

Land and rural transformation in Southern Shan State: A Comparative Perspective

Ben Belton

Michigan State University,
Food Security Policy Project

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British Embassy, Yangon



Livelihoods and Food Security Fund

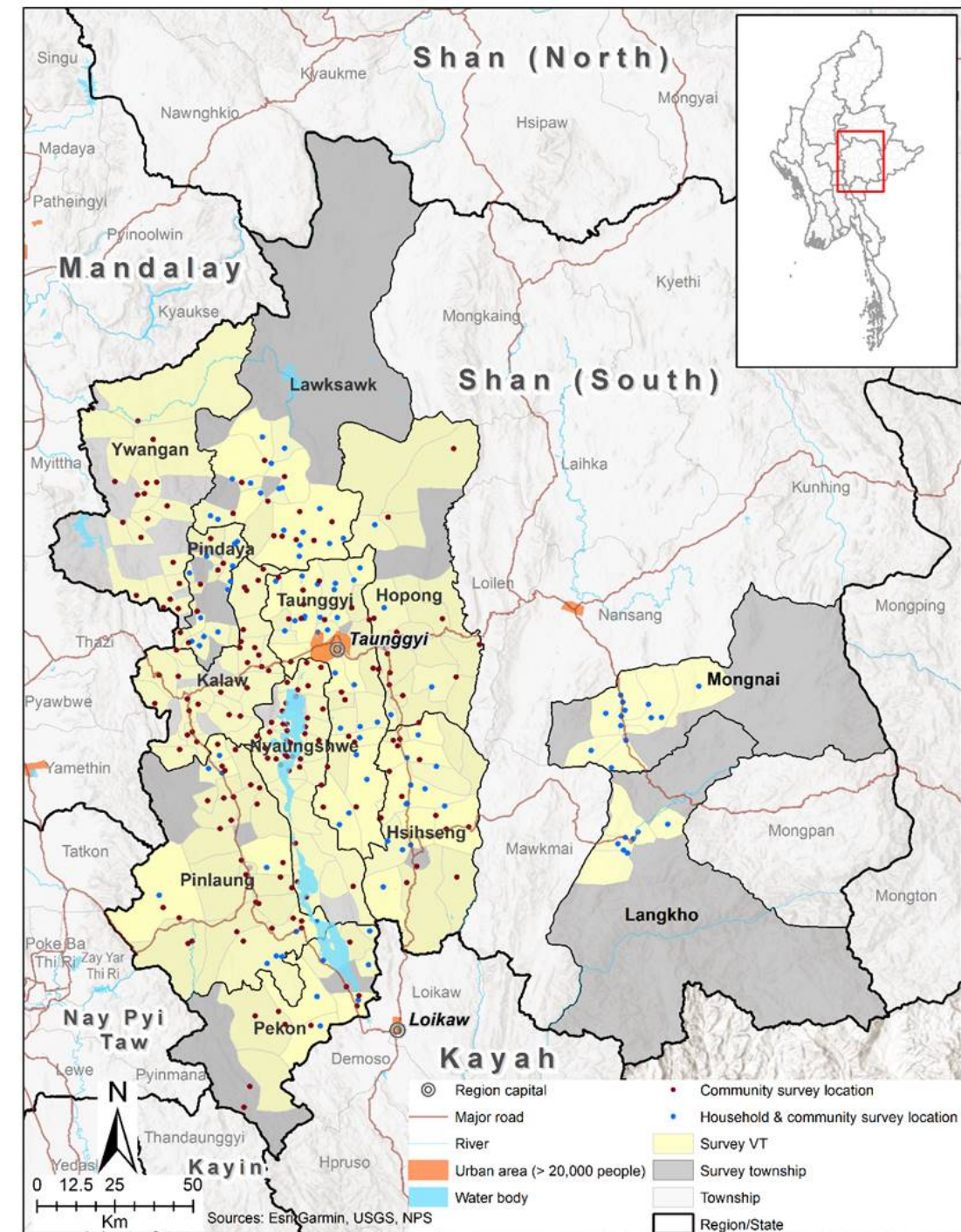


Background

- Food Security Policy Project – LIFT & USAID co-financed, 2014-2019
- Policy relevant research on Myanmar's agriculture and rural economy
- 4 major HH and community surveys with regional focus
(Mon, Delta, Dry Zone, South Shan)
- Agricultural commodity focus
(Rubber, fish, paddy, pulses, oilseeds, maize, poultry & pigs)
- Non-farm focus
(Infrastructure, migration, mechanization, non-farm enterprises and employment, land, credit)
- Surveys of non-farm enterprises
(Traders, mills, rental services, input suppliers, machinery dealers)

Shan Agriculture and Rural Economy Survey (SHARES)

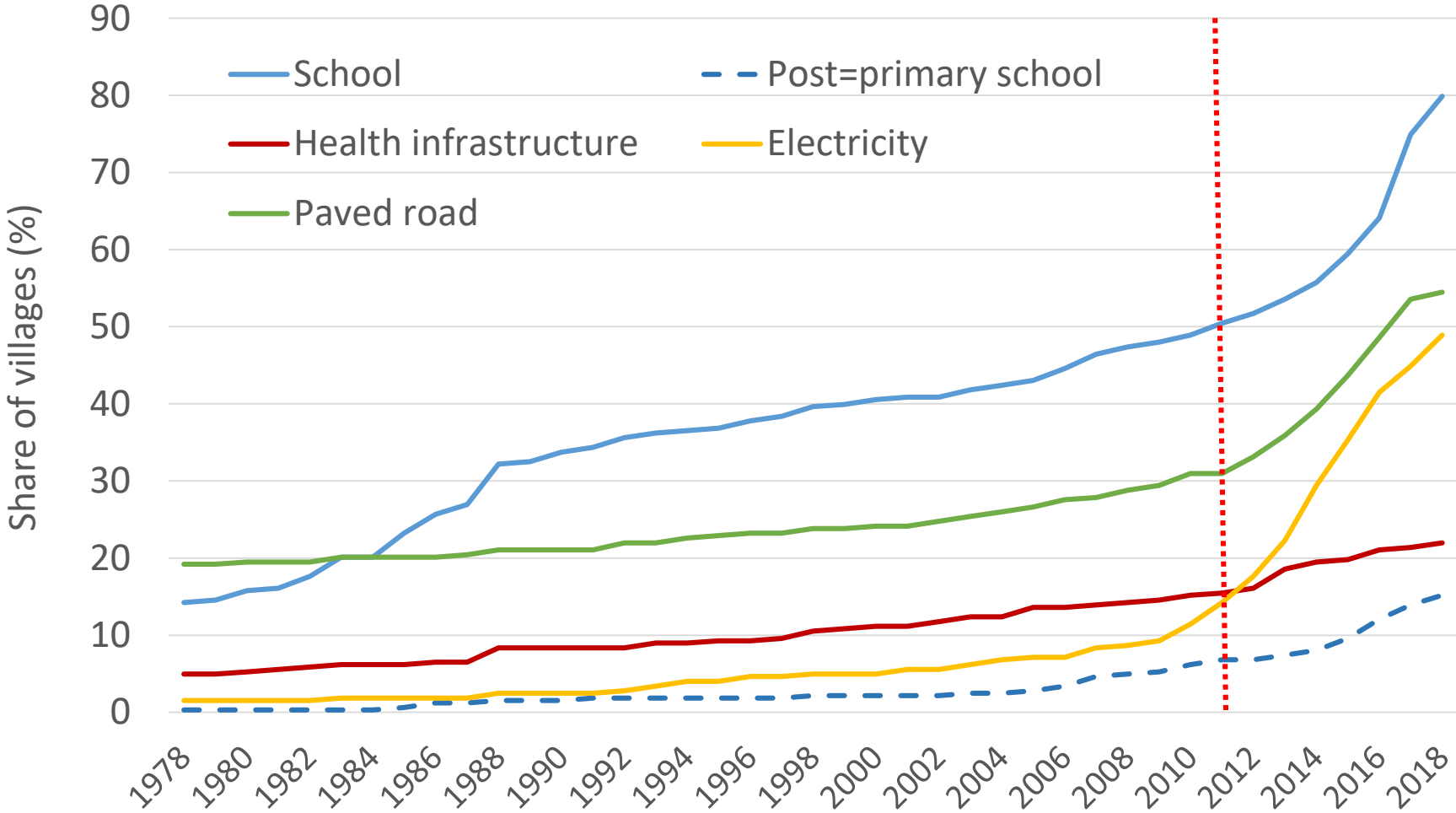
- **Focus:** Agriculture and the rural economy in South Shan, with particular emphasis on **maize & pigeon pea** value chains
- Household survey: 1562 HH in 99 villages in 9 townships
- Community survey: in 323 villages in 12 townships





