

DISCUSSION
**Land conversion
and land transfers**

Antonio Ledesma
Moderator

Antonio Ledesma: Can we ask Dr. Luzviminda Cornista to give her comments? Dr. Cornista is Program Coordinator of the Institute of Agrarian Studies at U.P. Los Baños.

Luzviminda Cornista: A look at the four papers would reveal the presence of a common point of inquiry, that is, what is happening to the rice areas that have been covered by agrarian reform. There are common findings as well, which further confirm previous studies done along this line. Among these findings are:

- a) Parcelling of the land which oftentimes results in minuscule and, therefore, usually, uneconomic farm sizes;
- b) Increasing landlessness due to rapid population increases and migration;
- c) Selling and mortgaging of agrarian reform lands and leasehold tenancy rights;
- d) Social differentiation;
- e) Development of coping mechanisms and new labor arrangements particularly among the landless;
- f) Land use conversion; and
- g) In many cases, the rise of "petty capitalist farmers" from among the agrarian reform beneficiaries who can afford to invest on their farms and make them more productive.

The above findings bring into focus what I consider as basic "truisms" about agrarian reform in the Philippine context.

1) Agrarian reform alone cannot solve the problem of rural poverty besetting the country. The proportion of Comprehensive Agrarian Reform Program (CARP) beneficiaries to rural population is 11 percent taken as individuals and 61 percent, taken as households. While agrarian reform may attempt to cover as many rural poor groups as possible, the finiteness of land resource, especially when compared with a large and growing population, will prevent it from doing so.

Cabrido has pointed this out succinctly in his study of the carrying capacity of farms in Palawan. For instance, the optimum farm size of irrigated rice farms ranges from 1.64 hectares to 9.27 hectares per family, depending on the farm's potential or existing yield. Compare this to the national farm size average of 2.33 hectares per family.

Similarly, irrigated rice should have an optimum population density of three persons per hectare. In the 1980 Census of Agriculture, the estimated agricultural area per person is 0.22 hectare. This means that at least five persons are to be taken in on a hectare of land.

2) Unless population growth is controlled, landlessness, and with it increasing social differentiation, will be inevitable. While there is a decreasing trend in the population growth rate, the increase in absolute terms is still staggering. For instance, there was a 12.4 million increase in the population from 1980 to 1990.

These observations highlight the critical importance of creating more employment opportunities to absorb rural labor. This is a point that has been underscored by almost all of the paper writers: the concept of agro-industrialization and rural-based industries.

On the specific papers, I have these comments.

With regard to Dr. Camagay's paper, we cannot really say that those who drafted agrarian reform did not take the culture of Filipino farmers into consideration. Nonetheless, it is also true that parcelling the land into minuscule sizes renders agrarian reform meaningless. As mentioned by the author, the challenge is to evolve new production organizations and arrangements that will not jeopardize the economic viability of the farms. However, I do not understand what Dr. Camagay meant by "collectivization of land."

Ms. Medina's paper shows the amazing capacity of the poor to develop coping mechanisms which resulted in new labor arrangements. At the same time, it underscores the difficult situation of the landless workers.

From Dr. Bautista's paper, I wish to quote the following: "Under the Comprehensive Agrarian Reform Program (CARP), deregulation of the land market is already provided for under certain conditions, that is, full payment of amortization; land ceilings are also provided. Progressive land taxation is now being studied by the Department of Agrarian Reform (DAR)."

There is a seeming ambivalence in the author's position regarding the proposition of Hayami, Quisumbing and Adriano. Perhaps this can be attributed to the realization that serious unintended consequences will result

not only "because of well entrenched political and social mechanisms for transferring land" but also because in a situation where the land market is still imperfect and where the agrarian society is still highly class-based, the powerless, like the landless, have very little chance of competing for the land. As pointed out by the author, those who are buying agrarian reform lands are professionals and farmers who are much better off.

To me, the "agricultural ladder" that has to be travelled by a landless worker and/or share tenant smacks of the stages of economic growth model of development of which Rostow is the more famous proponent. This development paradigm has long been criticized as inadequate or inappropriate in a Third World setting.

