<td>3,228,714</td>
<td>1.7</td>
<td>694,568</td>
<td>5.5</td>
</tr>
<tr>
<td>All other products</td>
<td>2,816,718</td>
<td>1.4</td>
<td>483,328</td>
<td>3.9</td>
</tr>
<tr>
<td>Cattle</td>
<td>2,247,186</td>
<td>1.2</td>
<td>544,733</td>
<td>4.3</td>
</tr>
<tr>
<td>Robusta coffee</td>
<td>2,057,550</td>
<td>1.1</td>
<td>375,430</td>
<td>3.0</td>
</tr>
<tr>
<td>Crocodile</td>
<td>1,110,786</td>
<td>0.6</td>
<td>265,979</td>
<td>2.1</td>
</tr>
<tr>
<td>Pels &amp; plumes</td>
<td>935,550</td>
<td>0.5</td>
<td>187,341</td>
<td>1.5</td>
</tr>
<tr>
<td>Rubber</td>
<td>838,934</td>
<td>0.4</td>
<td>140,225</td>
<td>1.1</td>
</tr>
<tr>
<td>Pyrethrum</td>
<td>755,052</td>
<td>0.4</td>
<td>130,872</td>
<td>1.0</td>
</tr>
<tr>
<td>Cardamom</td>
<td>175,848</td>
<td>0.1</td>
<td>131,415</td>
<td>1.1</td>
</tr>
<tr>
<td>Chillies</td>
<td>166,416</td>
<td>0.1</td>
<td>95,602</td>
<td>0.8</td>
</tr>
<tr>
<td>Rice</td>
<td>24,408</td>
<td>0.0</td>
<td>4,648</td>
<td>0.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>195,349,966</td>
<td>100.00</td>
<td>12,539,342</td>
<td>100.00</td>
</tr>
</tbody>
</table>

* In 1996, 1 PNG Kina (PGK) = approx. US$0.76 (A$0.97)
xx People usually have more than one major source of cash income; thus the total population as set out here exceeds the actual rural population.

Source: Adapted from Table 9, Allen, Bourke & Hanson 2001: 543.
ideal method for community development, community re-empowerment, and community- and area-level planning and implementation.

Productivity

The assumption that customary resource systems are unproductive must be examined. As previously mentioned, a high percentage of coffee, cocoa, copra exported from PNG comes from smallholders working on their customary land. Large tonnages of garden greens and other vegetables – and certainly not all traditional crops – are sold in markets around the country. The betelnut market around PNG is likely the highest value annual crop for which a sophisticated marketing network across PNG has been developed (without any assistance from the state or from international donors). Table 1 lists the estimated cash income from agricultural sources in rural Papua New Guinea for 1996 (more recent data is likely to be higher). These data indicate that in 1996 just 5 groupings of rural products from lands based on customary resource tenure make up 83% of this rural income – Arabica coffee, fresh food products, cocoa, betelnut and pepper and coconut and copra – to a total of K 162,082,404.

Institution-building

Despite the national constitution enshrining customary resource tenure systems, since independence the state has consistently ignored and often actively undermined them in the quest for modernisation. Even after the demonstrations of five to six years ago the trend has continued. What has been ignored are on-the-spot, purpose-built customary tenure systems, each of which are rooted in the environments in which they operate and based on active systems of rules that are applied by group members. These are customary institutions that should not be ignored. Virtually all programmes and projects, whether initiated by the state or by donors, operate from the top down, with little explanation, little incorporation into people’s lives and little opportunity for the internalisation of new ideas. Is it little surprise that when one tries to find evidence of previous projects in various parts of PNG there isn’t any, or there is very little. Where is the necessary capacity building at local level and at provincial level that should have been part of every project? The real need in PNG is capacity building at the local level and this can be made more effective by working with customary resource tenure systems and the people who use them. It is at this level that customary tenure systems are grounded and at which these systems actively operate.

A brief example from Morobe Province (Holzknecht 1997c) will, I hope, tie much of the above discussion together.

A population of about 5000 people lives in a mid-montane area in the Huon Peninsula in Morobe Province. This population has always been at the periphery of Finschhafen District and so has been the last area to be contacted, to be christianised, have administration and so on. When independence came in 1975 they realised that this would be the end of the line for ‘handouts’ from the new government. They decided that this was not acceptable and that they would do it themselves. They set out a development plan and now, more than 25 years later, the plan continues to be implemented.