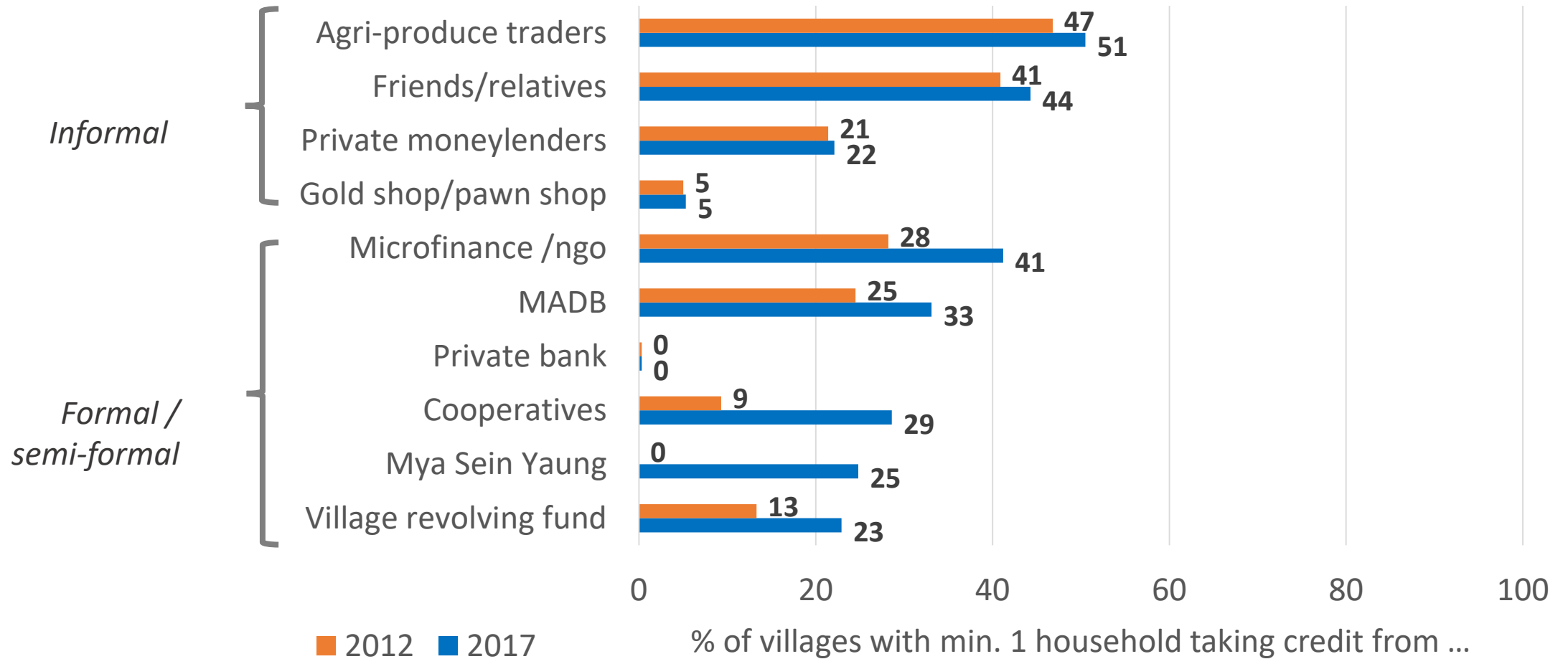
Community level change

Improving public infrastructure post-2011

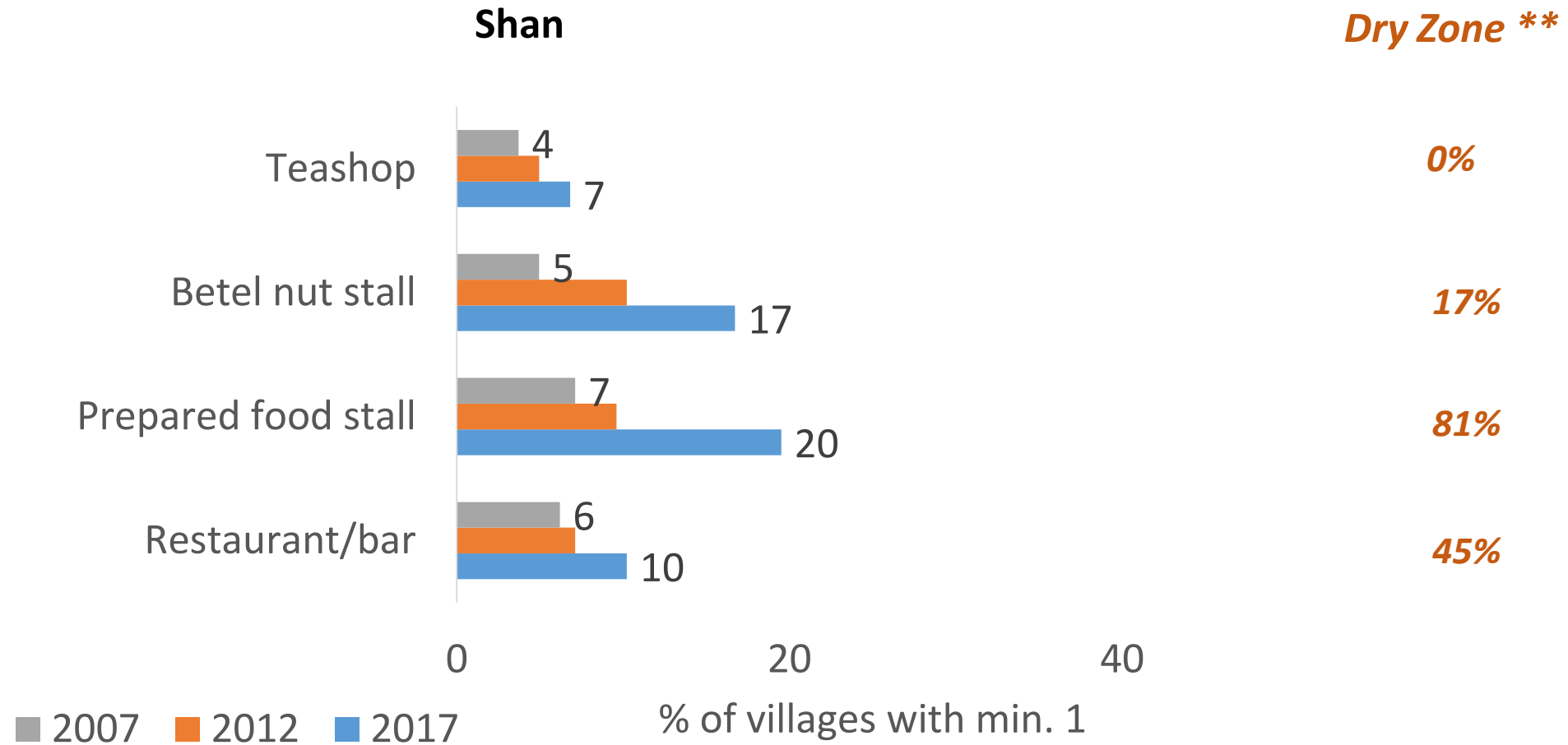


BUT,
lagging
behind
Dry Zone

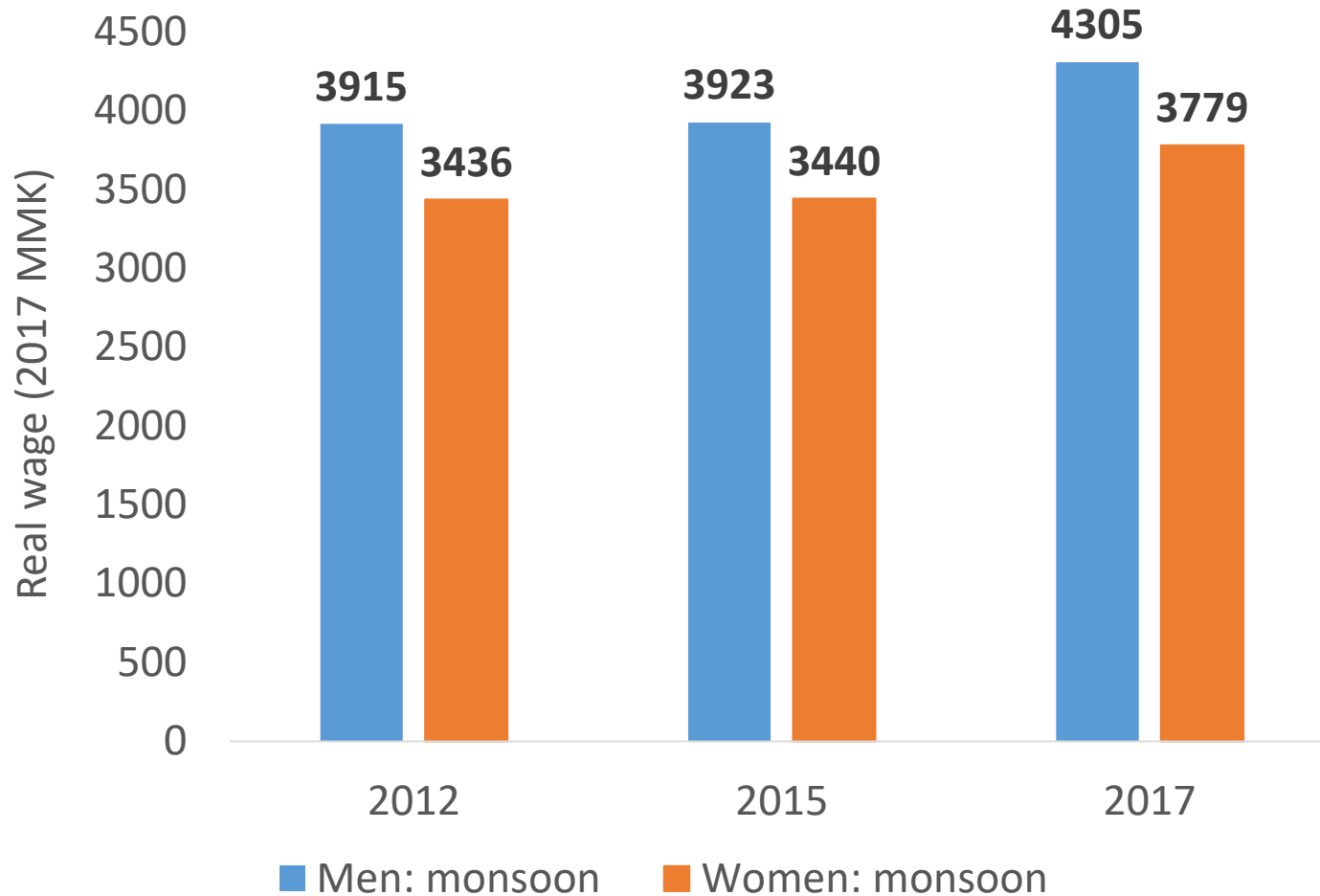
Access to formal credit is improving