Prof. Nantes' paper underscores the seriousness of the problem of land use conversion specifically in relation to food production and security. Prof. Nantes' contribution is the methodology and technology for measuring land use changes which the government could adapt in coming up with baseline information on land use conversions in a specific locality.

I only have one question: Will all the data generated be further processed to come up with proposals on alternative rural development strategies? This is because, except for Dr. Bautista's paper, the rest do not really give alternative proposals for rural development.

Antonio Ledesma: Let us now have the comments of Mr. Florencio Abad. Mr. Abad is Chairman of the Board of *Kaisahan Tungo sa Kaunlaran ng Kanayunan at Repormang Pansaka (KAISAHAN)*.

Florencio Abad: The papers raised some very interesting points regarding the vulnerability of small farm operators to selling their land. I think it has a lot to do with the fact that while the government has really been able to increase yields in rice and in some other crops, to this day, the business of farming has not been profitable insofar as our small farmers are concerned.

You add to this the uncertainty brought about by natural calamities. On top of that, we also have cases like that of an old farmer in Cavite who said, "It is better to sell our land than to work on it. We could get as much as 500 hundred thousand pesos per hectare (from the sale) and if we keep this amount in time deposit, we would surely gain even more." He added, "Some farmers are even smarter. They only sell a portion of their land and use the money to build an apartment on the remaining portion. These farmers end up even better off than the ones who are dependent on time deposit."

I think this is the real problem. The average price in the recent advertisements of real estate companies operating in the Southern Luzon area was around 1,300 pesos per square meter. This is about 13 million pesos

per hectare. In that case, what would you tell a farmer/operator who wants to sell his land? You cannot stop him from doing so because selling is more logical than taking the risks of calamity and uncertainty of the market.

In spite of the belief of some farmers that owning land is a security in itself, they still sell their land. Added to the risks I just mentioned is the political pressure applied by local politicians who are in close partnership with some realtors especially in some farms in Tagaytay. I can, therefore, understand the farmer that you cited, who said that it is better to sell because "the profits are more certain."

I have some reservations about this proposal to deregulate land transfer. While it is true that this may happen because some families have been able to send a member to Saudi Arabia and accumulate some surplus after a while, it may also be true that land transfers take place on a small scale through farmers with more capital who, therefore, can become more efficient producers.

I think that this can take place on a large scale, since it has already happened in lands transferred by the Department of Agrarian Reform (DAR). In the long run, this can be more detrimental not only to the small farmers but also to the economy of producing food and the like. I think this brings home to all of us the need to prove that there are workable alternative rural development strategies.

We can point out the areas where land transfers have been made but we have yet to show a community or an area where this idea of an owner-operated or cooperatively-managed small farmholding system has actually worked. In order to survive, such a community must be able to absorb surplus labor, diversify its crops from staple to cash crops and form efficient linkages within the system.

I am afraid that we operate within a system where you have a government that seems to have a bias against agriculture and an inclination toward deregulation, liberalization and foreign investment. I think that your cases confirm this bias and this tendency.

All of the papers mentioned that land and agricultural farm workers constitute almost 50 percent of the workforce in the community. One paper went on to say that these workers usually offer to work *gratis* during the planting season and during the time for cleaning or weeding. What prompts them to do so is a simple promise to be employed come harvest time. This is really a pathetic situation which, I think, is a consequence of the inability of the farms to absorb the surplus labor for the development of rural industry as well as the inability of the industrial sector to absorb rural labor. This was not mentioned in any of the studies since many of the areas studied were

near the upland areas. I wonder if this phenomenon has contributed significantly to the rate of migration to the upland areas, thus putting more pressure on upland resources. This in turn brings up the question of the viability of the environment and ecology which ultimately affects lowland farming.

How do we then approach this problem? In the Department of Agrarian Reform (DAR), we fought it head-on and were not very successful. It remains a problem. I think that intensifying the debate between agrarian reform and industrialization can go no further because this is a contentious issue. No amount of reasoning, whether empirical or otherwise, can convince our policymakers and politicians that our alternative is the right way.