Funds raised from growing approximately 40 tonnes of coffee were used to establish two town-based businesses, a successful PMV/bus network and a number of trade stores, to raise further funds. With help from SIL (a bible translator couple lived in the area for years) they built an airstrip. They purchased a mobile sawmill, cut timber and built a rural sub-health centre at the airstrip. They paid cash for a D3 bulldozer, which the RAAF lifted into the area. A few years later they realised that the D3 was too small and slow and bought a D6, half with cash and half with a loan guaranteed by the provincial government (and repaid in 2 years). They built a community school and demanded that the PG staff it. They worked out that at least 25% of their coffee earnings were used to pay for freight to Lae, so they planned a road from their mountains to the Huon Gulf to join the road to Finschhafen. The provincial works coordinator opposed the building of the road but they themselves said it could be done – this was their place. So they built it and invited everyone to come to the official opening in mid-1997!

By this time they had elected their development coordinator to provincial government and he managed to get some funding for the road every year, except two. They selected and sent young people, both males and females for a six-month paramedical training course; each of these had an aid post built and regular supplies of medicines came from Lae. Their next projects were to demarcate their clan land boundaries and to develop markets and marketing strategies for the wonderful produce they grew. They are now growing and processing some 12 tonnes of upland rice every year (all consumed locally).
At present a leadership change is taking place from the first coordinator to the next generation and this hand-over appears to be taking place smoothly.

Concluding Thoughts

The activities of the community in Morobe Province continue, providing an example from which others may learn. No doubt there are other examples in PNG of goals set and achieved: lessons about leaders and the led, about building on one’s own strengths, one’s group’s and one’s social and cultural strengths. We cannot look at land tenure in the abstract or without a particular context. That context tells us about local institutions (whether customary or new), about local choices, local priorities, and local risk-taking. It is also about making the absolutely critical linkage between rights and responsibilities work in real contexts.

While the issue of ‘titles’ is a valid consideration, alternative approaches may also be taken. Customary land groups already possess customary ‘title’, however title should now be able to be confirmed under modern law as well.

In this presentation I have outlined some alternative ideas and have show their validity in the Melanesian context. It is important to underline that I say ‘the Melanesian context’ because a very high proportion of that which I have talked about will apply equally to land issues in the Solomon Islands and Vanuatu. Alternative ideas, opportunities and strategies that may be shown to be appropriate, applicable and ‘do-able’ in PNG might also validly be considered for the other two countries.
AUTHOR NOTE

Peter Larmour is a Senior Lecturer in the National Centre for Development Studies. He originally worked as a Lands Officer in Solomon Islands, and as an adviser to the new Ministry of Lands in Vanuatu around the time those countries became independent.

Tim Curtin is a Visiting Fellow at the National Centre for Development Studies, ANU, and a former senior adviser in the Department of Finance, Government of Papua New Guinea.

Hartmut Holzknecht is currently a Visiting Fellow in the Resource Management in Asia Pacific Program at ANU, and previously worked as Provincial Planner in Morobe Province, Papua New Guinea.

