

## Melanesian customary land and hybrid livelihoods

by Tim Anderson, University of Sydney, Australia

Community land was at the root of indigenous survival and social relations until colonial regimes enforced dispossession. Yet, as if by an accident of history, the countries of Melanesia (and particularly Papua New Guinea, the Solomon Islands and Vanuatu) largely escaped this fate. To this day, the great majority of land in these countries is still held by communities and families under a customary law which is neither written down nor centrally registered. Such systems have advantages in terms of social security, food security, cultural reproduction, intergenerational equity and environmental management. Accordingly, customary land was recognised and protected, at independence, in virtually all the Melanesian constitutions.

Nevertheless, the advantages of traditional systems have been marginalised by modernist thinking and commercial agendas. In particular, it has been argued that registration and commercialisation of customary land can improve security of tenure, increase agricultural productivity, enhance access to rural credit, empower women and generally grow ‘the economy’. Melanesian customary land has thus faced a series of post-colonial attacks on its legitimacy and utility, typically backed by loggers, miners and other investors, as well as aid agencies and various local interests. Despite this, most Melanesian customary owners value their land and have not wanted to hand it over. Resistance to pressures on land has been strong and – unlike in neighbouring countries with stronger states and weaker customary laws – mostly successful. Relatively little customary land has been sold or leased; so far.

However pressure to engage more in cash economies begins with school fees and health service fees and, in many cases, a simple lack of services and basic infrastructure. The benefits of subsistence production and customary exchange, while important, are insufficient to meet contemporary needs. Communities and families are thus looking for options and are vulnerable to promises over ‘development’ of their land. For these reasons it seems important to test out the modernist arguments and to compare the competing livelihood options.

This paper sets out the context of customary land in Melanesia, then introduces the modernist arguments and the relevant historical evidence. It asserts that a focus on the livelihoods of families is more relevant to developmental debates in Melanesia than discussions of the aggregate economy. The paper moves to consideration of recent evidence on Melanesian livelihoods, including ‘hybrid livelihoods’. These comprise several adaptive elements within the context of widespread, customary land tenure. The paper quantifies the economic potential of various possible elements of hybrid livelihoods and concludes that the better options are accessed by those families that keep control of and gradually develop the potential of their own land. Consideration of customary land in Melanesia can inform wider debates on the value of indigenous land tenure and of the ‘multifunctionality’ of small farming.

## 1. The Melanesian Context

Colonial occupation of the South West Pacific was late, diverse and subject to various interruptions. The British, the Dutch, the Portuguese, the French, the Germans and the US occupied various islands, or parts of islands. After the First World War, Germany was divested of its part of New Guinea. After the Second World War Australia and New Zealand, themselves former colonies, were handed some of Britain’s imperial legacy. With the later Dutch and Portuguese withdrawals, Indonesia annexed the western half of New Guinea and East Timor. There were a few important economic interests such as phosphate from Nauru, and minerals in Papua and New Guinea; but the islands had proven themselves valuable to colonial interests as strategic outposts. Land had not been a key focus. In these circumstances, apart from some small plantations, indigenous land tenure systems were mostly left intact. To this day, for example, more than 96% of all land in PNG (the biggest Melanesian country, with a population of nearly six million) is held under legally recognised but unwritten customary title by clans and families.<sup>1</sup> The situation is similar in the Solomon Islands and Vanuatu, but somewhat different in Timor Leste, Fiji and West Papua.

---

<sup>1</sup> Two western academics (arguing the virtues of private ownership) have suggested that customary tenure may apply to only 20% of the cultivated land PNG, and that most of the rest is “a commons open to undifferentiated access by all” (Curtin and Lea 2006: 171). Neither the Government nor the law of PNG recognises such an argument (NRI 2007). Under customary law PNG’s clans and families have custodian responsibility for forests, hunting grounds, nature reserves and natural features such as mountains, as well as gardens and residential land.

Colonial administrators in the Pacific and South East Asia had not favoured widespread land holding, with the idea that this made the natives ‘lazy’ and unwilling to work. Of course, the initial reason, as Dickerman et al (1989: viii) point out, in context of African history, was simply that colonists wanted to get their hands on native lands. Land laws were passed by French, Belgian and British administrators, dispossessing African peoples on ‘public interest’ grounds, and handing their land over to the colonists. In Belgian occupied Congo and Rwanda-Burundi colonial laws banned Africans from owning land in certain areas (Dickerman et al 1989: ix-x).

Distinct rationales grew from this early policy. In his book *The Myth of the Lazy Native* Alatas documents this phenomenon. Dutch Governors in Indonesia complained about proposals for improved land distribution as well as the abolition of forced labour, saying that the Javanese were ‘too lazy and too sluggish’ to work more than was required for subsistence, and that forced labour and landlessness helped overcome this laziness (Alatas 1977: 65). Some Malay nationalists repeated similar racial stereotypes, attributing easy access to fertile land and a tropical climate as an explanation for Chinese superiority over Malays, in terms of productivity and commercial creativity. “There was plenty of land for everyone and the hills were never necessary for cultivation or permanent settlement” wrote Mahathir bin Mohammed (in Alatas 1977: 155-6).

In the Pacific similar concerns were expressed in relation to Fiji, as indentured Indian labourers were imported by the British. Fijian natives were considered ‘too lazy’ to work in cheap labour in the British sugar plantations (Naidu 1980; Saunders 1984). The ownership of productive land by islander families was often seen, through colonial eyes, as an obstacle to their participation in market economies.

