

Economic and political aspects of land privatization

Transition to free market in land degradation conditions

Prepared by:

Yusup Kamalov

Chairman of NGO "Union for Defence of the Aral Sea and Amudaria "

e-mail: udasa@freenet.uz udasa@rol.uz

Introduction

In documents signed in Rio-de-Janeiro and Johannesburg summits, states committed to pursue economic policy so that the next generations would have at least the same natural environment as what we do have now. For the first time such an official recognition of natural resources exhaustibility and agreement to limit its development took place in planet's history.

On this way to harmonization of human and nature relationship we face serious difficulties. Especially it concerns former USSR countries, where political and economic reforms are taking place at different paces.

Most of these countries due to lack of other theories have taken development course of advanced countries that passed through stages of: development of democracy, decentralization of power and resources, liberalization of economy, demilitarization and strengthening of social support of the population. And as it was with developed countries at the initial stage of their development, environmental problems in our countries receive minimum attention as well. But transition processes in our countries are taking place in other time, when humanity faces such important problems as global warming, ozone layer depletion and others that demand joining efforts of all countries and, subsequently, certain limits on the use of nature in favor of all humanity. However not all countries agree with this idea and mercilessly sacrifice their natural resources for dreamy economic prosperity. Unfortunately some newly independent states are among these countries. In this case we can say that a generation of state officials who came to power in former USSR countries and grew up during total deficit is now engaged with appeasing of "consumer hunger". Notorious corruptions of these «hungry» officials exacerbate the situation.

In these circumstances land privatization, which is now an only way to boost agricultural industry will be very intricate and slow. Land privatization can lead to illegal captures and unfair distribution of high quality and fertile lands.

Need for Privatization

However, denationalization of economy, agricultural industry and lands in particular is a vital necessity for today. Why?

The fact is that a tight centralization of authority and resources, which is typical for the so-called "Socialist" economy is a mere camouflaged slave-owning state system with proper super low labour productivity. Any form of slavery is exposed to destruction under competitive circumstances. Therefore refusal from slavery was historically pre-determined.

A formal freedom is not enough to make a slave free and interested in productive efficiency, he needs his own material resources giving him a minimum power. A word "liberalization" exactly means "freeing" but in our use it has taken somewhat scientific shade of meaning and understood ambiguously.

Comments:

Concentration of administrative and material resources in the hands of bureaucrats created a selection mechanism of proper individuals in this layer and is a serious obstacle in transition to a new system.

Can an evolutionary transition from slave owning system to free market economy be possible?

Probably, but you will have to shut your eyes to abuse of these bureaucrats in denationalization otherwise they will keep power and resources in their hands. Kazakhstan and Russia in particular have already practiced amnesty for capital made during troublesome times.

On the other hand these corrupt bureaucrats have their own view of the necessity for a quick denationalization of the economy. Denationalization will rank these officials as legal businessmen and they will not have to hide the most part of their income anymore

Thus, privatization of land resources can also be practiced in the nearest future. A range of market economy subjects will be more complete and government will have an opportunity to practice its controlling functions.

For the moment when most part of economy is still controlled by government and actually is a part of state, a government cannot impose sanctions against itself.

Comments:

Inefficiency of the existing system became apparent when "Union for Defence of the Aral Sea and Amudaria" brought a lawsuit against Ministry of Water Resources (MWR) of Uzbekistan. It is connected with water drainage collector that passes through "Baday Tugay" natural reserve belonging to the MWR. This drainage system violates the law "On specially protected areas". It is a paradox that this collector also belongs to MWR. In the court a prosecutor, called up to protect law, took the defendant's side under the pretext of "economic necessity". Such a total juxtaposition of economy and state doesn't leave any chance for bringing someone to responsibility for violation of environmental law.

At the same time in free market economy state has an unlimited power for imposing sanctions to lawbreakers. Decentralization of resources and getting state slaves free means decentralization of responsibility as well. Entrepreneur is free de-facto and de-juro but he is fully responsible for his activity to law as well. He cannot refer to "state necessity" anymore as he is working for his own benefit.

All the above-mentioned concerns a situation with land privatization to full extent. We are righteous to expect that a landowner, who has rights to pass on his land, will prevent deterioration of soil quality and depletion of natural ecosystem on his land.