(Slow) growth of non-farm enterprises



Stagnant agricultural wages



No significant changes in real agricultural wages over time

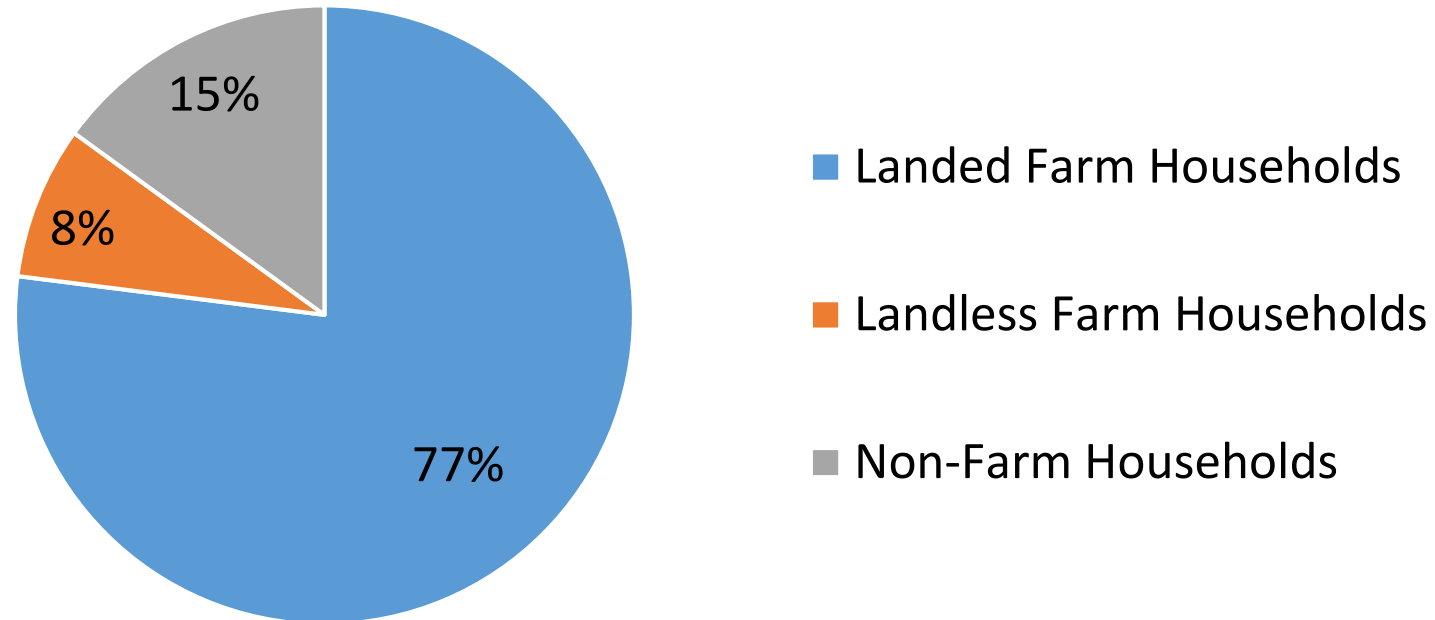
-> Dry Zone & Delta: ± 40% increase from 2012-2016