The relative inaction by Australia on land in Papua New Guinea contrasted with British land schemes in Kenya and the Sudan (Dickerman et al 1989). However in Australia itself the position was entirely the reverse. Australian indigenous people had been completely dispossessed. A new form of land law (‘Torrens Title’) had been created in the mid 19<sup>th</sup> century specifically to block any customary claim to land (Reynolds 1987). Australia’s Aboriginal people were not able to reclaim any recognised land rights until the 1970s. Until 1992, Australia maintained a legal doctrine (‘terra nullius’) that all indigenous land tenure had been wiped out by the act of colonisation (Brennan 1992).

Australian attempts to ‘reform’ Melanesian customary land tenure systems have been more notable in the post-colonial period; that is, after Papua New Guinea’s independence in 1975. The Australian aid agency (AusAID) has spent many tens of millions of dollars on land titling and land programs, since the 1980s, programs often co-financed by the World Bank (see Rusanen 2005). However, in PNG, land modernisation programs have faced both popular resistance and a constitution and land law which explicitly recognises traditional law and customary land tenure. Much the same could be said of the Solomon Islands (a British colony until 1979), Vanuatu (a British-French possession until 1980) and Timor Leste (a Portuguese colony until 1974, then annexed by Indonesia until 1999). These countries at independence reclaimed their land and declared in their constitutions that only nationals could own land.

Those four countries maintain three quarters or more of their populations in rural livelihoods based on clan and family lands. Unlike in other regions of the world there is almost no tenant farming and virtually no big land-owners. Papua New Guinea has probably the most even distribution of land in the world. Most people in the Melanesian countries have access to some rural land and, in the case of PNG, remarkably diverse production (Bourke and Vlassak 2004). They face problems of access to education, health and infrastructure but their food security, basic housing and environmental integrity is relatively sound. Where agricultural liberalisation and the monocultures of agribusiness have exposed populations in developing countries around the world to displacement, food insecurity and environmental damage, indigenous and small scale farming in Melanesia has been remarkably resilient and ecologically sustainable. This small farming sector includes subsistence production, provision of housing, production for customary exchange and substantial informal commerce. Most of this is underestimated (Bourke and Vlassak 2004) or simply not counted at all.

There are consequences of Melanesia’s unique combination of widespread land tenure and weak states, which offer very few social services. Communities remain quite independent of government. When the government of the Solomon Islands and its police force collapsed in the political crisis of 1999-2003, the livelihoods of most families were unaffected (Roughan 2008). Then when the world price of grains shot up in 2008, causing or aggravating food crises in seventy countries (FAO 2011), there was no food crisis in Melanesia.

Customary land tenure in Melanesia, along with its associated small scale farming, has been a vehicle for food security, housing, widespread employment, social security, biodiversity protection, ecological stability and a store of natural medicines, as well as a source of social cohesion and inclusion and cultural reproduction (Lee and Anderson 2010). In many ways these small farmers embody some of the best traditions of what has been called the ‘multifunctionality’ of small farming, with multiple economic and social contributions, many of which escape normal social measurement (Rosset 2000; Moxnes Jervell and Jolley 2003). Most families have not been able to expand their incomes to cover the huge deficits left by failures in basic services, such as health and education; but this is more a failure of government than of communities. Failures in services and infrastructure reflect little on the customary land tenure system.

Melanesian customary landowners have engaged in strong and largely successful resistance, whenever a plan has arisen which threatens their land. There were emphatic protests at the plans to register and commercialise land, under the World Bank’s 1989-1997 ‘land mobilisation’ program for PNG (World Bank 1989; Seneviratne 1995). Similarly, the people and government of the Solomon Islands opposed the Australian plan to register and commercialise land, under cover of the regional assistance mission (RAMSI) to that country. Australia’s move on land - because “customary land ownership places serious constraints on the growth of new higher value private sector activities” (DFAT 2004: 135) – was rapidly defeated. Even some Australian aid consultants had stressed just how important customary land had been for Solomon Islanders. Land tenure had not been a ‘limiting factor’ in agricultural production. On the contrary ‘subsistence food production sustained the population during [the conflict] … it underwrites the economy and is a major strength of the nation’ (Bourke et al 2006: 22).

Nevertheless, none of this has deterred the longer term ‘land reform’ project which is both modernist (in suggesting a common development path, with benefits for all) and corporatist (driven by powerful interests). Nor is the drive for land commercialisation deterred by the multiple failures of modernist land management and agriculture elsewhere: the contributions of chemically-intensive monocultures to disease, water pollution, soil degradation, salination and the marginalisation of previously self-sufficient landed communities (see e.g. Shiva 1993; Kimbrell 2002; Altieri 2004).

## **2. Modernist Arguments on Indigenous Land**

Modernist arguments on land date back to the late colonial period. All the major themes were well established in the East African debates from the mid-1950s onwards, and have been repeated and slightly reformulated since by private investment lobbies, including the World Bank. The common claims are that registration and commercialisation of customary lands will bring the following benefits: (i) greater security of title, (ii) a strong boost to formal economies, (iii) improvements in agricultural productivity, (iv) access to rural credit, and (v) benefits for subordinate groups (in particular women) who have been excluded in traditional systems. These assertions have been tested, both in African and Melanesian experience; but let's first look at the arguments.

The Swynnerton Plan in Kenya (Swynnerton 1955) began processes of customary land registration which carried on after independence. The rationale was to “develop African agriculture”, by providing “greater security to landholders, enhance the freedom to transact land and serve as a basis for agricultural credit”, and in response to indigenous rebellions, “to create a class of African freeholders, yeoman farmers” who would have a stake in the regime (Dickerman et al 1989: x-xi). Following various difficulties in the project, the Chief British administrator of the scheme came to the view that registration should be used only when economic advantages justified it: when there was a “general demand” for registration, when the costs were not high and where there were likely gains in agricultural productivity (Lawrence 1970). More scathing were criticisms by Kenneth Okoth-Ogendo, the former Dean of Law and Nairobi University. He concluded that the benefits were outweighed by specific disadvantages: the redistribution of political power, creation of economic disparities, generation of a ‘disequilibrium’ in social institutions, failure to develop extension and rural credit, and a general failure to improve agricultural productivity. He noted that, of the new registered land owners, less than 5% were women; further, the new land regime was ‘creating new forms of stratification and status differentials’ amongst the small farming sector (Okoth-Ogendo 1982).