It is after appearance of private owner that one cannot hide or withhold negative processes of land. On the one hand an owner will not be interested if someone negatively impact his lands. On the other hand government controls an owner in order to prevent soil and ecosystem depletion. Mass media and community are also interested in revealing of negative information if independence and freedom provided for them.

Only a system of checks and balances provides an effective control of environment including state of land.

I don't tell about social disruptions intentionally. They accompany all system changes and this is what we pay for a better life in future.

Comments:

It should be noted that concept of government on the whole also demands reconsideration. In modern conditions of intensive information exchange, efficiency of old statehood concepts is at least doubtful. A sudden independence of our states in many cases led us to the use of old and back models of political system. Especially it concerns Central Asian countries.

Being under influence of patriarchal worldview combined with soviet totalitarianism, most of our countries haven't yet developed concept of a new, dynamic state fully adjusted to world economy. Our ambitions are still higher than pragmatism.

Land Degradation

Central Asian countries inherited the economy mainly based on agriculture. Land degradation process is taking place in Central Asia as everywhere else in the world.

Physical, chemical and biological reasons and mechanisms of degradation are rather well-known.

I would like to address those that are insufficiently covered in special literature and mass media.

Soil degradation is first of all caused by water and wind erosion and even by soil polluting arid water in river downstreams. It is most pronounced in CA countries, where Amudarya alone accounts for 10 m³ of drainage waters. Besides it is largely due to the so-called secondary soil salination caused by up-rise of underground water levels, which comes in the result of excessive irrigation. Washing irrigation is an only method in this case for freeing of soil from saline, which leads to uprise of underground water level again. Thus we've driven ourselves into a vicious circle. In Priaralyie, for example, wind-driven salt-dust from the stripped bottom of Aral Sea plays a certain role. Here should be mentioned a well-known dominance of cotton mono culture, which leads to quick soil erosion.

Comments:

Some scientists suppose it is due to soil degradation that majority of civilizations once existing in Aral Basin have died. Over irrigation and overgrazing has led to decrease of fertility and populations had to migrate to other places. This process used to renew at 200-400 years interval.

First, new civilizations emerged, gained power and prosperity, population grew and at some point fertility dropped and famine began in the area. We witnessed the same process happened to civilization of "nature enslavers" with our own eyes.

Who gains advantage?

The main reason for all environmental problems on the Earth is due to discrepancy between short time economic interests of people and long-term consequences of their activity. Although a certain part of population behaves in "ecologic-friendly way", the activity of another part that seeks profit by all means bring all efforts to protect environment to naught. Too much resources and authority are concentrated in a limited number of hands.

It turns out that prevention of land degradation is for future generations profit, and as there is no one representing them now - no one to protect environment.

How to solve a problem?

Highly agriculture-oriented economy of CA countries can become a reason for deep crisis as a consequence of soil degradation. Being aware of this CA countries put forward an initiative on "land resources management".

Quotation

"They (CA states) believe that sustainable management will become a mechanism to put an end to current land degradation processes. Specific actions will be specified in the program, which will be implemented in the next 10 years: since 2005 to 2004. These measures must lay foundations for sustainable water and agriculture, pasture and forestry economy through political, legislative and institutional reforms. Over the last 10 years CA countries productivity of land has sharply decreased by 20-30%. Due to land salinity alone annual regional losses amounted 2 billion USD., or 5 % of regional GDP, radio "Europa" broadcasts.

(Extract from http://www.centran.ru/cgi-bin/index.pl?text_id=14098&all=yes)

Idealizing the situation one can imagine that all CA states will commit Land Degradation Prevention Programme and adhere to its provisions. The main criteria for country development is not growth of GDP but increase of bio diversity indexes, end to degradation, environmental pollution abatement and population's health. Can we imagine this?

It is unlikely!

Anyone who is more or less involved in the environment, water and land resources protection know well what a formal is the participation of government structures in it (I don't mean here Environmental Committes). They are responsible for "economic development", not for the state of nature.

I turn again to the thought that all actions on protection of land, water and other natural objects in existing in CA and world political systems on the whole will be formal and inefficient. It is impossible to re-join and glue pieces of a broken plate with the same hammer by which it has been broken. You need to have other instrument!