An urgent and important issue though, as mentioned by one of the papers, is the problem pertaining to the environment and how this has led to increasing operational costs in the maintenance of the irrigation system, for example. Industrialization compounds the problem of pollution. Just reflect on what has happened to Caloocan City, Cabanatuan City, Nueva Vizcaya and Infanta. These places are flooded after heavy rains.

I think that the environment question, especially now, is also one entry point to the problem of land conversion. In the last Catholic Bishops' Conference of the Philippines (CBCP) survey regarding the most basic concerns of the people today, the environmental issue ranked second to graft and corruption. Many rely on the environment as a component of the sustainable development agenda. Maybe we can put things together and present that issue to government policymakers. Then it might be easier to convince people in Congress about the urgency of the problem of land transfers.

Again, I agree with Dr. Bautista that the problem of deregulation of land transfers and of land tenancy really presumes a state which understands the problem. I would put more emphasis on the state because at this stage, with all due respect to those who support the people's agrarian reform movement, the level of organization of our farmers, especially the landless agricultural workers, is not so high. Their level of organization does not really allow for the build-up of pressure that will make them significant enough to influence our policymakers.

Of course, the problem of expansion of real estate projects is that, in most instances, these lands are also owned and controlled by the so-called "captains of industry." In this area, we really have to review our strategy of rural development and the implementation strategy of agrarian reform. We can, however, still show that we have a model of rural development that can work -- one that can promote equity and the efficient use of land resource.

Antonio Ledesma: We will have the next reaction given by Dr. Bruce Tolentino, the former Undersecretary of Agriculture and presently Fellow of the Philippine Institute for Development Studies (PIDS).

Bruce Tolentino: Each of the authors referred to the book of Hayami, Quisumbing and Adriano. I am sure that the authors are very happy for this constant reference but certainly there is a great deal of literature that can also be referred to, particularly those which attempt to make the agrarian reform debate more fresh and incisive. There is a paper by Dada Adriano which is more recent and has more insight into the debate. There is a set of documents from the Dynamics of Rural Development Research Project of the PIDS. There is also a set of documents from the Department of Agriculture (DA) which talks about the agrarian reform regime. Of course, there is the work of Ting Roxas who has been looking at the issue for quite a while. And then there is a set of papers from the Department of Agrarian Reform (DAR) and the Food Agricultural Organization-Philippine Council for Agriculture, Forestry and Natural Resources Research Development (FAO-PCARRD) documents. There is also the analysis that has been going on at the Institute for Agrarian Studies (IAS).

Perhaps one thing that we can do in the academic community is extract a common vision from all the documents. This is because when Congress begins to look at the issue of agrarian reform, they will certainly call upon all of us to put in our two cents worth. I can sense from the documents that, at least in terms of a vision in our society, we are one. Then we better agree on a set of recommendations.

All of the papers talked about moving toward a national land use code. To repeat the comment I have made in another forum, "There are already various pieces of this national land use code." On the one hand, there is the set of laws and regulations within the National Housing and Urban Development Coordinating Committee as well as the Land and Housing and Urban Regulatory Board. These are the zoning ordinances that are already found in some parts of the country. The Department of Environment and Natural Resources (DENR) has a master plan for forestry and the integrated protected areas system.

On the other hand, the Department of Agriculture has the network of protected areas for agriculture which it has translated into a set of administrative orders. And finally, the National Land Use Committee and the National Physical Framework Plan in the National Economic Development Authority (NEDA) are trying to put all of these things together. Not too long ago, they tried to come up with a version of the national fiscal framework plan which attempted to do the same.

What is needed now is to codify all of these contributions and put them into a broad national framework of land use. But clearly, even a broad national framework for land use is inadequate when we start to deal with individual land conversion applications and community-based land use questions. Therefore, this broad framework must be securely linked with community-based planning processes.

This community-based planning process, moreover, clearly demands participation at the lower levels. This is because it is only through the participation at the lowest levels that we are able to get specific community inputs on information that is impossible to know at the national level. This is also needed for monitoring and enforcement. It is the neighbors, local nongovernment organizations (NGOs) and local interest groups that can finally make this work.

