

REVIEWS

LAND REFORM AND THE PLANTATIONS

WHAT DO WE DO ABOUT PLANTATIONS?. M.A.H.B. WALTER (Ed.). [Port Moresby: Institute of Applied Social and Economic Research: Monograph No. 15. 1981.]

A recent bibliography itemises over six hundred references to Papua New Guinea plantations (M.M. Turner and D. Hulme, **Bibliography of Plantations and Land Settlement in Papua New Guinea.** Port Moresby: Institute of Applied Social and Economic Research). In spite of this wealth of information, there are still many gaps in our knowledge and understanding of an industry which has played an important role in the country's economic development. For example, nobody is even very sure how many plantations there are; recent government departmental figures range from 424 (Department of Labour) to 891 (Bureau of Statistics).

On one fact there seems to be agreement; the plantations have problems. With the exception of coffee, there has been a fall in the production of the traditional plantation crops. Costs have risen and investment has fallen. In some cases, plantations have been abandoned and workers laid off. Prices have been affected by the world recession; relative export earnings have gone down.

The current situation in the plantation industry was the subject of a conference held in Port Moresby in 1980 and sponsored by the Institute of Applied Social and Economic Research (IASER). The participants in this conference covered a wide range of occupations and interests; they included businessmen, plantation managers, academics, public servants, bankers and lawyers. The papers that they delivered have now been published as an IASER monograph under the title of **What Do We Do About Plantations?.**

The papers are arranged in five sections. The first on 'The Present State of the Industry' includes useful factual accounts from Andrew Sheperd and Leon Bridgeland. There is also a short but thoughtful economic analysis by N.V. Lam, and a paper by Bob McKillop advocating the sub-division of plantations into family smallholdings.

The second section is on 'The Redistribution Scheme'. The Plantation Redistribution Scheme was established after self-government to return plantations to indigenous land-owners. It has been a mixed success and the subject of considerable adverse publicity. In fact, one might say it has been run-down nearly as much as many of the plantations were prior to take-over. The papers in this section reflect something of this controversy. There is the report of the Committee of Review into the Scheme; a criticism of this report and of the Department of Justice by Jim Fingleton; followed by a criticism of JIM Fingleton by Leo Au of the Department of Justice. One of the main issues here is that the legislation introduced in 1974 to make the Scheme possible is thought to be unnecessarily complex. In

particular, the **Land Redistribution Act** is criticised as being difficult to comply with. Other problems which seem to emerge from this Section are the lack of support and cooperation from all government departments. Experience from other countries would seem to indicate that any land reform programme must be carefully planned and accompanied by other measures such as the provision of rural credit, and extension and training services. These were often lacking in the early stages of the Scheme. The new owners often found themselves in the possession of poorly-maintained overgrown plantations badly in need of replanting, and without the capital and experience needed to redevelop them.

The third and fourth parts of the book go under the title of 'Current Problems and Prospects' viewed respectively from the industry and village. From the first we learn about the need for the provision of training for new managers of the localised plantations and the assistance being given by the National Plantation Management Agency. We are also told by Ian Afflick why commercial banks are often reluctant to lend the money needed to develop the plantations. The papers on 'Views from the Village' have been mainly written by expatriate social scientists, and one wonders if another subtitle might have been more appropriate. However, several of them do provide information about that important but often neglected factor of production, the labour force. It is interesting that many of the redistributed plantations have continued to employ labourers from other areas; it has not really been a case of 'land to the tillers' reform.

The final section is entitled: 'The Future: Policy Recommendation Statement'. Several of the papers contain recommendations, with greater government support for the plantation industry being the most frequent suggestion. The need to identify suitable rural land for development and the need to give farmers greater security of tenure are two other points that are emphasised.

One important result of the Plantation Redistribution Scheme is that it also stimulated the takeover of plantations outside the framework of the Scheme itself. Most of these were purchased with the aid of commercial bank loans; the majority are coffee plantations in the Highlands and many of them have been very profitable. These are described in papers by Ricky Mitio, Barry Corin and Dekot Koki. The Scheme does seem to have helped in achieving one of the government's development aims: greater participation by Papua New Guineans in the economy. This is emphasised in Michael Mel's paper when he talks about it as 'the best thing that ever happened to Papua New Guinea business' (p.197).

Today the future of the whole plantation industry still remains in doubt. One model for agricultural development is provided by the large oil palm nucleus estates in Oro and West New Britain Provinces. Another possibility is Bob McKillop's suggestion that the plantations be split up into small-holdings. There is also the recent development of the 'lease-leaseback scheme' which enables customary land-owners to obtain credit and managerial services to develop commercial agriculture. This is administratively rather cumbersome because it involves government acquisition and leasing procedures with the attendant delays and need for survey. It has, however, proved very

popular in the Highlands and would seem to emphasise the need for provision to be made for some type of registration of group title to customary land.

The policy-makers have yet to really come up with an answer to the question of what we do about plantations. Recent statements by Ministers would seem to indicate that they still support the takeover of expatriate-owned plantations by local interests. However, public funds are no longer being allocated to the Alienated Land Trust Account for this purpose and the Alienated Lands Branch of the Department of Lands has been disbanded. The Plantation Redistribution Scheme as it was initially conceived now seems to be over. Whether one regards it as a limited success or a disastrous failure, it is important for future land reform and development that we learn from both its achievements and its problems.