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COLOMBIA: THE ROLE OF LAND IN INVOLUNTARY DISPLACEMENT

Internal displacement in Colombia has become more prevalent and serious. Expulsion of land users to gain territorial control is increasingly a tactical element in the conflict. High land inequality makes it easier to uproot populations. Providing assistance to displaced populations does not reduce their propensity to return. Together with other measures, a land policy that increases tenure security for those at risk of displacement and improves access to land, can not only help to reduce the incidence of displacement but also make it easier for the displaced to cope. Public spending, especially on education, is also critical.

Land Inequality in Colombia

Land distribution in Colombia is highly unequal.¹ The adverse effects of high inequality—in terms of incomes, assets, voice and opportunities—have long been recognized in Latin America.² There is, however, some discussion of whether traditional measures of land inequality in Colombia may overestimate the extent of inequality because they fail to adjust for differences in land quality across farms. Because large farms normally own land of lower quality, measures of land inequality that are based on unadjusted area may seriously overstate land inequality. To address this issue, the study accessed data for about 2.8 million rural parcels. After a number of adjustments to the data (e.g., removing non-agricultural, state-owned and indigenous reserve properties), Gini coefficients were computed for this set of properties based on raw data and official land valuation estimates. The results show little difference between the estimates based on land area and those based on land value—0.85 compared to 0.82, respectively. By any measure, land inequality in Colombia is very high.

Such high inequality has a negative impact on the rural economy, including foregone growth, poor natural resource management (overuse of livestock grazing and underutilization of cropland), and lack of agricultural diversification. These factors appear to have contributed to the fact that recent growth in Colombia has not been pro-poor. It is also hypothesized that high inequality is associated with lower public investment, may make it more difficult to establish representative local institutions

and, because of lack of opportunities, may drive the poor to support armed movements. The report used municipality-based data to test these hypothesis in terms of land use, local public spending and violence. It found, first, a clear association between high land inequality and underutilization of land. Second, high inequality at the municipality level is also associated with lower public investment, implying lower provision of public goods such as education, health, infrastructure and other services. Third, municipalities with more unequal land distribution are also characterized by higher levels of conflict-related violence in its many manifestations (kidnappings, massacres and guerrilla action).

Characteristics of Displaced Populations

Colombia ranks alongside Sudan, Angola and the Democratic Republic of Congo as one of the countries with the highest number of internally displaced people. Estimates put the amount of land abandoned by internally displaced populations at about 4 million hectares over the last five years—almost three times more than was redistributed through government land reform programs since 1961. Displacement has, in effect, set in motion an agrarian counter-reform of massive proportions, and is likely contributing to significant and unproductive land concentration in some areas. Because the abandoned land is unlikely to be effectively utilized, this significantly reduces productivity. At the individual level, users or owners of land are particularly likely to become displaced. Because their agricultural skills tend to be of limited use in the urban or peri-urban areas to which they displace, their welfare is likely more severely affected than other displaced groups.

¹ The analysis in this note is based on a recent World Bank study, *Colombia: Land Policy in Transition* (2004).

² In fact, a 1950 Bank mission identified unequal land distribution as a key impediment to economic and social development in Colombia.

Sample data for the periods 1999-00 and 2001-02 suggests an increase in the number of displaced. Assistance to displaced populations—through the government, church and NGOs—now covers more than two-thirds of the sampled households, compared to less than half in the earlier period. Displacement also appears to have become more reactive and more concentrated among vulnerable segments of the population.

There is increasing recognition of the intimate connection between land issues and involuntary displacement in Colombia. An important reason is that because territorial control is a key element in the war strategies of guerrillas and paramilitaries, expulsion of land users becomes a tactical element in the conflict.

About half of the displacement cases in the sample occurred in reaction to a specific event, either a threat (36%), an assassination (7%), proximity to armed conflict (6%) or disappearances, kidnappings, and abduction of child soldiers (4%). About 60% of those involuntarily displaced remain in the same department and 26% stay in the same municipality. This contradicts the widely-held view that the bulk of displaced populations move to Bogotá or other large cities.

Mean household size is 4.9 and 38% of displaced households are female headed. This high percentage is likely due to the fact that in many displacement cases the male head of household is killed or abducted. While only 3% belong to ethnic minorities, 24% participated in some form of organization in their place of origin, suggesting that as part of their war strategy, guerrillas and paramilitaries may target those whose departure would do the most damage to the web of social relations in a given locality—that is, a direct attack on communities' social capital. The social impact of displacement is illustrated by the fact that one quarter of the displaced households with at least one child of primary school age indicated that one or more of the children dropped out of school as a result of displacement.