Those criticisms have been repeated, more recently, by researchers from London’s International Institute for Environment and Development. Land registration in Africa, they said, may exacerbate land disputes, elite groups may claim land beyond their entitlements under the customary system, those without education or influence may find their land registered to someone else, secondary owners of land such as women “often do not appear in

the land register and are thus expropriated". In Kenya, there was "no significant correlation" between registered land title and rural credit, there were "negative repercussions" on vulnerable groups and "more generally, land registration reinforced class and wealth differentiation" (Cotula et al 2004: 3-5). Nevertheless, World Bank reports continued to stress Swynnerton-type benefits, while occasionally noting the problems of documenting them.

An important impetus to modernist theory came from the 'Green Revolution' period of the 1960s, where technological fixes in post-colonial, capitalist societies were thought to be able to overcome the twin problems of resource constraints and the threat of 'red revolutions' which (in areas where colonisation had concentrated land ownership) often implied land redistribution (Cleaver 1972; Shiva 1992). Ester Boserup theorised agricultural growth under population pressure, where (what she saw as) more highly productive land use (tenure systems which assisted the growth of the Green Revolution's chemically intensive monocultures) could overcome the gloomy Malthusian prognosis. She suggested there would be an induced response to higher 'shadow prices' of land which would encourage longer term investments (Boserup 1965). Formalisation was thus supposed to lift productivity.

DRAFT

Drawing on Boserup, Deininger and Feder (1998: 35) suggest a 'transition from traditional to [individual] private property rights' which will help 'productivity enhancing land-related investments'; however they do note that 'traditional systems are associated with a wide range of equity benefits not all of which can normally be preserved in a system characterized by private land ownership'. Deininger went on to write more comprehensive reports for the World Bank, which to some extent recognised the problems of imposing outside land tenure models in distinct cultures which had their own traditions and institutions (Deininger 2003). Such nuances seem to have been lost on the actual land projects.

Hernando de Soto's 2000 book *The Mystery of Capital* attracted a lot of attention, though its central ideas were not new. He argued that capitalism in developing countries was dysfunctional because it has not formalised private property to the extent of western capitalism. Clearly documented property rights were an essential foundation for systems of credit, share ownership, contracted services and so on. 'You cannot carry out macroeconomic reforms on sand' he said. 'Capitalism requires the bedrock of the rule of law, beginning with that of property' (De Soto 2002: 349). De Soto probably attracted more attention because, while most modernist land theory had come from the west, he claimed to speak for Latin

Americans and constructed a broader argument about the poverty reducing potential of capitalism in developing countries. Nevertheless, De Soto follows Swynnerton, Boserup and the others in suggesting that ‘greater security’ of tenure (i.e. more formalised and individualised property rights) would stabilise investment and help increase agricultural productivity.

A number of studies have engaged with De Soto’s assumptions, and in particular with the suggestion that what developing countries need is stronger formal property rights institutions. Lavigne Delville (2006: 18-19) suggests that a ‘single model’ of formalised land rights misses the more diverse qualities and meanings of land, in distinct societies. Similarly, Meinzen-Dick (2009: 5) suggests that imported models of formal rights are ‘too often … not grounded in local realities’ and can make things worse for the poor. Based on a Ugandan study, Hunt (2004: 174) says de Soto ‘fails to recognise the widely differing opportunities and capabilities of those exiled from the formal legal system, hence his proposals offer no certain protection for the poor’. Perhaps the most detailed recent refutation comes from a South African study. In this paper - while it was acknowledged that legal and extra-legal systems may restrict poor peoples’ access to resources - moves towards greater formal property rights were found to not increase tenure security, to not promote greater lending to the poor, and to expose many poor people to homelessness and prohibitive costs (Cousins et al 2005: 4).

Modernist arguments on land in the Pacific persist, both from academic and compromised sources. By the latter I mean arguments from ‘think tanks’ and companies contracted to these logging, plantation, banking and mining interests that have direct interests in acquiring indigenous land. So for example the World Growth Institute (WGI) and International Trade Strategies Global (ITS), having been contracted by logging, wood pulp and oil palm industries, present ostensibly independent arguments on the value of giving over Melanesian land to those ‘high productivity’ industries (see ITS Global 2009). Similarly, an Australian banking and mining company run think-tank, the ‘Centre for Independent Studies’, regularly produces reports asserting the need to convert customary land systems into systems of individual property rights. Helen Hughes (2004:4) for the CIS claims that the institution of customary land is ‘the primary reason for deprivation in rural Pacific communities’. Gaurav Sodhi, also for the CIS, argued the need for Australia to push harder for land registration in

the Solomon Islands: ‘Agriculture is the key … without land surveys, registration and long term leases there can be no progress.’ (Sodhi 2008).

