
Book Review

Ladejinsky, the real hero of land reform

by Peter Rush

Land Reform and Democratic Development
by Roy L. Prosterman and Jeffrey M. Riedinger
Johns Hopkins University Press, 1987
\$29.50, 313 pages

The post-World War II history of Far East Asia has been significantly shaped by the contributions of one man who is all but unsung, his contributions and even his name familiar only to a relative handful of scholars and specialists. Had he been properly backed by the U.S. government in extending his 1945-55 work on land reform in Japan and Taiwan, to Vietnam, the Philippines, and other countries, instead of being persecuted and politically exiled during the McCarthy period, the political and economic map of East Asia might be quite different—and much better off—than it is today.

The man is Wolf Ladejinsky, who designed the land reform program that Gen. Douglas MacArthur implemented in Japan, and who also was a crucial adviser to Taiwan's wonderfully successful program. But for Japan's program, it is possible that that country might not have been able to develop as it has, even possibly going socialist or communist, while Taiwan could surely not have built up the military-economic strength with which it has successfully maintained its autonomy from Communist China for 40 years and become an economic dynamo, without its land reform.

Ladejinsky was an inveterate work horse who spent virtually his entire career "in the field," or more properly, in the fields, with the unfortunate consequence for humanity that although he wrote scores of papers and articles pertaining to his work in every country to which he was assigned, he never saw fit to write a book, whether a general tract on land reform, or a detailed study of a specific country's program. Worse, no scholar has seen fit to write either a biography of this great man, nor a study of his work.

Apart from the dozens of journals in which some of his

articles have seen print, the only source book on Ladejinsky's life work is an outstanding volume published by Oxford University Press in 1975, *Agrarian Reform as Unfinished Business, the Selected Papers of Wolf Ladejinsky*, which assembles over 50 of his best articles and essays. But the limited availability of this book, and its formidable length, ensure that Ladejinsky will remain in ill-deserved obscurity until such time as a good secondary account of his life and work should be written and published.

Land Reform and Democratic Development, by Roy L. Prosterman and Jeffrey M. Riedinger, could have begun to rectify this lacuna by bringing to light for a general audience the life and work of Ladejinsky. Indeed, no competent work on land reform in the postwar period could possibly fail to do this, and remain honest to its subject matter. Unfortunately, the present volume totally fails on this count. This is all the more shameful because Mr. Prosterman is fully knowledgeable of Ladejinsky's contributions; he cut his own professional teeth working on land reform programs in Vietnam in the wake of Ladejinsky's pioneering work there a decade before, and he even acknowledges, privately, his deep debt to his predecessor. Nonetheless, Ladejinsky is little more than a footnote in *Land Reform and Democratic Development*.

The reason for this is as straightforward as it is lamentable: Prosterman signed on early with the U.S. Agency for International Development (USAID), and its unofficial labor arm, the American Institute for Free Labor Development (AIFLD). Rather than recognize that land reform can only work in the context of a country ruled by a nationalist elite committed to social and economic modernization, Prosterman reifies certain correct principles of land reform into a cure-all to be mechanically applied by ham-handed U.S. State Department operatives and their creatures to countries in which the overriding U.S. policy desideratum is the crushing of any truly nationalist political factions.

Prosterman and Riedinger's ostensible purpose in writing the book is to put forth the proposal for "universalizing" land reform that occupies the book's final chapter. Having argued that land reform is the panacea to ensure democratic development in underdeveloped agrarian countries that otherwise are in danger of going communist, the authors attempt to place a price tag on what it would cost to finance land reform for all the world's peasants who are tenants or landless laborers, or who own too little land to make ends meet.

They argue that if only the advanced countries would come up with what amounts to a very modest amount of money annually over the next 15 years, such vast regions as India, Indonesia, Pakistan, Bangladesh, and the Philippines could have land reform, and be well on their way to duplicating the land reform experiences of Korea, Taiwan, and Japan in short order.

The thesis is as puerile as the methodology used to arrive at it. The authors first attempt to "prove" the self-evident

thesis that the farmer-operated family farm is the most efficient and productive form of agriculture known, other factors being equal, by use of "typologies" of different systems of land tenure, of relative productivities, and of standard of living, typologies so absurd that they virtually *refute* the very thesis being argued. Suffice it to say that an index that finds life better off in Hungary, East Germany, and Greece than in the United States, Taiwan, or Korea, or one that puts North Korea above South Korea, and four of the totally collectivized East bloc countries well ahead of the United States, in agricultural productivity, or one that fails to identify countries such as Brazil, Peru, or Colombia as in need of major land reforms, would have been discarded for the foolishness they are by any author not trying to promote a tendentious, false thesis.