Over 70% of those displaced received assistance during 2001-02, compared to 44% during 1999-00. The system to attend to the needs of displaced populations has improved considerably but continues to be focused on large-scale reactive displacement. While it is more likely that those receiving assistance belonged to some form of organized group, the fact that the share of female-headed households among those receiving assistance is not significantly higher than among those who did not, suggests that improvements in targeting are still possible.

Only about 11% of the displaced in the sample want to return. Not surprisingly, a higher share of those that want to return are still located within the same department or municipality. While the share of female-headed households among those who want to return is much lower than among those who do not (29% compared to 39%), the propensity to return is higher among those who participated in organizations before being displaced, and among those who had at least one child drop out of school.

The notion that land ownership increases the likelihood of displacement is supported by the fact that about 60% of displaced households had access to land before leaving their place of origin, a much higher percentage than the share of landowners in a nationally representative sample. The area abandoned was relatively large, averaging 22 hectares, although the median was much smaller at 7 hectares per household. While about two-thirds of abandoned land was held under individual ownership, 17% had been accessed under rental arrangements, 11% under collective ownership and 5% under sharecropping (*colonato*) arrangements. It is interesting to note that those who held land collectively were both more likely to have received assistance and to want to return, whereas those with individual tenure were significantly less likely to want to return—renters seemed indifferent.

The fact that the share of those who had received assistance is significantly higher among those who do want to return compared to those who do not, implies that receiving assistance does not reduce, and may even increase, household propensity to return, something that needs to be explored in greater depth.

Causes of Displacement

A more rigorous quantitative analysis for a smaller sample explored the role of land in the probability of displacement. For a sample of 336 displaced and non-displaced households, the main determinants of receiving a threat were ownership of assets (land and animals) and participation in social organizations. This is consistent with the descriptive evidence provided above and the hypothesis that territorial control is a critical element in the strategy of armed groups, who often target community leaders or influential people in the community to set off a chain reaction of displacement.

Availability of a rich set of information at the municipality level allowed the team to explore structural factors that tend to contribute to displacement. The literature suggests a number of factors that may cause displacement (inequality and access to resource rents that can be captured by exercising territorial control) and those

that tend to mitigate it (public goods such as infrastructure). Theory would predict that the presence of productive infrastructure will increase the payoff from remunerative economic activity, which will make it less likely for households to be displaced. Access to mineral resources, on the other hand, will increase the payoffs from territorial control by armed groups, thus increasing the probability of displacement. Similarly, high inequality in landownership will make it easier to evict people, and will also decrease social cohesion, in effect, making it easier to uproot a population of precarious and un-organized landowners or tenants.

If the warring factions use control of land as a strategic objective, they will use the threat of violent action, and such action itself, as key elements of a war strategy to depopulate areas in which they can subsequently exert a measure of economic or political control. In addition to acts of violence, a key variable that should reduce household propensity for involuntary displacement is public spending. To capture this effect, the analysis included lagged values for per capita spending on education, health, infrastructure, and police and justice.

The analysis finds, first, that higher levels of landownership inequality have a strong and highly significant impact on displacement. In line with theory, the presence of mineral wealth makes displacement more likely, presumably because it increases the payoff from the ability to control a given territory. Road density, used as a proxy for general infrastructure and state presence, has a very strong and negative impact on displacement, suggesting that by improving economic benefits from remaining in a given location, provision of public goods can help reduce the incentive for displacement. Second, the results confirm the hypothesis that displacement constitutes a means to gain territorial control. Compared to the high significance of specific actions by violent groups, the number of murders—taken to represent more generalized violence rather than violence aimed at gaining territorial control—is not significant. Higher population density tends to increase displacement, suggesting that displacement is no longer confined to outlying or marginal areas, but may indeed be a deliberate war strategy. Third, spending on social services, especially education, has a major displacement-reducing impact, suggesting that by increasing spending (or its efficiency), the Government can help to make staying more attractive, while at the same time reducing the incentives for parts of the population to join the warring forces.

Land-Related Policies to Assist the Displaced

The above analysis suggests that the Government can aim to reduce the incidence of displacement through a two-

pronged approach that on the one hand, addresses structural factors such as the unproductive accumulation of large tracts of land that have been shown to underlie displacement, and on the other hand, take specific measures that can reduce the propensity to leave, for example by improving security and trying to reduce the incidence of violence. The key role of land warrants a brief discussion of one government land-related program, Decree 2007, that aims to register immobile properties of populations under threat of displacement.