Land, farming, migration



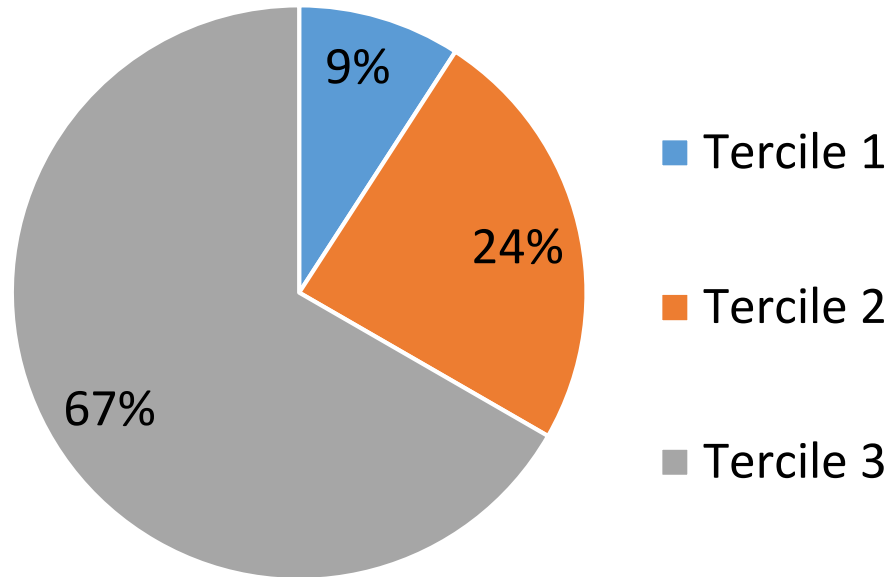
jenniehilton

High levels of access to agricultural land



85% of HH have access to land (60% in DZ; 40% in Delta)

Small landholdings, but more evenly distributed than DZ & Delta

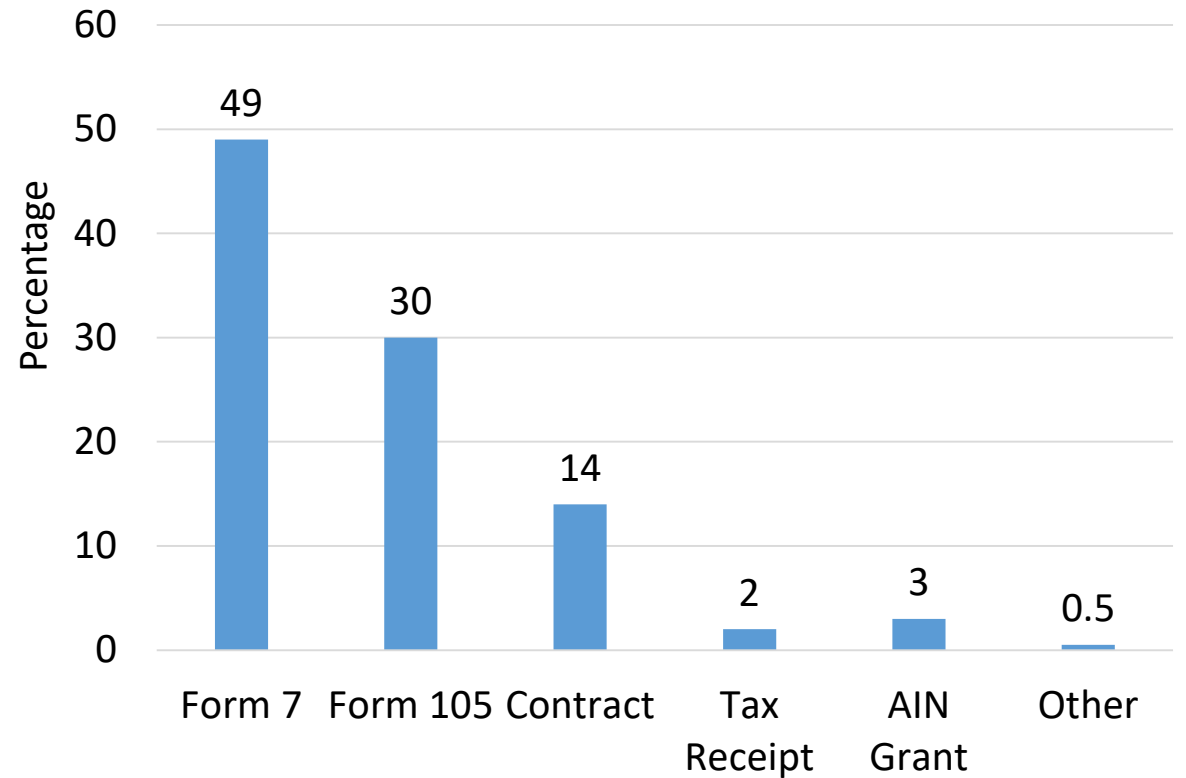
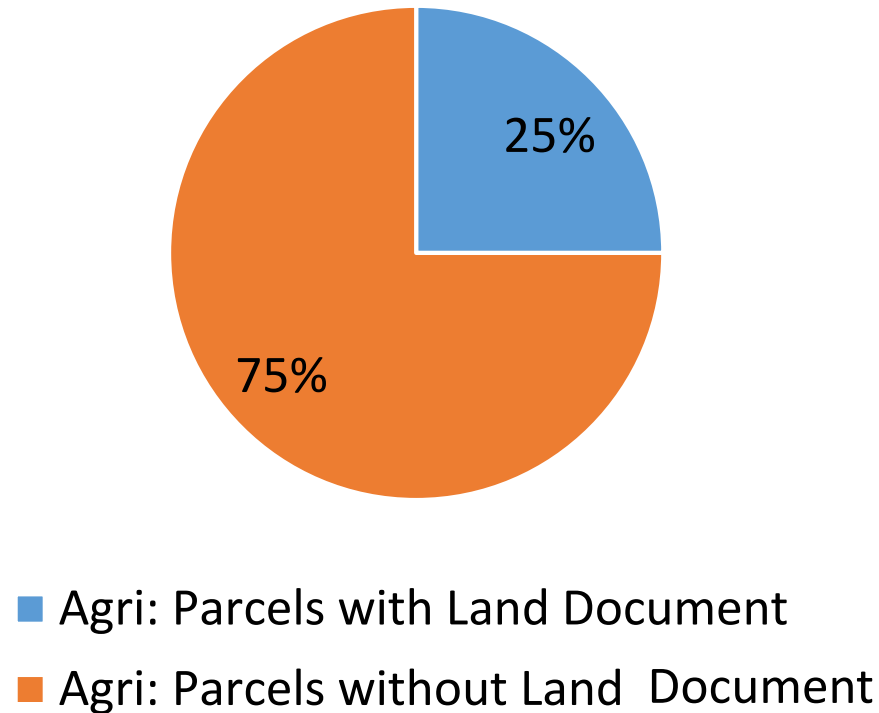