However resistance to moves on Melanesian land has forced caution and a type of ‘revised modernism’ on successive Australian administrations. They have not lost sight of land modernisation, but have decided on a longer term project. AusAID’s ‘Pacific Principles’, set out in a 2008 book called *Making Land Work*, reinforced elements of the agency’s 2006 ‘White Paper’ on overseas aid. Both documents withdrew from hostility to customary land, and stressed urban registration (the area of greatest land conflict), new forms of leases to ‘assist’ customary owners and a general process of consultation and education with ‘local leadership’ (AusAID 2006; AusAID 2008). Pressure on customary land was also kept alive by the ‘investment rights’ provisions of an unpopular ‘trade treaty’ Australia and New Zealand had drafted for the Pacific islands, called PACER Plus (Kelsey 2004). Meanwhile, the Papua New Guinea government moved more rapidly with a mechanism called ‘Special Agricultural and Business Leases’. This new form of lease seems likely to run into legal difficulties, through avoidance of landowner consent and attempts to circumvent environmental controls (Hance 2011).

The modernist mindset is deep rooted. Writers are able to draw on western liberal philosophers and assert that the ‘need for land reform’ in the pacific is really a form of accepted wisdom (e.g. Lea 2004). These combined modernist-commercial ideas, in recent years, have been adopted by Papua New Guinean officials and some academics. Thus Yala (2010: 6-8) observes that the state has committed at least K100 million (about \$40 million) over 20 years to pursue land modernisation and commercialisation. Broad macroeconomic arguments have been made, that even a few percent of registered and commercialised land will result in billions of dollars of benefits to the national economy. Under these arguments, ‘productive’ members of ‘landowning social units’ are those who want to ‘mobilise community land, while the ‘non-productive’ members defend traditional tenure (Fairhead, Kauzi and Yala 2010: 3).

Reference to the macroeconomy reminds us of two key features of modernist land arguments: they speak of general ‘economies’ and not of family livelihoods; and they calculate the additional output of formal economies without counting the contributions of informal and subsistence economies. In the next section I will address those issues.

### **3. Melanesian Hybrid Livelihoods**

It is precisely Melanesian livelihoods that will be transformed by changes in land tenure. The modernist arguments claim such change will be for the better, but let's look at the evidence.

For any proper assessment we must look at current livelihoods, with all their elements, and then compare them to formal economy options. This is particularly important when structural change threatens to replace the former with the latter. Collecting such evidence, one is immediately confronted with the changing and complex realities of what is often called 'subsistence' livelihoods. Yet indigenous subsistence has always been an adaptive process, based on but not necessarily limited to survival. Indeed, amongst small farmers in Thailand, Rigg and Nattapoolwat demonstrate that 'subsistence' in its limited sense barely exists. This is because rural households have diversified into 'hybrid' livelihood activities which include farm and non-farm activities (Rigg and Nattapoolwat 2001: 955). Similar diverse and hybrid livelihoods have been documented in Latin America (e.g. Bebbington 2000; Mendez et al 2010)

These 'hybrids' also exist in Melanesia, both in terms of land use and economic activity, but their existence can be threatened by modernist projects. Looking at Tonga, Storey and Murray (2001) warned against 'growth oriented strategies which undermine or marginalise traditional social institutions' and diverse livelihoods. In Papua New Guinea Grossman (1981: 220) warned that cash focussed activities in PNG can undermine subsistence systems, 'even when surplus land and labor exist', as dependence on export focussed commercial systems like cattle and coffee 'reduces the resilience of village systems'. Benediktsson (1998) pointed to the need to focus on actually existing markets in PNG, rather than stylised and general 'market' development.

The proper economic accounting for a hybrid livelihood must include each element, whether formal or informal, and whether production for cash, barter or consumption. In Papua New Guinea we typically find that production begins in 'gardens' for family consumption and cultural exchange. The important subsistence value of customary land is sometimes noted in surveys, though it is usually not given a monetary value. Koczberski et al note that about 80% of the diet of Kavui and Popondetta LSS farmers was from garden food, and that most women (100% on LSS blocks and 52% on VOP blocks) regularly sold market food, many relying on the market as their main source of cash income (Koczberski, Curry & Gibson

2001: 50 & 57-58). From my own studies I have estimated production for family consumption, when measured against local market values, at between 3,500 to 11,300 Kina, or about two to five times the national minimum wage (Anderson 2006: 142). To production of food we must add materials and land for housing, with regional town rents for ‘basic’ housing at a minimum of 6,000 Kina per year (Chitoa 2004). Combining the equivalent, non-traded values of food and housing production from customary land we can arrive at an average family equivalent income value (of food and housing ‘subsistence’ production) in excess of 13,000 per year (Anderson 2006: 146). This is without adding cultural exchange and before we come to cash incomes. Cultural exchange can range from food for visitors through to substantial contributions of animals, vegetables and fruit on social occasions.

Second, there is the marketing of produce from family gardens, which could be either a simple surplus of production, or market specific produce (e.g. peanut, cucumber, melons) grown just for sale. The latter generates most income. Cash income from fruit and vegetable marketing can be as low as a few hundred Kina per year (for those who market a simple surplus, often at a time when others also have a surplus) to many thousands of Kina per year. In my survey on women roadside sellers in Madang, the weighted average income was 138 Kina per week, about three times the national minimum wage (Anderson 2008: 4). These women worked an average of three days a week, and had other livelihood activities.

Third, there is engagement in various informal and formal sector activities, not related to family gardens. This can include small stores, transport services and other full or part time work in the formal sector. Many educated people with employment in PNG still engage in small farming and cash crop production. An informal sector survey in four provinces on PNG found incomes at between 120-150 Kina per week (Sowei et al 2003), three to four times the national minimum wage. Incomes in the formal sector vary considerably, but much basic unskilled work in regional areas is paid at, or only slightly higher than, the minimum wage (see Table One).