State Department incompetence

Then, with reference to land reform programs in Vietnam in the late 1960s, and El Salvador in the early 1980s, that one or both authors have personally worked on, the authors seek to apply the lessons of the opening chapters. The truest point made in these two chapters is the charge of hideous incompetence, or worse, of the U.S. officials, primarily in the State Department, who opposed meaningful land reform or who failed to understand its importance for creating viable anti-communist regimes.

A strong case can be made for the authors' contention that the land reform finally executed under General Thieu in 1970 was genuine, was strongly supported by the peasant beneficiaries, and was working, and that had such a program been put into effect in the 1950s, the Vietcong would never have gotten off the ground. The outlines of the reform finally adopted conform point for point to Ladejinsky's recommendations 15 years earlier, which were opposed by the United States at that time and not seriously implemented by President Ngo Dinh Diem.

In the case of El Salvador, the authors attempt to justify the land reform program promulgated there in 1980 on which they had worked as consultants. Because their analysis of the existing tenure system is so superficial (part of Ladejinsky's genius was his astuteness in understanding and describing accurately the social, political, and physical parameters of land tenure systems), an informed judgment on their analysis is hampered. But according to the authors' own figures, half of the land distributed in the first two years was from large, cash-crop for export plantations, which were broken up into tiny plots.

In 1988, the overall output from these redistributed lands was one-half to one-third that before the land reform, a not surprising result, suggesting that the intent to atomize the larger holdings in such crops was totally ill-advised. The other half of the land distributed was in food crops, where, the authors, maintain, productivity did not fall.

However, in analyzing the overall situation, the authors miss the point entirely. They complain of the ability of the

middle-sized landowners to sabotage a third part of the reform, and to weaken the application of the two parts described above. They fail to mention, either in this context, or anywhere else in the book, the most important thing of all for successful land reform: the existence of a national government committed to *industrialization*, and which is led by nationalist reformers dedicated to developing the nation.

It was the absence of such an elite in power in El Salvador which has doomed that country to the disaster it now faces. Had all the U.S. economic assistance poured in there over the past eight years been employed to build up industry and provide infrastructure and inputs for farmers, the economy today would be such that the guerrilla appeal would have faded and the military threat from that quarter reduced to a minor annoyance.

The refusal to so much as mention the issue of industrialization anywhere in the book is as astounding as it is lawful, given the authors' political predilections. In fact, while they praise the land reforms of Taiwan and Japan highly, they fail to mention that apart from competent design and dedicated execution, the reforms worked above all because in both countries the national governments were run by nationalist elites dedicated to industrial development. It was that development which provided the industrial inputs for agriculture and created the wealth by which the countries were able to invest ever more in infrastructure, social welfare, and manufacturing.

A perfect test case of the limits of land reform *in itself* is provided by Korea, which Prosterman and Riedinger foolishly refer to in the same breath as that in Japan and Taiwan. According to the authors, Syngman Rhee carried out a far-reaching and successful land reform that was well under way before 1950, and was resumed after the Korean War. All this may be true, but Korea remained a desperately backward, poor, and underdeveloped country even after the land reform, until the nationalist Pak Chung Hee coup in 1961 set the country on a forced march of industrialization. The land reform already in place was an essential ingredient of Pak's program, but alone was doomed to wither on the vine.

The authors are oblivious to this overriding reality, for the simple reason that the policy of the AIFLD and the USAID for which they have worked, opposes genuine development, does nothing to encourage industrialization, and acts to prevent, wherever they can, nationalist elites from emerging or taking power.

The bottom line is that land reform in places like India and the Philippines is desperately needed, if designed correctly and based on accurate surveys of exactly what the "on the ground" situation is in each region of each country. Proper design of land reform programs makes a very big difference in determining their ultimate success, even if alone, they are no panacea.