- Average Land Owned by Landed Farm Households
 - All – 3.5 acres
 - T1 – 1.5 acres
 - T2 – 4.3 acres
 - T3 – 10 acres

Dry Zone : Tercile 1 = 4%; Tercile 3 = 81%

DZ 6.5 acres, Delta 10 acres

Most land is untitled

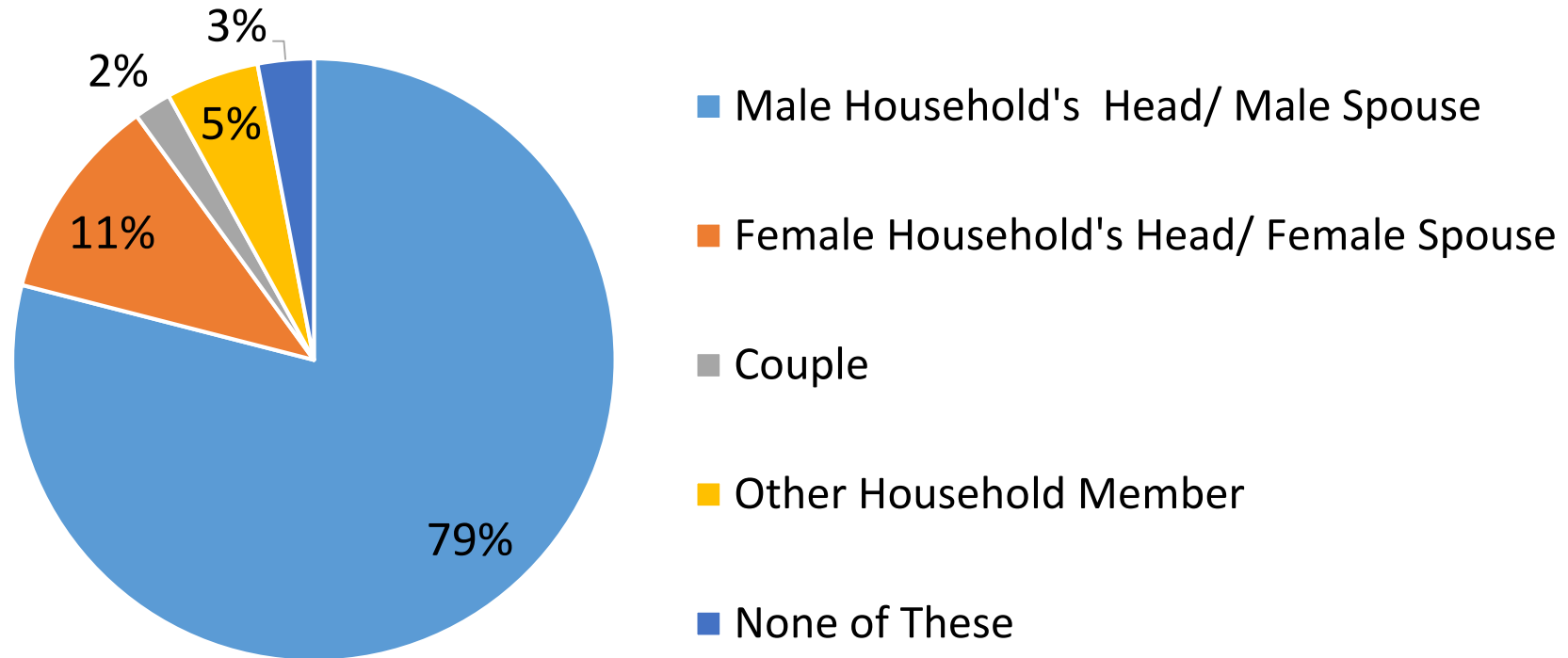


(DZ: 85% parcels have Form 7; 2% have Form 105)

Most land tenure insecure, but not customary tenure

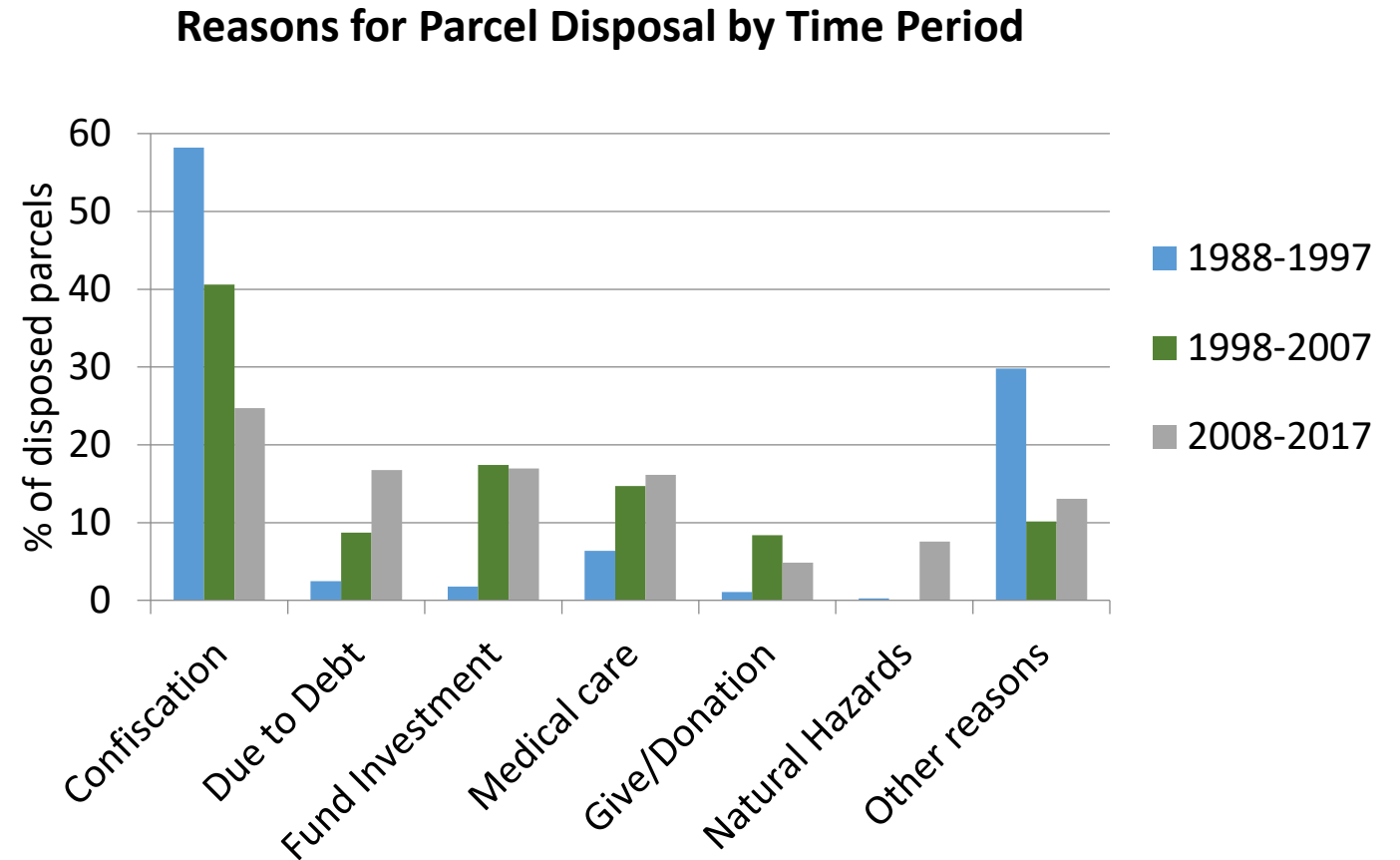
Land without title is 'wasteland' – implications for confiscation & credit access 12