**Table One: Formal and informal sector incomes in PNG**

	AWE (Kina)
<b>Formal sector incomes -</b>	
Ramu Sugar basic wage, 2006 (Madang Pr.)	42
RD Tuna factory wage, 2006 (Madang Pr., women)	34
Ramu Nickel construction wage, 2006 (Madang Pr., men)	50
VOP/LSS (oil palm) growers, 2006 (Oro Pr.)	61
LSS (oil palm) growers, 2002 (Oro Pr.)	43
Mama Lus Frut (oil palm) income, 2000 (WNB Pr., women)	28
National minimum wage, 2006	37.20
<b>Informal sector incomes -</b>	
Informal sector survey 2003 (Central Pr.) *	158
Informal sector survey 2003 (ENB Pr.) *	124
Informal sector survey 2003 (Morobe Pr.) *	130
Informal sector survey 2003 (Western Highlands Pr.) *	138
Women roadside sellers, 2006 (Madang Pr., women)	138

**Sources:** Anderson 2008; \*Sowei et al 2003; AWE = average weekly earnings

The problem for the customary land owner in face of a modernisation process - which seeks to commercialise customary land and proposes greater engagement with the formal economy - is thus compounded by the poor prospects offered in PNG's formal sector. Most of the wages, or returns on programs which engage with the commercial plantations, are significantly lower than many of the surveyed informal sector activities. And most of the latter activities are carried out alongside (i.e. supplementing) subsistence production on customary land. Alienating family land and seeking substitute options in the formal economy therefore looks to be a very bleak path, for ordinary land owners.

Conceptually, we might think of hybrid livelihoods as comprising those three categories (see Table Two). All, to differing degrees, are vulnerable to displacement or erosion by shifts in land tenure and patterns of agriculture. If traditional lands are eroded, leased or otherwise taken away, garden production will be restricted. Similarly, expansion of monocultures (like oil palm) is likely to reduce the diversity of local production (see Table Two).

**Table Two: Elements of Melanesian Hybrid Livelihoods**

Production for:	Vulnerable to:
Family consumption and cultural exchange	Erosion of traditional lands
Cash crop marketing	Monocultures reducing diversity of local production
Other informal and formal sector activity	Variable

Examples of successful hybrid livelihoods are widespread, if not the norm. Yet these examples indicate potential. One Madang man I interviewed (L) in 2006 worked part-time in a community group, while his wife baked and sold bread; their farm produce income was no less than others in their area. Similarly one Highlands woman (S) held part-time employment while her husband worked full-time in the public service; their farm income was similar to others in their area. Another Madang man (H), while holding part-time work, said he earned as much as 11,000 Kina per year on a variety of cash crops (cocoa, peanut, coconut, vanilla, betel nut). Four roadside sellers interviewed at Wattarais (on the border of Madang and Morobe) earned between 1,000 and 2,000 Kina per week selling peanut and betel nut (Anderson 2008: 8). This latter case was exceptional, but it illustrates the potential in domestic markets. Half of a sample of 44 vendors (representing over 1,000 roadside sellers on rural Madang's main roads) earned more than 100 Kina per week (more than twice the minimum wage) and almost two-thirds of these reported they or their families had other economic activities, both in export crops and small business (Anderson 2008: 11-12). The higher income earners had, at the least, developed a good sense of their market opportunities. Others appeared to have well developed livelihood strategies, dividing their time between local markets, export crops and other small business, in context of their traditional and cultural lives.

One community in rural Madang, frightened at the suggestion that a company would come to take all their land to plant oil palm, began large scale planting of cocoa, to demonstrate to the government and the company that they could manage and 'develop' their own land. After several years of campaigning against oil palm expansion, the Sausi community now enjoys a

higher than average income from the sale of cocoa, peanut, coconut, water melon and betel nut. They have also diversified into rice and fish, just for local consumption. Following their commercial success, this community has developed its own village finance scheme and a small scholarship program for college students (Aipapu Marai 2009). Cocoa is currently their only export cash crop, and while it is taking over a great deal of land, most of their income still comes from domestic crops.

An important question arises as to what place the oil palm industry might have in family hybrid livelihoods. Oil palm continues to be promoted in PNG, as it is a strong source of corporate and export income. However its contribution to family incomes in West New Britain and Oro Provinces does not compare well with the alternatives. Table Three below shows oil palm options (such as ‘village oil palm’) and rural leases (to oil palm companies) to be low return activities for families, which also tie up land, preventing its use for other purposes. Leasing land to oil palm corporations, or giving over land to oil palm cultivation for sale to those corporations, introduces inflexibility in land use. The monopsonist company, which purchases all local fruit, takes the bulk of the surplus and so limits ‘village oil palm’ incomes (Koja 2003). Oil palm is a voracious plant which, unlike many other crops, cannot be companion planted. It also brings substantial environmental costs, such as soil erosion and silt and fertiliser damage to river systems and groundwater.

**Table Three: Hybrid livelihood elements, PNG**

<b>Activity</b>	<b>Income or equivalent (per family p.a.), Kina</b>	<b>Advantages / Problems</b>
Production for subsistence consumption (food and housing)	9,400 to 17,400 (equiv)	Requires up to one hectare of good quality family land
Marketing garden produce	200 to 10,000 (cash)	Requires land, access to roads and markets, and planning
Other small business	6,700	Can supplement garden prodn
Basic unskilled employment	2,000 to 2,600	Skilled work pays better

Village Oil Palm	3,120	Better than sale of surplus but ties up land; anti-diversity
Mama Lus Frut (oil palm)	1,500	Limited option for women
Leasing family land	100 (per ha)	Very low rents compared to productive use of own land
<b>Sources:</b> Sowei et al 2003; Anderson 2006; Anderson 2008		

Mosco shows a Central Province community in PNG which has taken great advantage of the capital city market, with average households making 5,000 to 24,000 cash income per year, mainly by marketing betel nut products (the areca nut and pepper fruit). This had a marked impact on living standards in their villages, in terms of consumer durables purchased and the ability to fund secondary education for their children (Mosco 2005: 16-21). Similar customary-land-based hybrids have been described elsewhere in Melanesia. Allen (2000: 100-111) discusses the improved food security prospects of the community of Malo Island in Vanuatu, who have developed some cash crop options. Some of their income was used to supplement home-grown diets with imported foods. Only 20% of their food was gained from imports; this means home-grown food remains dominant. These are some further examples of hybrids where cash economies supplement rather than replace ‘subsistence’ production and customary land tenure.

