

Rights and Responsibilities

In the 1950s and 1960s, as European colonial rule came to an end, private ownership of land was encouraged. Security of tenure in the newly independent nations was seen as of paramount importance for social stability and economic development. By the 1990s, with central and Eastern European countries breaking away from Russian colonial rule, came a recognition that security of tenure, though necessary, was not enough. By now the key was seen to lie with land markets.

Dead Capital

This idea peaked in 2000 with the publication of De Soto's book *The Mystery of Capital*. He argued that many less developed nations remained poor because the majority of their citizens were in practice barred from access to the formal land market, which was the prerogative of the rich. He identified trillions of US dollars (at the time roughly on a par with the Euro) locked up in dead capital. Others supported his argument, pointing out that the amount of money in circulation in many developed economies as a result of capital being released through the mortgage system was often equivalent to 60% or more of GDP. Put another way, were it not possible to borrow money against the value of real estate many people would only have forty cents in place of a Euro in their pocket.

Market Failures

More, some officials argued that the land market encouraged land being put to its highest and best use. Such people posited that there would be no need in rural areas to worry about establishing land-consolidation programmes, the market would deliver such. In more buoyant urban areas economic pressures would ensure best use of land. In practice, however, the market has often failed. As a mechanism for rural land reform it operates far too slowly. Nor does it protect the environment; witness the destruction of the rain forests for timber exploitation, or land clearance for cattle ranches to produce beef-burgers. In the urban areas of less developed countries it has failed to solve problems arising from informal settlements and the growth of shantytowns. In developed economies green belt and sports-fields have been converted into housing estates because the market favours higher land value. Rising house prices have then made it difficult for first-time buyers to enter the market. Recently, ill-advised lending in the United States has devastated the sub-prime mortgage market, causing a global economic crisis.

Duty of Care

As with security of tenure, land markets are necessary but insufficient to guarantee social and economic development. The same may be said of good-quality land information. So where should we be heading? What is missing is responsibility. If we wish to have human rights we must accept that there are human obligations. We are responsible for the consequences of our actions, whether as information providers or information users. We all have a duty of care.