Land titles overwhelmingly in name of male HH members



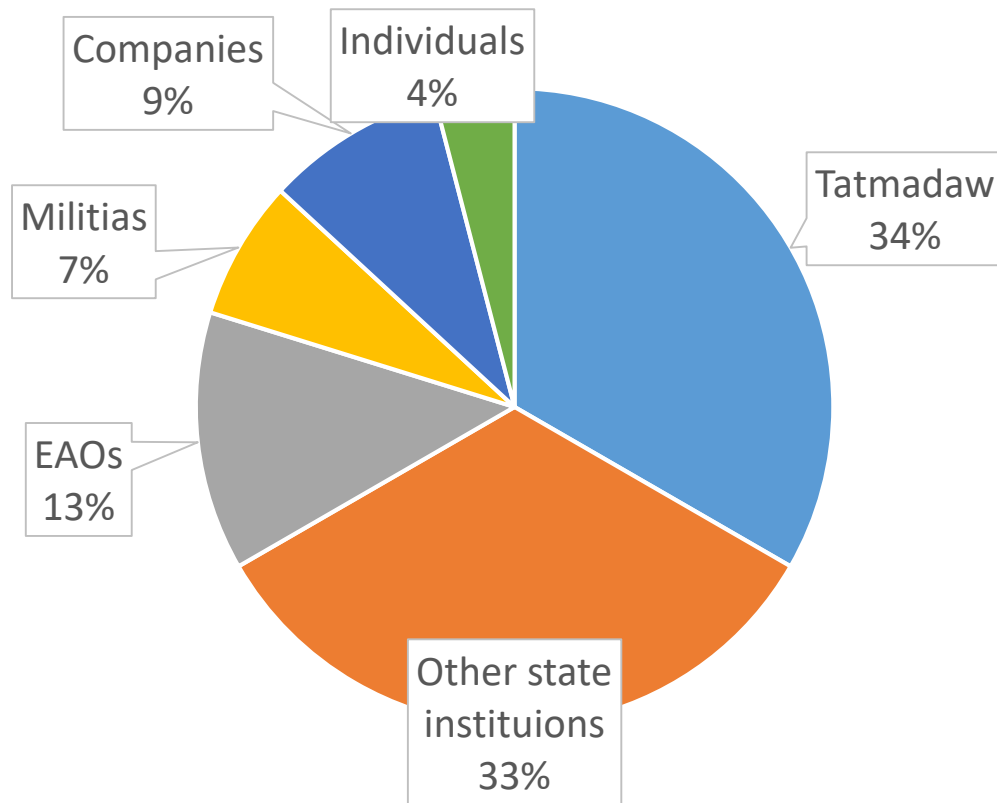
- Land confiscation in 25% of villages
- Average of 25 households affected per village
- Between 1 to 4000 acres confiscated per village (avg. 138)
- Confiscation is most common reason for land disposal (30% of parcels) – Dry Zone 13%
- Confiscation becoming less common ($\frac{3}{4}$ before 2008), other reasons for disposal increasing

History of land confiscation

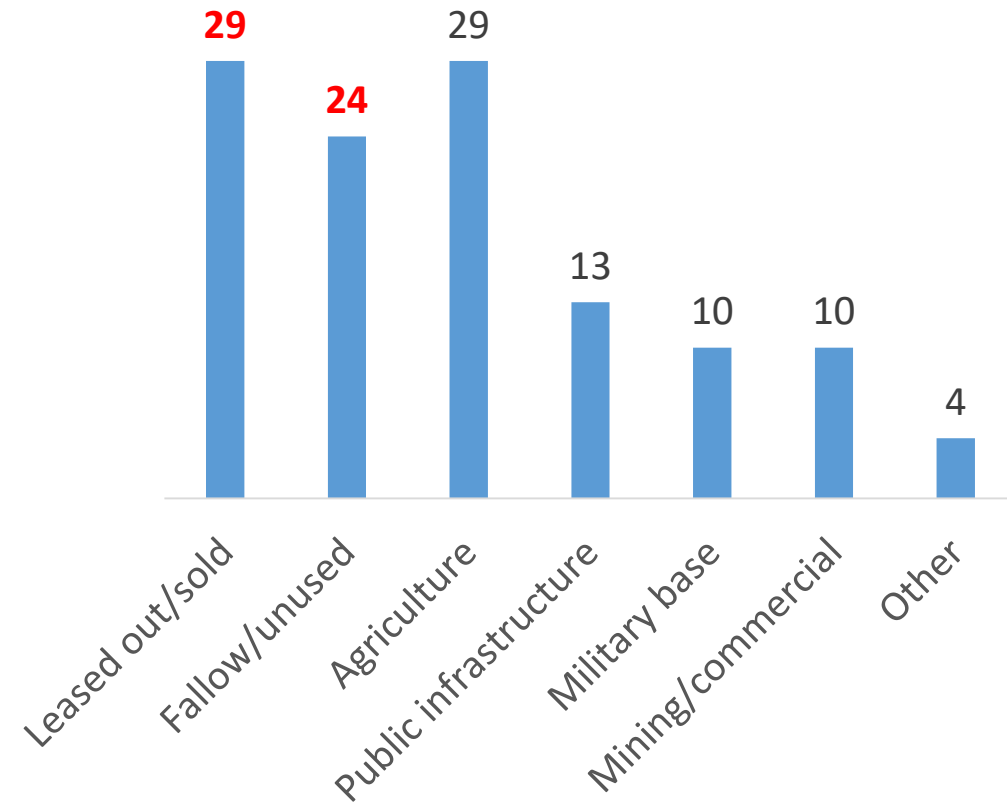


Most confiscation by military/state/armed groups

Acquisitions often speculative



Confiscating authority (% of cases)



Use of land after confiscation (% of cases)