### **Concluding observations**

Melanesian countries are almost unique in the world in having a fairly undisturbed indigenous land tenure system, and a relatively equal distribution of good quality land. The maintenance of this customary genius has had several effects: land serves as an important buffer in terms of food security, shelter and social security. Yet families must also engage in the cash economy. Drawing on this vulnerability, modernist arguments over land, drawing on late colonial ideas, continue to assert the alleged benefits (greater security of title, increased agricultural productivity, enhanced rural credit, empowerment of women) of land registration and commercialisation. Lack of supporting evidence has not deterred these arguments.

Rather, the powerful interests involved confront indigenous resistance and this sustains an ongoing conflict over land in the region.

The debate about livelihood options for families is central in Melanesia, more important than the macroeconomy or public finance. The great majority of families live in a rural and traditional context. Yet misconceptions about ‘subsistence’ livelihoods abound. These come from (i) not including the equivalent, non-traded value of production for family consumption and cultural exchange, as well as (ii) improper accounting for informal sector activities. Subsistence does not exclude other elements of a ‘hybrid’ livelihood.

From the family and community point of view, it is the integrity of evolving hybrid livelihoods based on customary land that matters. Virtually all Melanesian small farming families rely on cash income from marketing a mixture of crops mainly for domestic markets but sometimes also for export markets. Many engage in other small business activities and some engage in the formal economy. Yet opportunities in the formal economy - including leasing land and engagement with industrial monocultures - compare poorly to the informal options developed by those who maintain control of their own land. It is also notable that, while many small farmers like to access export markets, their best opportunities seem to remain in domestic markets. However this all depends on continued control of their family land, as well as access to good roads and transport. The higher income earners are those who exploit specific commercial opportunities or combine employment with intelligent marketing.

There is good reason - consistent with the international discussions on the ‘multifunctionality’ of small farming - to see Melanesia’s customary land system not as a relic of the past but as an important part of the future. Of course, this depends on wise management and good understandings of the available options. Melanesian families, who are required to pay for health and education services, are asset rich, cash poor and often poorly educated. This makes them vulnerable to schemes and proposals. All such proposals deserve the closest scrutiny, so that families can make well informed decisions about their land and the future livelihoods of their children. With that in mind, this paper was prepared. It has tried to demonstrate that the better elements of ‘hybrid’ livelihoods are those in which families maintain control of their own lands and gradually supplement traditional activities with new and intelligent cash economy options.

---

## Bibliography

- Aipapu Marai (2009) Interview with this writer, Sausi, Madang Province, Papua New Guinea, 18 November
- Alatas, Syed Hussein (1977) *The Myth of the Lazy Native: A study of the image of the Malays, Filipinos and Javanese from the 16th to the 20th century and its function in the ideology of colonial capitalism*, Frank Cass and Company, London; also available online  
at: [http://www.bandung2.co.uk/books/Files/Economics/The\\_Myth\\_of\\_The\\_Lazy\\_Native.pdf](http://www.bandung2.co.uk/books/Files/Economics/The_Myth_of_The_Lazy_Native.pdf)
- Allen, Matthew G. (2000) 'Subsistence or cash cropping? Food Security on Malo Island, Vanuatu' in R.M. Bourke, M.G. Allen and J.G. Salisbury (2000) *Food Security for Papua New Guinea*, Proceedings of the Papua New Guinea Food and Nutrition 2000 Conference, PNG University of Technology, Lae, 26-30 June
- Altieri, Miguel A. (2004) 'Linking ecologists and traditional farmers in the search for sustainable agriculture', *Frontiers in Ecology and the Environment* 2: 35–42.
- Anderson, Tim (2006) 'On the economic value of customary land in Papua New Guinea', *Pacific Economic Bulletin*, Volume 21 Number 1 (2006), pp. 138-152, online at: <http://peb.anu.edu.au/pdf/PEB21-1Anderson-focus.pdf>
- Anderson, Tim (2008) 'Women roadside sellers in Madang', *Pacific Economic Bulletin*, Vol 23, No 1, online: <http://peb.anu.edu.au/pdf/PEB23-1-Anderson.pdf>
- Anderson, Tim and Gary Lee (Eds) (2010) *In Defence of Customary Land*, Aidwatch, Sydney
- AusAID (2006) 'Australian Aid: Promoting Growth and Stability: A White Paper on the Australian Government's Aid Program', AusAID, Canberra, online  
at: [http://www.ausaid.gov.au/publications/pubout.cfm?Id=6184\\_6346\\_7334\\_4045\\_8043](http://www.ausaid.gov.au/publications/pubout.cfm?Id=6184_6346_7334_4045_8043)
- AusAID (2008) 'Making Land Work', AusAID, Canberra, online  
at: [http://www.ausaid.gov.au/publications/pubout.cfm?ID=3363\\_9223\\_6836\\_1452\\_8140](http://www.ausaid.gov.au/publications/pubout.cfm?ID=3363_9223_6836_1452_8140)
- Bebbington, Anthony (2000) 'Re-encountering development: livelihood transitions and place transformations in the Andes', *Annals of the Association of American Geographers*, 90(3), 495-520
- Benediktsson, Karl (1998) 'Food Markets in the Eastern Highlands, Papua New Guinea: actors, power and rural development geography', *Geografiska Annaler*, 80 B (3), 159-

