



*2 April 2016 – Valencia Polytechnic University*

## WORKSHOP 12: FISCAL POLICIES, REGULATING PROPERTY MARKETS, REGULATING THE SIZE OF PRODUCTION UNITS

Translated from French by Nicola Savage, Translators Without Borders (TWB)

### **EVALUATION**

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The first observation from this workshop is that everywhere in the world, we are seeing strong growth in the inequalities of the distribution of land, with a growing concentration of land in the hands of a reduced number of players.

This land concentration phenomenon unavoidably leads to the exclusion and marginalization of small production units and their workers. We are dealing with an increasingly bipolar agricultural model which opposes family agriculture and large scale agriculture in an unequal fight.

We have noticed that many agricultural reform processes that took place in the 1970s, in Latin America in particular, have failed. In fact, in the majority of cases, in Chile and Peru in particular, we see that the latifundism has now managed to re-impose itself in this area just a few decades after the implementation of the agricultural reforms. The development of neo-liberalism has played a central role in this systematic re-concentration of lands. For example, the injunctions of international financial institutions to create a "climate favorable to investments" have led to various national governments putting in place very favorable policies for investors (tax exemptions, business creation advantages, profit guarantees...), encouraging in particular the entry of large agri-business companies who are offered, in some cases, almost free access to large land extensions.

In the large majority of cases, the production model of agri-holdings, also favored by the free trade agreements in place, tends to become generalized to the detriment of family based agriculture. Analysis of the distribution of land rights corresponds to the forms of natural resource use. The current land concentration phenomena are inseparable from the generalization of the large scale specialized operation agricultural model.

If we look back at world agricultural history, it is possible to assert that land concentration systematically generates the pauperization of farmers and that the crisis in the rural sector generally leads to the ruin of national economies.

Today we are observing the appearance of new land right holders (ownership or use: long term leasehold contracts or shorter contracts), in particular companies who often come from countries other than the ones in which they establish themselves and sometimes from sectors outside of agriculture. Over the past three decades, the number of agricultural companies has increased significantly. Today, the biggest latifundists are no longer individuals but companies. This phenomenon is to be viewed in light of the opening of foreign investments. Capital that comes from all over the world can be invested in the agriculture of a country to create new companies or to acquire shares in existing agricultural companies. These acquisitions and concentrations of shares in multiple companies by a same shareholder call into question the security of food sovereignty.

The financialization of agriculture ignores those who have the real power to choose the use of the land and to draw benefit from it. Where they exist, regulatory tools for land use are outdated. For example, in France the National Federation of land management and rural settlement Institutions (SAFER) does not have the power to control the sale of shares.

All of the participants concluded that the idea of an "autoregulating" market, keystone of the "classical" economy, is simply fiction when looking at land. An equitable distribution of ownership or usage rights in a society, one which allows for activities to be implemented that will guarantee good living conditions for the majority of individuals and families, cannot be established spontaneously. Most of the participants expressed the necessity of putting in place effective regulation of land markets and shares in agricultural companies, while others asserted that the land cannot be considered as a good as it is a fundamental resource for human life and that as such it must be exempt from market forces, whether it is regulated or not.

## PROPOSITIONS

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***Acknowledge the importance of family agriculture in each of our countries and identify the specific problems that must be tackled to get appropriate responses:***

- Support the land redistribution policies with other public policies that enable producers to set up sustainably and guarantees them good living conditions. Some participants called for "full agricultural reform" including, in addition to the land redistribution, clear measures to support a small scale farmer agricultural model: support for agri-econolgy, development of rural markets and other short sales circuits, help with facilities, etc.
- Promote the restitution of the land to indigenous/native peoples of each country so that they can reclaim lands stolen from them during colonization.
- Cap agricultural subsidies, in Europe in particular, to contribute to slowing the speculation on land and reducing the multiplication of large operations which do not conduct their operations in the interests of the people.

***Put in place effective regulation of land markets:***

- Use fiscal policies to regulate the land markets and to limit the size of agricultural operations.
- Put in place regulation mechanisms for the transfer of shares in order to effectively regulate the growth of companies engaged in agricultural operations.
- Seek better coordination between the different land, national and supranational regulatory frameworks. Some participants put forward that it would be essential to put in place regulations at a global level.

***Form alliances with different sectors of society:***

- Continue and increase efforts toward the creation of a solid connection between urban consumer and agriculture.
- Try to rally support from politicians in power to the "farmer cause", by convincing them that the defense of family agriculture is essential to the balance of our whole society.
- Join and act alongside social agriculture movements. Build a strong social movement that will put forward proposals.
- Continue thinking and discussions around the following questions:
  - How to have an influence on governments and public policy?
  - What types of agricultural reform should we push in our countries?
  - What should be the role of the State in these agricultural reforms?
  - What do we really mean when we talk about family agriculture?
  - Can land be considered a good or not?

## **INTERVENTIONS**

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*This list is not exhaustive We apologize in advance if any names of participants at this workshop are not included and we invite you to advise us by sending an email to the address below so that we can publish a new version with a full list of presenters: [secretariat@landaccessforum.org](mailto:secretariat@landaccessforum.org)*

### Introductory interventions:

EGUREN, Fernando, Director, Peruvian Center for Social Studies (CEPES), Peru  
GONZALEZ CORRALES, Pablo, Advisor, Andalusian Union of Workers (SAT), Spain  
HYEST, Emmanuel, President of the National Federation of land management and rural settlement Institutions (FNSAFER), France  
LEVESQUE, Robert, Agricultural Engineer, Terres d'Europe Scafr, France  
MAZOYER, Marcel, Emeritus Professor, AgroParisTech, France  
SOMBOLINGGI, Rukka, Aliansi Masyarakat Adat Nusantara - Indigenous Peoples' Alliance of the Archipelago (AMAN), Indonesia

### Interventions from participants:

BUISSON, Michel, Agronomist, Association for the Taxation of financial Transactions and Citizen Action (ATTAC), France  
LOYAT, Jacques, Agronomist, Association for the Taxation of financial Transactions and Citizen Action (ATTAC), France  
MACZ, Maria Josefa, National Delegated Coordinator for the Guatemala Rural Unit Committee (CUC), Guatemala  
MUNTING, Monique, Researcher, consultant and film maker, AGTER, SCAM, Amnesty International, COTA, Belgium  
ROUX, Bernard, Academy of Agriculture, France  
SUAREZ, Victor, National Association of Rural Commercialization Enterprises (ANEC), Mexico  
VAN TSCHARNER, Severine, Greenhorns, United States of America

### Moderator:

ARNALTE, Eladio, Lecturer, Polytechnic University of Valencia, Spain

### Rapporteur:

ROBLES, Hector, Executive coordinator of "Subventions to rural sector" website, Mexico