Evidently, the social sciences as a group can bring all these contributions together. As Prof. Nantes has mentioned, it is not only the economists and agriculturists but also the geographers and sociologists who can see to it that the interrelations are all accounted for.

At the local level and especially at the levels that we are talking about in the various papers, small communities that are really informed by participating community groups are the ones that can make a difference. They can also make this information heard in all the public hearings that are required in the conversion process.

A very complex question, it seems, is deregulation. It is clear to us that restrictions cannot and will not stop transactions which go on in various forms. Land-pawning and the use of land rights are prevalent in Central Luzon. Land-pawning, in some other studies, is what really finances our labor-contracting market in various parts of the world. The income that is now coming in from our contract workers is what really fuels the economy right now.

Changes that we noticed before and after the Mount Pinatubo eruption really reflect what is happening in the land use battles.

One also observes that lawmakers and policymakers are not even in a position to enforce the laws on land transfers. A major reason is that enforcement is simply impossible. It just introduces complications when the original owner with a document comes before the court and finds out that this piece of land already has been transferred five, ten or fifteen times over. Trying to trace the documents is also an impossible process.

But to complement a comment of Mr. Abad about the small owner in Cavite saying he may as well transfer the land, the issue of deregulation may

need to be approached by asking for responses to deregulation from low-income owners and high-income owners. I am sure that the onion farmers in Nueva Ecija, during the times when onion prices are good, will not give up their small pieces of land. The Cavite farmer who is barely able to eke out a living, however, will inevitably give up the land. The farmer who owns the half-hectare prawn land will surely not give it up; however, the man who owns three hectares of unirrigated rice will.

Sixto Roxas: It's quite interesting that Cynthia used Hayami, et al. as a starting point. I think it may be helpful to refer to Tony Ledesma's early studies which complement the trends you already pointed out. If you recall, in Tony's work, he pointed out that establishing a 7-hectare limit really created a very interesting involution. First, it restored tenancy -- a layered tenancy in which there were tenants of tenants. Second, it introduced massive landlessness. In listening to the Plaridel case, I closed my eyes and reminisced back to the 1960s. The only difference is that in the 1960s when we were talking agrarian reform, we were arraigned on a dispute versus the very large landowners, the Morenos and the Gallegos. The problem now is that we are dealing with much smaller landowners who are against agrarian reform. These are the schoolteachers who have acquired small pieces of land and a lot of the somewhat aggressive former tenants or small landowners who have now consolidated their holdings. Also, landlessness was not as big a problem then as it is now. But the problem remains and it is clarifying our vision of agrarian reform. I think you should change the title of the conference to "Alternative Development Strategies" because we tend to look at the rural or the agricultural problem when we should be looking at the development problem, instead. It's not a question of rural versus urban or industry versus agriculture that we are faced with; it's a question of appropriate development strategy.

One of the problems that we are looking at is that of the well-developed individual farmers. I think that there is a very atavistic and highly sector-specialized approach to the problem right now. No matter how good the heart is, very often the heart reverts back to the mindset. For example, consider Hayami, et al. I think when they analyze, they revert back to the atavistic and the neo-classical mindset. The heart of the problem is defining the unit of planning and the unit of organization. A small farm is certainly not viable; but a small farm can be viable within a system. The question is, what is that unit system? I noticed that many academic criticisms always refer to attempts to implement agrarian reform on a sectoral basis, by district, that is. No one really understands the importance of establishing a viable organization within which land management or land resource management can be undertaken. The preponderant fear about agrarian reform is that it is a flawed strategy for resource management or people management. Agrarian reform is not all about transferring titles. It is defining the unit of development, the appropriate organization and the appropriate management

system for that organization. Again I quarrel with Hayami, et al. in saying that we are wrong in trying to imitate the Japanese and Taiwanese models because they are the only models that have worked.

I have just come from Vietnam where they were talking about conversion. The Vietnamese are talking precisely about finding that model which has all the benefits of the socialist concern for equity and the capitalist concern for efficiency.