As most succinctly presented by Ladejinsky in a 1964 paper entitled "Land Reform," and as also well described in chapters 7 and 8 of Prosterman and Riedinger's study, their

most useful section, a successful land reform should include the following elements: It should 1) be carried out over a very short period of time, to minimize landlord evasion; 2) aim to eliminate absentee farming and limit the maximum size of non-absentee-owner operations; 3) eliminate all tenancy arrangements, and most, but not all, day laborer positions; 4) adjust the criteria for the size of holdings to be redistributed, and of holdings given to peasants, according to topography, soil quality and history of the region (e.g., rice plots of one hectare can be economic in Asia, whereas 3-5 hectares is usually needed in Latin America); 5) provide *non-confiscatory* compensation for landlords; 6) compel the peasant recipients of the land to *buy* their plots, at a reasonable price, financed by low-interest loans, *not* receive them for free; and 7) provide adequate fertilizers, good quality seeds, pesticides and herbicides, access to tractors, transportation, storage, marketing facilities, and other infrastructure.

Points 5 and 6, often overlooked, are extremely important. Taiwan, for instance, compensated its landlords with bonds in industry, which remunerated and satisfied them, while furthering industrialization. When peasants have to buy their land, they tend to become more responsible, industrious, and competent as farmers.

The authors' final prescription, which attempts to put a price tag on reform and reduce the problem to one of foreign aid, is a coverup to obscure the real task of U.S. policy toward the Third World. The successful lessons of Japan, Taiwan, and Korea (and somewhat less successful but still positive experiences of countries such as Malaysia), and the unsuccessful lessons of most other countries, are what need to be analyzed and understood. The family farm is indeed the bulwark of a productive agriculture in a democratic, capitalist society. It deserves better exponents than Messrs. Prosterman and Riedinger.

Books Received

Dilemmas of Security: Politics, Strategy and the Israeli Experience in Lebanon, by Avner Yaniv, Oxford University Press, New York, 1987, \$24.95 hardbound, 355pp.

The Korean War, by Max Hastings, Simon and Schuster, New York, 1987, \$22.95 hardbound, 389pp.

The Leo Frank Case, by Leonard Dinnerstein, The University of Georgia Press, Athens, Ga., 1988, \$12.95 paper, 248pp.

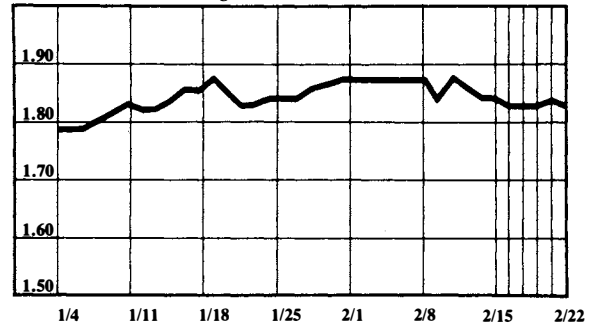
The Life of the Party: Democratic Prospects in 1988 and Beyond, by Robert Kuttner, Viking-Penguin Inc., New York, 1987, \$18.95 hardbound, 265pp.

The Journey Amongst the Good and the Great, by Andy Kerr, Naval Institute Press, Annapolis, Md., 1987, \$14.95 hardbound, 212 pp.

Currency Rates

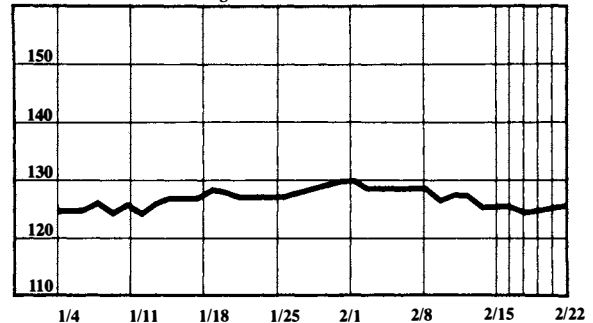
The dollar in deutschemarks

New York late afternoon fixing



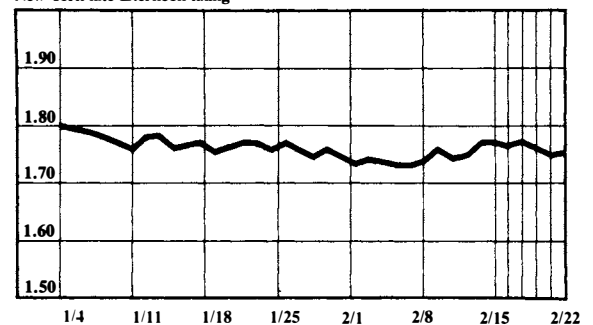
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