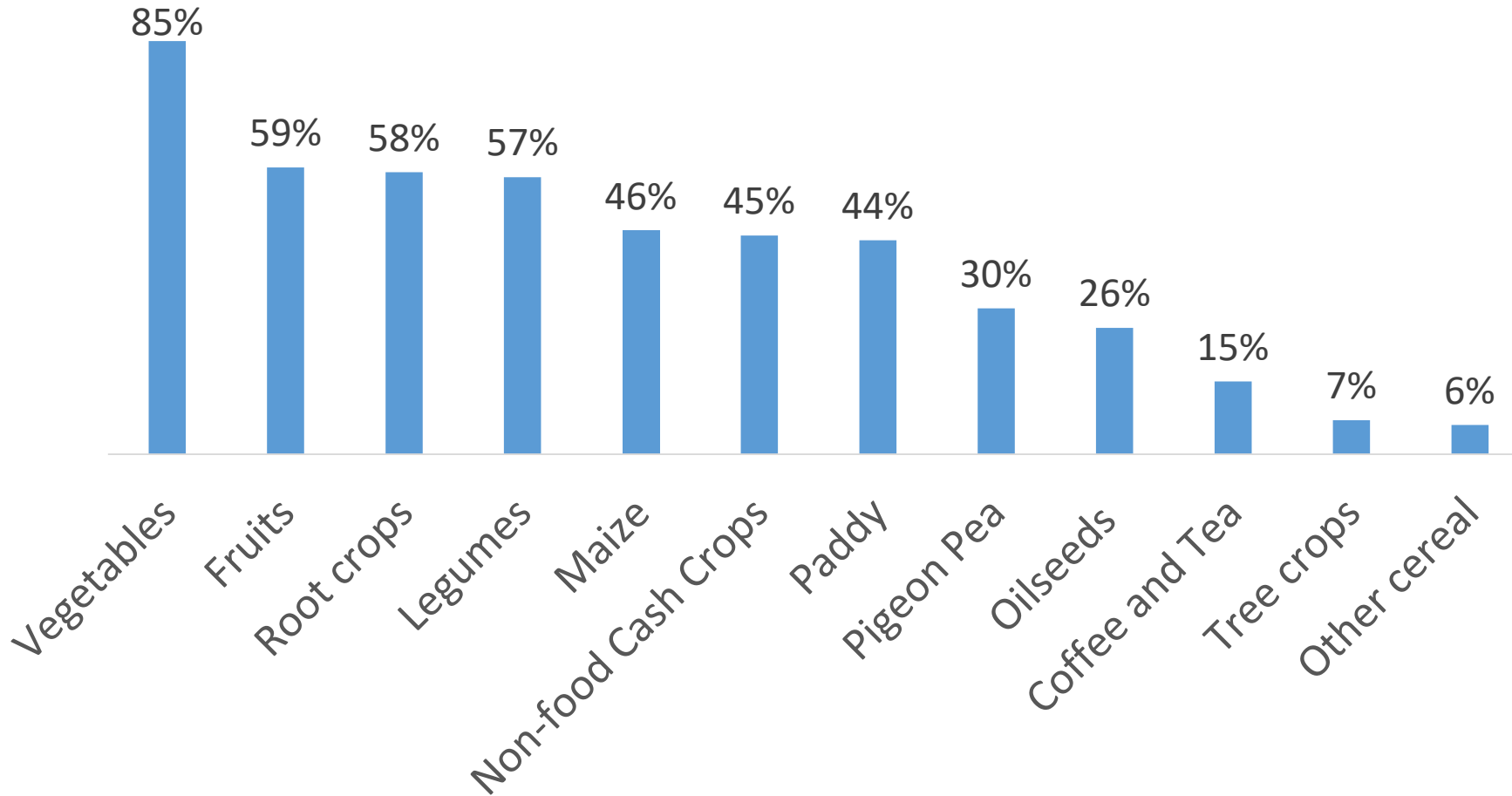
Farming accounts for majority of Shan income

Non-farm economy less developed than in Dry Zone

Income shares, by activity	SHAN	DRY ZONE
Own farm	58	31
Agricultural labor	7	19
Non-farm labor	5	6
Salaried work	8	6
Own enterprise	13	21
Remittances	8	15
NRE	1	1

Share of HH income, by source – South Shan and Dry Zone

High diversity of crops farmed (mean 9.7 per HH)

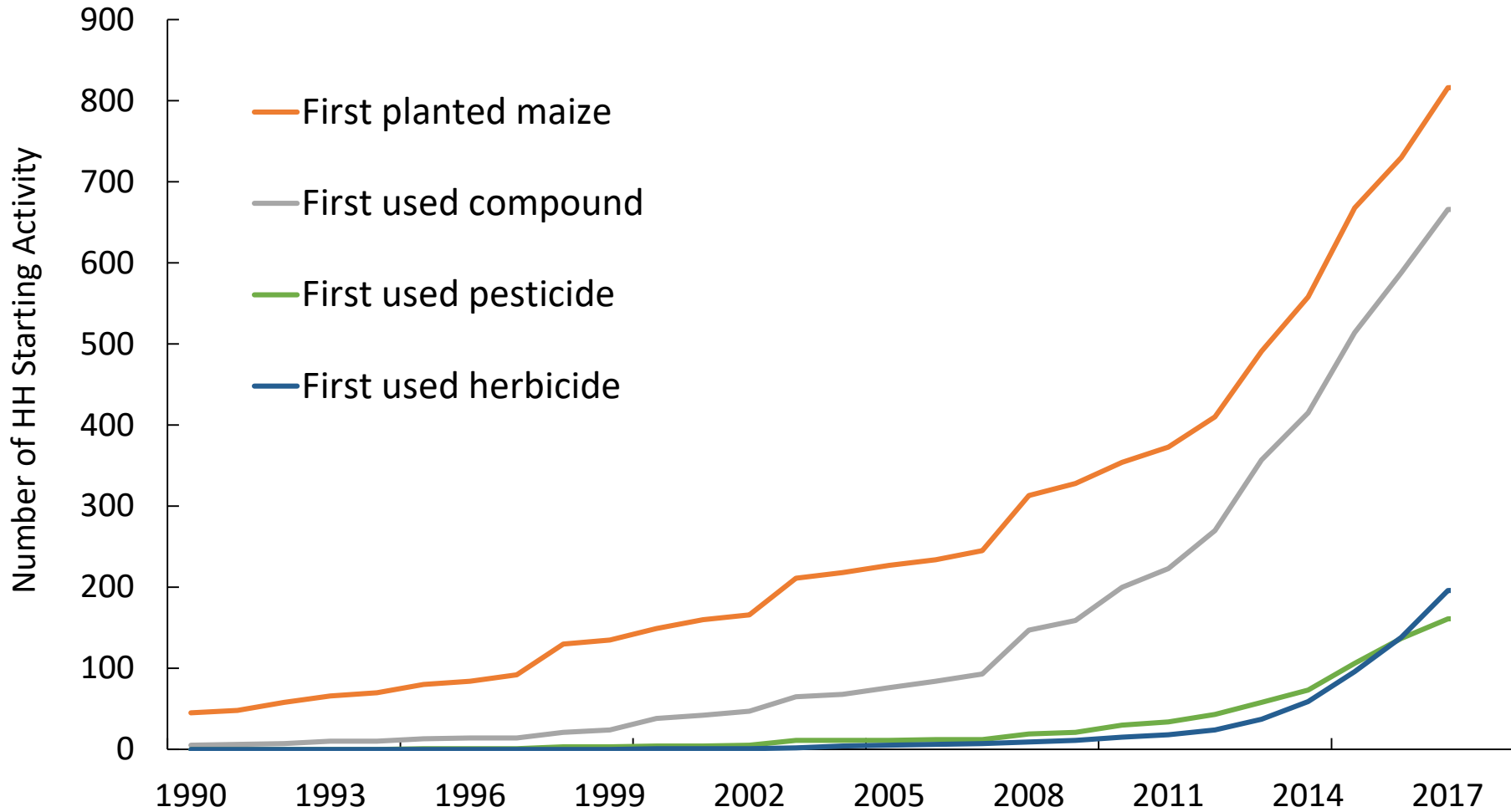


Share of households growing crop type

High levels of subsistence consumption

BUT, value of crops sold far outweighs value of crops consumed (80:20)