The contrast between Vietnam and China is very interesting. On one hand, Vietnam followed a Russian model and therefore collectivized a lot of farms. So Vietnam started from a collective socialist enterprise system. China, on the other hand, threw out the Russians early in the game and went into the commune system. Over the last 10 years, China made quite an interesting case of conversion and renovation. China established communal solidarity as the basis for agrarian reform from the start and only later did it begin to introduce liberal measures. Then they had an agricultural as well as an agro-industrial boom. A lot of the early investments and the entrepreneurial efforts in China went into rural industries.

Vietnam went the opposite lane. They went from state enterprise to private enterprise, and are now experiencing very disastrous results. As soon as Lungkaw which is the seat of oil exploration had a boom, it started manifesting all the problems that cities like Metro Manila have. Lungkaw is experiencing poverty, increased prostitution, increased immigration, forest destruction and landlessness.

There is a need for agrarian reform to be set within an appropriate system and that system must be community-based. Then we can talk about introducing the environmental elements and sustainable development models which must be conceived, designed and managed at the local level. It simply cannot be managed at the national level. It is the management of that particular district that Mr. Abad was talking about. It is within that setting that you have to determine your land valuation. It is hard to deregulate; however, we have got to deregulate and do so following very clear-cut ground rules for land management. You cannot leave land management to the market. It would be disastrous.

You have to liberalize land power shifts but you also have to define land power roles. In other words, one should be concerned with the role of the small farmer within a sub-system and with his role in creating or establishing the materials for rural but non-agricultural industry within that sub-system. I think that has to be worked at. If we had followed this in 1963 through the Angat irrigation system, for instance, we might now be able to point to the Angat community as a prime example of a "little Taiwan" in the Philippines. Unfortunately, right now, there is no example that we can point to.

Corazon Juliano-Soliman: I would like to comment on the papers that spoke about land conversion. As most of you in this room know, our organization the Congress for a People's Agrarian Reform (CPAR) has articulated our position on land use conversion at other venues and fora. We maintain that there should be a moratorium on land conversion and that the moratorium should last until a national land use policy is set. The executive government should also enforce a policy that prime agricultural land should be preserved for agricultural use.

We are not saying that we must stop land conversion altogether. What we are saying is that we must rationalize the use of our lands. We know that steps in the right direction have already been taken. We suggest that we move on to using the charter on land use and identifying the network of protected areas.

As of the moment, what we have is the charter and the criteria to determine what the network of protected areas should be. We should now move on to identify the protected areas in the provinces. For instance, Cavite and Laguna are included in the protected area of Cavite, Laguna, Batangas, Rizal and Quezon (CALABARZON). Here and in Central Luzon, there are already areas which should be within the network of protected areas.

We also propose the immediate transfer of ownership such that it is the farmer rather than the landowner who benefits from land conversion. This is contrary to the case cited in one of the studies wherein the landowner gets paid twice since there is a tax added to the 13 million pesos worth of his land. I think that immediate transfer of ownership is very important.

We definitely want to participate in land use planning. In fact, we are now back to the drawing board utilizing the community-based land use planning process in an area in Laguna.

The time for agrarian reform struggle has come to pass. It is time to move on. All the studies said that productivity is one of the reasons for buying land or for changing its use. Going further than that, we reiterate our demand for a formula which will take land redistribution and production as well as justice and the improvement of the quality of life into consideration. One cannot go ahead without the other.

That is the apprehension we have about the current government. We want to get a very clear signal from the government about this. This is because in discussions the government clearly espouses productivity and economic empowerment but we have yet to hear its position on justice and political and social empowerment. With this emphasis on productivity, the rural areas may prosper but the landowners will remain the elite.

We do not think that is going to work. I think we have enough examples in the Philippines which show that this will not work. When we look into productivity, we should also look into sustainable agricultural practices and the need for government intervention especially with regards to credit and marketing facilities.

Having said that, we do not support the idea of privatizing the National Food Authority (NFA) today. We think that the NFA should continue and should be strengthened. It should probably encourage the participation of the farmers in decision-making until such time that the farmers' cooperatives and peasant organizations can take over its facilities.