- Boserup, Ester (1965) *The Conditions of Agricultural Growth: the economics of agrarian change under population pressure*, G. Allen, Chicago
- Bourke, R. Michael and V. Vlassak (2004) *Estimates of Food Crop Production in Papua New Guinea*, Australian National University, Canberra
- Bourke, RM; A. McGregor; MG Allen; BR Evans; BF Mullen; AA Pollard; M Wairu and S. Zotalis (2006) *Solomon Islands Smallholder Agriculture Study*, Volume 1: Main Findings and Recommendations, AusAID, Australian Government, Canberra, January
- Brennan, G. (1992) 'Mabo & Others v State of Queensland', High Court of Australia, *Australian Law Reports*, 107, 6 July
- Chitoa, John (2004) Interview with this writer, Madang, 14 December
- Cleaver, Harry M. (1972) 'The Contradictions of the Green Revolution', *The American Economic Review*, Vol 62, No 1/2 March, 177-186
- Cotula, Lorenzo, Camilla Toulmin & Ced Hesse (2004) *Land Tenure and Administration in Africa: lessons of experience and emerging issues*, International Institute for Environment and Development, London
- Cousins, Ben; Tessa Cousins, Donna Hornby, Rosalie Kingwill, Lauren Royston and Warren Smit (2005) 'Will Formalising Property Rights Reduce Poverty in South Africa's "Second Economy"?'?, Policy Brief No 18, Programme for Land and Agrarian Studies (PLAAS), Cape Town, October
- Curtin, Tim and David Lea (2006) 'Land titling and socioeconomic development in the South Pacific', *Pacific Economic Bulletin*, Vol 21 No 1, 153-180
- Deininger, Klaus (2003) 'Land Policies for Growth and Policy Reduction', World Bank Policy Research Report, Oxford University Press and the World Bank, Washington
- Deininger, Klaus and Gershon Feder (1998) 'Land Institutions and Land Markets', Policy Research Working Paper, Development Research Group: Rural Development, World Bank, November
- De Soto, Hernando (2000) *The Mystery of Capital*, Bantam, New York
- De Soto, Hernando (2002) 'Law and Property Outside the West: a few new ideas about fighting poverty', *Forum for Development Studies*, Number 2, 2002, Volume 29, Norwegian Institute for International Affairs, Oslo
- DFAT (2004) 'Solomon Islands: rebuilding an island economy', Department of Foreign Affairs and Trade', Economic Analytical Unit, 157pp., online at: [www.dfat.gov.au/eau](http://www.dfat.gov.au/eau) (GET REF)

Dickerman, Carol; Grenville Barnes, John W. Bruce, Joy K. Green, Greg Myers, Richard Polishuk, Douglas Stienbarger, and Andrew Sund (1989) *Security of Tenure and Land Registration in Africa: Literature Review and Synthesis*, Land Tenure Centre, University of Wisconsin-Madison, Madison USA

FAO (2011) 'The State of Food Insecurity in the World', Food and Agriculture Organization of the United Nations, online at: <http://www.fao.org/publications/sofi/en/>

Fairhead, Lindsay; Gae Kauzi and Charles Yala (2010) 'Land Reform in Papua New Guinea: quantifying the economic impacts', National Research Institute, Discussion Paper No 108, Port Moresby

Gibson, John (2000) 'The Economic and Nutritional Importance of Household Food Production in PNG', in R.M. Bourke, M.G. Allen and J.G. Salisbury (2000) *Food Security for Papua New Guinea*, Proceedings of the Papua New Guinea Food and Nutrition 2000 Conference, PNG University of Technology, Lae, 26-30 June

Grossman, Larry (1981) 'The Cultural Ecology of Economic Development', *Annals of the Association of American Geographers*, Vol 71, No 2, June, 220-236

Hance, Jeremy (2011) '5 Million Hectares of Papua New Guinea forests handed to foreign corporations', Mongabay, March 23, online at: [http://news.mongabay.com/2011/0323-hance\\_png\\_sabls.html](http://news.mongabay.com/2011/0323-hance_png_sabls.html)

Hughes, H. (2004) 'The Pacific is Viable!', Issue Analysis No 53, Centre for Independent Studies, Sydney

Hunt, Diana (2004) 'Unintended Consequences of Land Rights Reform: the case of the 1998 Uganda Land Act', *Development Policy Review*, 22 (2), 173-191

ITS Global (2009) 'The Economic Benefits of Land Use in Papua New Guinea', International Trade Strategies Global, Melbourne, November online at: [http://www.fiapng.com/PDF\\_files/PNG%20Land%20Use%20Report%20Final4%20Nov%202009.pdf](http://www.fiapng.com/PDF_files/PNG%20Land%20Use%20Report%20Final4%20Nov%202009.pdf)

Kelsey, Jane (2004) 'A Peoples' Guide to PACER', Pacific Network on Globalisation (PANG), Suva

Kimbrell, Andrew (2002) *Fatal Harvest: The Tragedy of Industrial Agriculture*, Foundation for Deep Ecology, Sausalito

Koczberski, G; G. Curry and K. Gibson (2001) 'Improving Productivity of the Smallholder Oil Palm Sector in Papua New Guinea: a socio-economic study of the Hoskins and Popondetta Schemes', Australian National University, Canberra, November