REFERENCES


<table>
<thead>
<tr>
<th>Year</th>
<th>Authors</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996/1</td>
<td>Peter Larmour</td>
<td>Research on Governance in Weak States in Melanesia</td>
</tr>
<tr>
<td>1996/2</td>
<td>Peter Larmour</td>
<td>Models of Governance and Development Administration</td>
</tr>
<tr>
<td>1996/3</td>
<td>David Ambrose</td>
<td>A Coup that Failed? Recent Political Events in Vanuatu</td>
</tr>
<tr>
<td>1997/1</td>
<td>Sinclair Dinnen</td>
<td>Law, Order and State in Papua New Guinea</td>
</tr>
<tr>
<td>1997/2</td>
<td>Tomasi Vakatora</td>
<td>Traditional Culture and Modern Politics</td>
</tr>
<tr>
<td>1997/3</td>
<td>'I Futa Helu</td>
<td>Tradition and Good Governance</td>
</tr>
<tr>
<td>1997/4</td>
<td>Stephanie Lawson</td>
<td>Cultural Traditions and Identity Politics: Some Implications for Democratic Governance in Asia and the Pacific</td>
</tr>
<tr>
<td>1997/5</td>
<td>Peter Larmour</td>
<td>Corruption and Governance in the South Pacific</td>
</tr>
<tr>
<td>1997/6</td>
<td>Satish Chand</td>
<td>Ethnic Conflict, Income Inequality and Growth in Independent Fiji</td>
</tr>
<tr>
<td>1997/7</td>
<td>Sam Alasia</td>
<td>Party Politics and Government in Solomon Islands</td>
</tr>
<tr>
<td>1997/8</td>
<td>Penelope Schoefel</td>
<td>Myths of Community Management: Sustainability, the State and Rural Development in Papua New Guinea, Solomon Islands and Vanuatu</td>
</tr>
<tr>
<td>1997/9</td>
<td>Philip Tepahae</td>
<td>Chiefly Power in Southern Vanuatu</td>
</tr>
<tr>
<td>1998/1</td>
<td>John Haglegam</td>
<td>Traditional Leaders and Governance in Melanesia</td>
</tr>
<tr>
<td>1998/2</td>
<td>Binayak Ray</td>
<td>Good Governance, Administrative Reform and Socioeconomic Realities: A South Pacific Perspective</td>
</tr>
<tr>
<td>1998/3</td>
<td>Eric Wittersheim</td>
<td>Melanesia Élites and Modern Politics in New Caledonia and Vanuatu</td>
</tr>
<tr>
<td>1998/5</td>
<td>Peter Larmour</td>
<td>Making Sense of Good Governance.</td>
</tr>
<tr>
<td>1998/6</td>
<td>Bronwen Douglas</td>
<td>Traditional Individuals? Gendered Negotiations of Identity, Christianity and Citizenship in Vanuatu</td>
</tr>
<tr>
<td>1998/7</td>
<td>Raymond Aphorpe</td>
<td>Bougainville Reconstruction Aid: What are the Issues?</td>
</tr>
<tr>
<td>1999/1</td>
<td>John Rivers</td>
<td>Formulating Policy for Community Relations Programs</td>
</tr>
<tr>
<td>1999/2</td>
<td>Lissant Bolton</td>
<td>Chief Willie Bongmat Maldo and the Incorporation of Chiefs in the Vanuatu State</td>
</tr>
<tr>
<td>1999/3</td>
<td>Eugene Ogan</td>
<td>The Bougainville Conflict: Perspectives from Nasiol</td>
</tr>
<tr>
<td>1999/4</td>
<td>Grace Molisa and Elise Huffer</td>
<td>Governance in Vanuatu: In Search of the Nakamal Way</td>
</tr>
<tr>
<td>2000/1</td>
<td>Peter Larmour</td>
<td>Issues and Mechanisms of Accountability: Examples from Solomon Islands</td>
</tr>
<tr>
<td>2000/2</td>
<td>Bronwen Douglas (ed)</td>
<td>Women and Governance from the Grassroots in Melanesia</td>
</tr>
<tr>
<td>2000/3</td>
<td>Bronwen Douglas</td>
<td>Weak States and Other Nationalisms: Emerging Melanesian Paradigms?</td>
</tr>
<tr>
<td>2000/4</td>
<td>Philip Hughes</td>
<td>Issues of Governance in Papua New Guinea: Building Roads and Bridges</td>
</tr>
<tr>
<td>2000/5</td>
<td>KJ Crossland</td>
<td>The Ombudsman Role: Vanuatu’s Experiment</td>
</tr>
<tr>
<td>2001/1</td>
<td>Peter Larmour</td>
<td>Westminster in the Pacific: A ‘Policy Transfer’ Approach</td>
</tr>
<tr>
<td>2001/2</td>
<td>Caroline Graille</td>
<td>From ‘Primitive’ to Contemporary: A Story of Kanak Art in New Caledonia</td>
</tr>
<tr>
<td>2002/1</td>
<td>Abigail Makin</td>
<td>Globalisation, Community Development, and Melanesia: The North New Georgia Sustainable Social Forestry and Rural Development Project</td>
</tr>
<tr>
<td>2002/2</td>
<td>Sinclair Dinnen</td>
<td>Building Bridges: Law and Justice Reform in Papua New Guinea.</td>
</tr>
<tr>
<td>2002/3</td>
<td>John Barker</td>
<td>Missionaries, Environmentalists, and theMaisin, Papua New Guinea</td>
</tr>
<tr>
<td>2002/4</td>
<td>James Weiner, Abby McLeod and Charles Yala</td>
<td>Aspects of Conflict in the Contemporary Papua New Guinea Highlands</td>
</tr>
<tr>
<td>2002/5</td>
<td>Judith Bennett</td>
<td>Roots of Conflict in Solomon Islands--Though Much is Taken, Much Abides: Legacies of Tradition and Colonialism</td>
</tr>
</tbody>
</table>

ISSN: 1328–7854
The State, Society and Governance in Melanesia (SSGM) Project was launched in 1996 in the Research School of Pacific and Asian Studies, Australian National University. Funded by the ANU with financial assistance from the Australian Government through AusAID, it comprises three Fellows (Dr Bronwen Douglas, Mr Anthony Regan and Dr Sinclair Dinnen), a Convenor (Mr David Hegarty, on secondment from the Department of Foreign Affairs and Trade) and an Administrator (Ms Jeanette Regan).