Secretary Bacani and Dr. Bruce Tolentino have already started this trend. Several NFA warehouses have been transferred to farmer cooperatives. We hope that the present secretary would do the same despite indications to the contrary.

I have a final suggestion to the researchers from the academe. The documentation that was undertaken on the lives of the farmer families in Central Luzon is well and good. They help us understand the problems of the farmers and their families.

I would encourage them, however, to help us in the documentation of some minor prototypes of alternatives which already exist. This would enable us to articulate the available alternatives and take them later on into the mainstream. These alternatives cannot blossom fully as a result of unfriendly macro economic and political policies. They wither away and die of economic or political causes at the municipal or provincial level. Documentation from the academe of these existing alternatives will be a good springboard for advocacy by nongovernment organizations and the government community.

Linda Penalba: In order for us to see the magnitude of what has been converted or transferred, I think the papers should clarify the extent and location of land that is covered by land reform.

The papers said that 10-25 percent of the land have been converted or transferred. My own study shows only 10 percent. I think we need more data to show clearly where the converted or transferred lands are in order to determine more accurately this percentage of land conversion and transfer.

My other comment pertains to the lands to be transferred. We were talking before about the Filipino farmer who wanted to own land because it offered security. I think that farmers would sell their land if they could get a higher income from selling it now than from saving it for later.

We can also look at it from the other side. There are no buyers if there

are no sellers, and the buyers are not necessarily just the large landowners.

Maybe we can also start asking the questions, To what extent do the salaried working-class and professionals contribute to the land problem? How many people who are working in Makati or in other cities of the Philippines have this idealized notion of owning a farm where they will live after retirement?

Some may own a farm in Antipolo or in Tagaytay where they go as weekend farmers. I think there is a share tenancy relationship that is likely to develop out of this practice which is even worse because it is actually just collecting the rent. This is unlike share tenancy where there is a true sharing of responsibility.

The city folk simply would like to have a place in the province so that if things go bad, they would have a piece of land to go back to. This is because the salaried working class, including the professionals, do not trust the banking system. They would like to put their money into something that would be there and not get lost.

Also, there is not enough information available for people with a little amount of money to invest. I am amazed at the number of people I know who have bought pieces of land with their earnings for a number of reasons. Some hope to develop a new mode of farming.

Eventually, however, these landowners from the city end up being rent collectors to tenants whom they inevitably acquire. This is a bad relationship not because the landowners are exploitative but because they do not help in the improvement of the land. I think this is just one aspect that we have to look into, i.e., the relationship between buying a piece of land and knowing where to put one's money.

Narciso Villapando: As you all know, the Department of Agrarian Reform (DAR) has been given the authority to approve or disapprove land conversion. The figures that were given by Prof. Nantes are quite a departure from our figures.

This goes to show that much of the land conversion going on (not only in Plaridel but also in other parts of Bulacan) is unauthorized. We have to do something about this. Pending the adoption of a moratorium as suggested by the Congress for a People's Agrarian Reform (CPAR) or pending the formulation of a national land use policy, we should take some stopgap measures.

Conversion cannot be fully consummated without the intervention of three other agencies besides the Department of Agrarian Reform (DAR). The

first office is the Housing and Land Use Regulatory Board (HLURB) which issues the license to develop and the license to sell. It is also the office that formally approves the scheme for subdivision or residential purposes.

The second office is the Department of Environment and Natural Resources (DENR) which approves all subdivision surveys for residential purposes. The third office is the Register of Deeds which registers subdivision lots.

What is obviously happening in Plaridel is land conversion which was started even without the approval of the DAR and without the documentation of the HLURB, DENR and Register of Deeds. What is probably needed as a temporary measure is a written document that will ensure that these four agencies put a stop to illegal or unauthorized conversion. We are going to make such a recommendation to our superior.

Josefina Sidiangco: This conference is very timely since we are under a new administration which is rethinking its policies and we are one in the search for the best alternative strategies for rural development. Actually, the discussion zeroed in on the best use of agricultural land and the best alternatives in rural development.

My comments will focus on the Plaridel experience. I must congratulate the writer for having done a very beautiful and well written paper.