- Koja, Anderson (2003) Interview with this writer, Popondetta, 4 March [the late Anderson Koja was Chairman of the Popondetta Oil Palm Growers Association]
- Lavigne Delville, Phillippe (2006) 'Registering and Administering Customary Land Rights: PFRs in West Africa', Paper at World Bank conference on 'Land Policies and Legal Empowerment of the Poor', Washington, November 2-3, online at: GET REF
- Lawrence, J.C.D. (1970) 'The role of registration of title in the evolution of customary tenures and its effect on societies in Africa', paper at the Seminar on Cadastre, Addis Ababa, UN Economic Commission for Africa
- Lea, D. (2004) 'Customary Land Tenure in Papua New Guinea: what does it really mean?', NRI Special Publication Number 35, National Research Institute, Port Moresby
- Meinzen-Dick, Ruth (2009) 'Property Rights for Poverty Reduction?', DESA Working Paper No 91, United Nations Department of Economic and Social Affairs, New York, December, online at: [http://www.un.org/esa/desa/papers/2009/wp91\\_2009.pdf](http://www.un.org/esa/desa/papers/2009/wp91_2009.pdf)
- Méndez, V. Ernesto; Christopher M. Bacon; Meryl Olsen; Katlyn S. Morris; and Annie Shattuck (2010) 'Agrobiodiversity and Shade Coffee Smallholder Livelihoods: a review and synthesis of ten years of research in Central America', *The Professional Geographer*, 62(3), 357-376
- Mosco, Mark (2005) 'Customary Land Tenure and Agricultural Success: the Mekeo case', in Jim Fingleton (Ed) (2005) 'Privatising Land in the Pacific', Discussion Paper Number 80, The Australian Institute, Canberra, June, online at: [https://www.tai.org.au/file.php?file=discussion\\_papers/DP80.pdf](https://www.tai.org.au/file.php?file=discussion_papers/DP80.pdf)
- Moxnes Jervell, Anne and Desmond A. Jolley (2003) 'Beyond Food: towards a multifunctional agriculture', Working Paper 2003-19, Norwegian Agricultural research Institute, Oslo, online at: <http://www.nilf.no/Publikasjoner/Notater/En/2003/N200319Hele.pdf>
- Naidu, Vijay (1980) *The Violence of Indenture in Fiji*, 2004 edition, Fiji Institute of Applied Studies, Nadi
- NRI (2007) 'The National Land Development Taskforce Report: Land Administration, Land Dispute Settlement, and Customary Land Development', Monograph 39, National Research Institute, Port Moresby
- Okoth-Ogendo, Kenneth (1982) 'The perils of land tenure reform: the case of Kenya', in J.W. Arntzen, L.D. Ngcongo, and S.D. Turner (1986) *Land Policy and Agriculture in Eastern and Southern Africa*, Selected Papers Presented at a Workshop, Held in Gaborone, Botswana, 14-19 February, The United Nations University, online

at: [http://fimbo.org/attachments/059\\_The%20perils%20of%20land%20tenure%20reform-%20the%20case%20of%20Kenya.pdf](http://fimbo.org/attachments/059_The%20perils%20of%20land%20tenure%20reform-%20the%20case%20of%20Kenya.pdf)

Reynolds, Henry (1987) *The Law of the Land*, Penguin, Melbourne

Rigg, Jonathan and Sakunee Nattapoolwat (2001) 'Embracing the Global in Thailand: activism and pragmatism in an era of deagrarianization', *World Development*, Vol 29 No 6, 945-960

Rosset, Peter (2000) 'The Multiple Functions and Benefits of Small Farm Agriculture in the Context of Global Trade Negotiations', *Development*, Volume 43, Number 2, June 2000 , pp. 77-82

Roughan, John (2008) Interviews with this writer, Honiara, 2-12 February [US born John Roughan has lived in the Solomon Islands for 50 years]

Rusanen, Liisa (2005) 'In Whose Interests? The politics of land titling', Background Paper, AID/Watch, Sydney, May

Saunders, Kay (1984) *Indentured labour in the British Empire*, 1834-1920, Taylor and Francis

Seneviratne, Kalinga (1995) 'IMF Plan Rejected by PNG People', Third World Network, 6 September, online at: [www.hatford-hwp.com/archives/24/083.html](http://www.hatford-hwp.com/archives/24/083.html)

Shiva, Vandana (1992) *The Violence of Green Revolution: Third World Agriculture, Ecology and Politics*, Zed Books, London

Shiva, Vandana (1993) *Monocultures of the Mind: Perspectives on Biodiversity and Biotechnology*, Zed Books, London

Sodhi, Gaurav (2008) 'Five out of Ten', *Island Sun*, Honiara, Feb 4, p.4 and Feb 8, p.5

Sowei, J.W.; W Lahari and M. Vatnabar (2003) *Rural Informal Sector Survey Report*, National Research Institute (Social and Environmental Studies Division), Port Moresby, January

Storey, Donovan and Warwick E. Murray (2001) 'Dilemmas of Development in Oceania: the political economy of the Tongan agro-export sector', *The Geographical Journal*, Vol 167, No 4, December, 291-304

Swynnerton, R.J.M. (1955) *The Swynnerton Report: A plan to intensify the development of African agriculture in Kenya*, Government Printer, Nairobi

World Bank (1989) 'Land Mobilization Program: Papua New Guinea', Projects and Operations, Project ID: P004386, 12 April, online at: <http://web.worldbank.org/external/projects/main?Projectid=P004386>

Yala, Charles (2010) 'Overview' in Charles Yala (Ed) (2010) 'The Genesis of the Papua New

Guinea Land Reform Program: selected papers from the 2005 National Land Summit,  
National Research Institute, Port Moresby

DRAFT - DO NOT CITE