Decree 2007, signed in 2001, requires the Agrarian Reform Institute to: (i) put in place a registry of lands abandoned by displaced populations; (ii) establish mechanisms to freeze mobility of assets in zones where displacement danger is high; and (iii) implement a program to allow displaced populations to exchange land they lost with other land, possibly land acquired by the state. The Institute is also charged with facilitating access of the displaced to temporary properties, possibly under rental arrangements.

In practice, application of Decree 2007 has been very limited, partly due to funding constraints. One pilot application in Landazuri, however, offers some lessons. Given that the registry was out of date, systemic, massive, and quick establishment of an updated registry with participation by a large section of the population, and possibly the supervision of recognized public bodies to quickly resolve disputes, is likely to have a high positive impact. While preventive measures, including greater land tenure security, may be much more cost-effective than trying to encourage the displaced to return, thus far the failure to allocate sufficient funding has prevented us from learning what the impact of such measures might be.

Determinants of the Desire to Return

Facilitating the return of households that were displaced to their place of origin is an essential element in the Government's strategy. As mentioned above few households appear to be willing to return under current conditions. Thus, analyzing the determinants of willingness to return can provide policy-relevant insights that could help to design programs that would help households to avoid displacement in the first place. In particular, having micro-data on the displaced populations could help identify whether specific interventions (such as the passage and implementation of Decree 2007, but also numerous others) increase households' willingness to return.

As expected, female-headed households with a large number of children under 14 are less likely to be willing to return. Surprisingly, higher levels of education increase

the desire to return. Membership in an organization makes return more likely but belonging to an ethnic minority does not. As expected, those that were able to obtain wage employment or self-employment in their place of displacement are significantly less likely to want to return. The big exception is agriculture—even those who were able to pursue agricultural activities in their destination are significantly more inclined to return than those who are unemployed. This implies that the large number of households that undertook agricultural activities before displacement are always more likely to want to return, and that temporary arrangements will be better than attempts to induce them to become permanent residents.

Not surprisingly, households that remained in the same department are significantly more likely to want to return while those that suffered reactive displacement are less likely to want to return. Interestingly, assistance that is relatively targeted on those most in need, helps them to cope with the impact of displacement but also enhances their desire to return. Also of interest is the fact that Decree 2007 did not appear to enhance the tenure security on collectively held land, but did help to increase the desire to return of those with individually-held land.

Policy Implications

Although policy recommendations need to be adapted to local conditions, the evidence clearly suggests that, overall, greater emphasis should be placed on preventive measures compared to reactive ones that kick in only when households have already abandoned their place of residence. In both categories, land-related policies are of great relevance. In terms of prevention, restitution of security in affected areas should be combined with strengthening of processes that enhance social capital and participation that can increase the ability of local communities to resist pressures toward displacement. This could include improving the effectiveness of public spending, which the econometric analysis suggests is a critical factor in reducing the incidence of involuntary displacement. Preventive mechanisms would also include putting in place a program to actualize the land registry, placing priority on zones with high risk of displacement.

To do so, establishment of mobile registries with strong local and community participation should be considered, as a way to provide at least some measure of asset protection. Similarly, mechanisms (e.g., rental of properties) to improve access to privately or publicly-held land by those displaced with agricultural skills may be important to help maintain skills and livelihoods.

Programs to encourage return should constitute one of a number of options for displaced people. They should be targeted to areas where return is likely to be feasible and to people for whom this is likely to offer a viable option—those who have specific agricultural skills and have little alternative economic opportunities in their current situation. Programs should include dissemination of information on the rights of displaced people, and implemented on the basis of negotiations and consensus rather than imposed from the outside. Return of land can also be complemented with technical assistance, credit and acquisition of land through rental with option to buy.

Providing assistance to displaced populations will not only have immediate benefits but is also likely to increase the desire of those affected to eventually return. Any measures that improve the effectiveness of such assistance and the ability of local governments to provide it, would therefore be welcome. A related issue, is that many of the recipient municipalities have no financial or other incentives to provide assistance to the displaced or to try to integrate households that are unlikely to return (e.g., female-headed households) under reasonable circumstances. Providing local governments that receive disproportionate inflows of displaced populations with the means and incentives to offer effective services to this population, with the aim of facilitating their eventual reintegration into society, is likely to have a high impact. It may also be useful to combine this with more effective and systematic monitoring. As the results of this study show, systematic monitoring of displaced populations at the household level is likely to generate knowledge that can help us to further refine and improve our understanding of the processes at work—and thus the ability to design policy interventions.

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