Firstly, I have always maintained the position that Operation Land Transfer (OLT)-covered agricultural land does not come within the ambit of the Department of Justice (DOJ) Opinion No.44 because the reckoning date for that DOJ opinion is June 15, 1988 and the OLT was declared on October 31, 1972. Therefore, the OLT area should not come within the ambit of DOJ Opinion No.44.

Secondly, I would persist in debunking the DOJ opinion because it does not have any force of a jurisprudence. It only has persuasive effects upon the courts. Thus, if we ever get the support of the executive government, the nongovernment organizations (NGOs) and everybody, we will be making a breakthrough in opposing the DOJ opinion.

I have already notified the legal NGOs on this. Those areas approved under the DOJ opinion will go to the Supreme Court where the constitutional issue will be resolved once and for all.

Those OLT areas which have been converted have no case. We disapproved one area where we were up against a very powerful person somewhere up there. We already have a precedent. I am just waiting for the approval which will give us a breakthrough. Probably, you should help us in

the interpretation of Section 65 on conversion. This is just the time to do it.

The interpretation of Section 65, which is included in my annotation of RA 65, is that conversion should be allowed only after the land has been transferred to the tenant-beneficiary and not while the landowner still holds on to the land. And believe me, that was the intention of the cabinet committee in 1986. I was sitting in that committee and so was Dr. Tolentino. The intention of that committee was to award the land first and then let the beneficiaries reap the fruits of development or whatever income they would have after conversion of that particular land.

Concerning the concept of an economic farm unit, it was always the belief that three hectares is the viable economic farm unit. That is why under Presidential Decree (PD) No.27, the viable irrigated unit is three hectares and the viable non-irrigated unit is five hectares. Only one qualified heir is allowed to benefit. If we allow all the heirs to qualify, their shares would be too small. We have so many cases in which a transfer would precipitate a quarrel among siblings. Maybe you could help us by giving a proposal on how to rethink the concept of an economic farm unit.

This conference is very timely since Congress will open soon. I used to be happy to hear cost-benefit analyses of land use. The question in my mind used to be, "Is it best to devote this agricultural land to industry or will it be better to devote this land to agriculture?" Now I realize that it is better to rethink the issue.

I agree with the proposal for a moratorium and I will talk to the boss about it. This is because we have to rethink forestry. We have to change guidelines. We have to address this problem of increasing pressure on prime agricultural lands. I very much agree with the proposal for a moratorium.

Concerning the identification of a network of protected areas, everything which has been said boils down to one mistake or weakness at the Department of Agrarian Reform (DAR). We have a very poor monitoring network. I am not here to defend or to rationalize the mistake. If no report of conversion is made, we would not know about it. The good news is that we already prosecute those engaged in illegal conversions. Many will get burned. We have already seen one case which could become very sensitive. Anyway, we are up against powerful landowners engaged in illegal land conversions. They make admissions without even thinking that there is criminal liability in land conversions. There are criminal sanctions. The erring landowners thought they would just pay a fine of 12 thousand pesos, but when they read about the criminal liabilities involved in land conversions, they became a little worried. We are at them now and even before Secretary Leong left, we were already fighting illegal land conversion.

I hope that we will work more progressively and that you will help us in the implementation of the program.

Linda Penalba: *Ang una kong tatalakayin ay iyong kasong inilahad ni Dr. Camagay. Kapareho din nito ng kaso sa isang barangay sa Laguna. Operation Land Transfer (OLT) area din iyon at may maliit na sakahan na ibinibigay sa padre de pamilya. Nang lumaki na iyong mga anak, nahati-hati iyong sakahan hanggang sa maging tig-200 square meters na lang. Nagtatanim sila ng palay at tubo.*

Ang ibig sabihin nito, kung susubaybayan iyong isang beneficiary o original recipient ng OLT, hindi nagbabago iyong kanyang kalagayan sa buhay. Matanda na siya, mahirap pa rin siya. Dahil iyong kanyang natanggap na isa't kalahating ektaryang lupain ay ipinamahagi sa kanyang mga anak.

Kung titingnan mo iyong epekto ng isinagawang reporma sa kanyang pamumuhay, wala. Masasabi mo na hindi nakatulong ang reporma sa lupa sa pagpapa-unlad ng kanyang buhay. Pero puwede mo ring tingnan ang magiging buhay nila kung hindi mo naman sila nabigyan ng lupa. Hindi lamang siya kundi pati na ang kanyang mga anak na sana'y walang pagkakakitaan. Siguro maghahanap sila ng iba.

Dahil sa patuloy ang pagtatanim sa kapisang lupa, iyon siguro ang pinakamabuting pagkakakitaan para sa kanila. Nang iyong tanungin kung isinaalang-alang ng mga nagmungkahi ng repormang pang-agraryo ang posibilidad na paghati-hatian din ang lupa, parang ang pinupunto ng iyong tanong ay medyo negatibo. Pero siguro kung susuriin ang epekto ng repormang pang-agraryo, hindi sapat na tingnan ang epekto nito sa pangalawang henerasyon lamang. Mahalagang itanong na kung hindi nagkaroon ng reporma, ito bang mga taong ito ay magkakaroon ng pagkakataong makapag-ari ng lupa?

Tungkol naman sa land use conversion, nabanggit ni Mr. Abad kanina na merong mga magsasaka na nagsabing magko-convert na lamang sila dahil mas malaki ang kikitain nila kung idedeposito na lamang nila ang kanilang perang napagbentahan ng lupa. Pero sa napakaraming kaso sa Laguna, mas lumala ang sitwasyon ng mga magsasaka matapos silang pumayag na ibenta ang lupa dahil na rin siguro sa hindi nila alam kung paano hahawakan ang pera.

Mayroon din namang napagsamantalahan sa bentahan ng lupa. Hindi ibinigay sa kanila iyong lahat ng pera, yung cash. Inunti-unti sila. Kaya noong magkwenta sila, may utang pang 50 thousand cash ang bawat pamilya. Pero lahat sila merong tricycle, lahat sila magaganda ang buhay at may mga karaoke. Pero wala na sila ngayong source of income. Wala nang

sumasakay sa tricycle dahil lahat sila ay may tricycle.

[The first thing I would like to discuss is the case presented in the paper of Dr. Camagay. The case she documented is similar to the case of one barangay in Laguna - also an Operation Land Transfer (OLT) area consisting of small parcels of land given to the head of the household in the past. Later, the land given to the original beneficiaries was divided among the children. Now each heir has a plot of two hundred square meters on which rice and sugarcane are cultivated.

This means that if you monitor a beneficiary, i.e., the original recipient of an OLT area, you will notice that his socioeconomic condition has not changed for the better. He will still be poor in his old age since by then he would have divided among his children the one-and-a-half hectares of land which he originally owned.

Given this example, you can say that agrarian reform has not helped in improving the quality of life of the farmer. But try to imagine what life would be like if you did not give the farmer some land. He and his children probably would have no source of income. The fact that they continue to cultivate even that small parcel of land shows that it is still the best source of income for them.

I think the question you asked about whether or not the proponents of agrarian reform considered the effects of parcelling land bespeaks a negative attitude. Rather than assess the effects of agrarian reform simply on the second generation, you could ask the question, "If there were no agrarian reform, would the original beneficiary have access to land?"

The second point I want to make is about land use conversion. Mr. Abad mentioned that there are farmers who said that they would rather convert their land because they can earn more by depositing in a bank the proceeds from its sale. There are, however, many cases in Laguna where the farmers became worse off after conversion. They probably did not know how to make use of the money. Some were fooled by the buyer of the land who paid in installments. These farmers came out owing 50 thousand pesos per family. Although each one might own a tricycle, a nice house and a karaoke, he no longer has a source of income. Nobody rides tricycles anymore since everyone owns a tricycle.]

Cynthia Bautista: In closing this conference, let me thank all the participants who shared their experiences and perspectives. We are particularly grateful for the insights which have some bearing on prevalent and emerging mindsets. After all, the formulation of creative and innovative strategies for solving our problems requires a critique of existing frameworks of analysis and their underlying worldviews as well as the articulation of alternative mindsets.