Agriculture responsive to new market opportunities & technologies

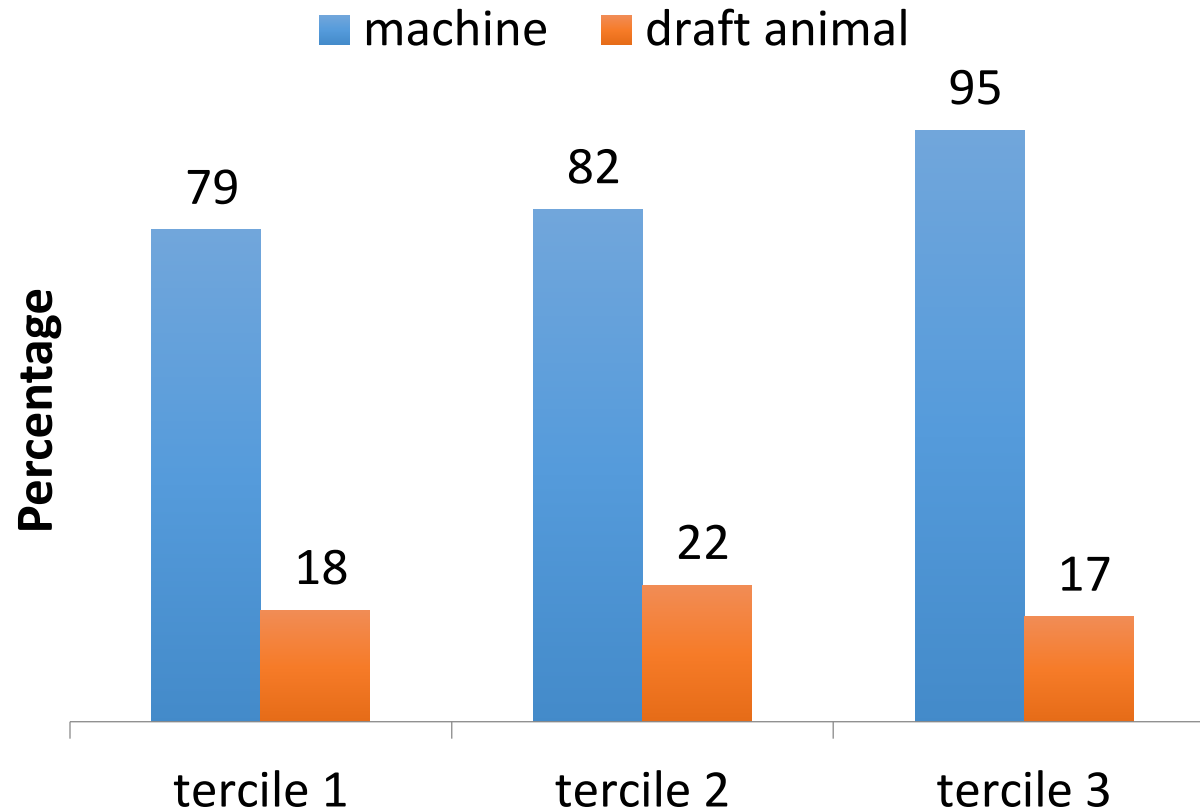


Maize boom - 46% of HH growing maize

Jump in use of hybrid seed, fertilizer, chemicals

Number of HH starting activity, by year first started

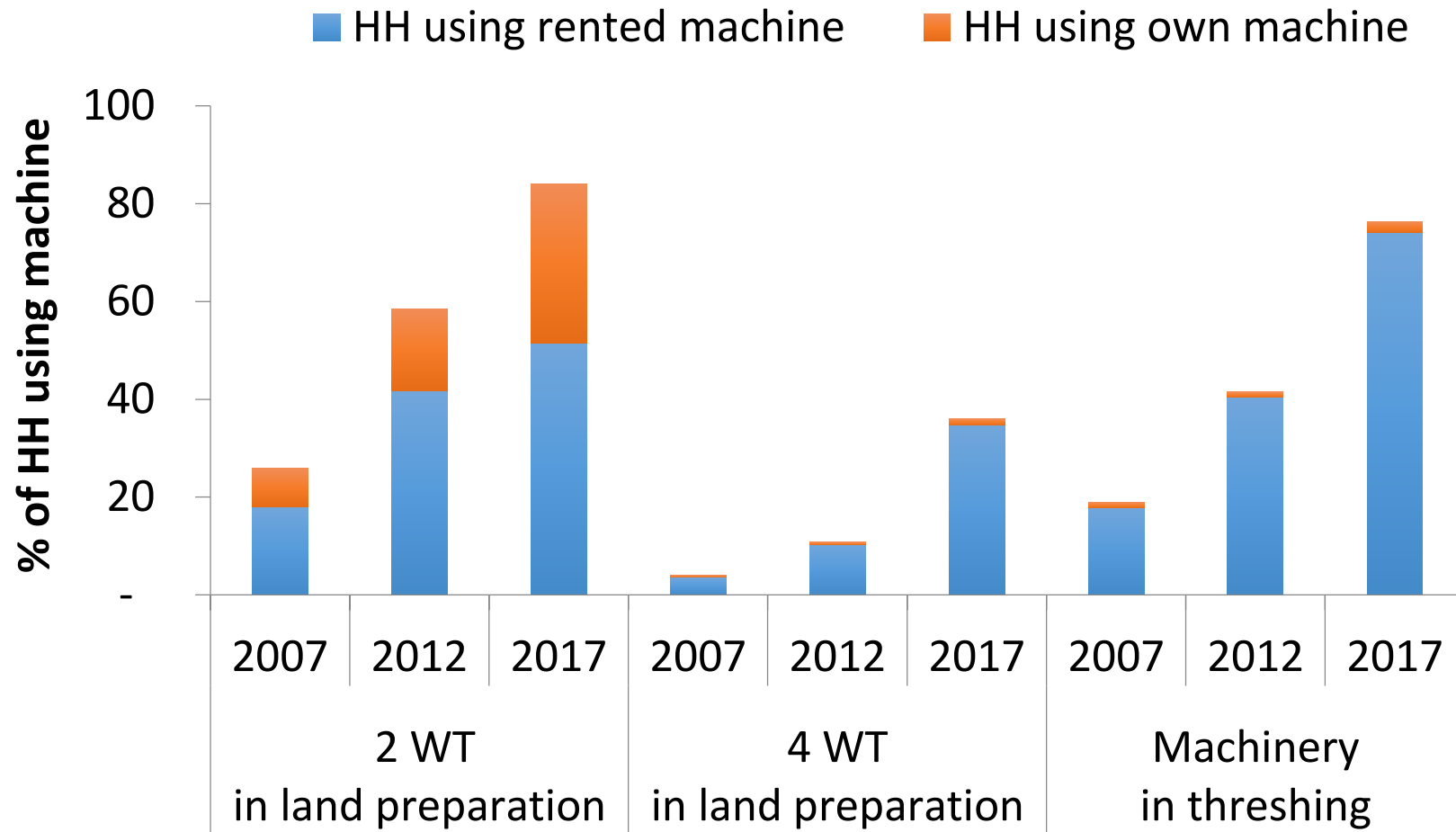
Machines have rapidly replaced draft animals, irrespective of farm size



Driven by convenience, availability, family labour constraints, not rising wages

Share of farm HH using machinery or draft animals in maize and pigeon pea production, by landholding tercile

Rental markets make access to machines scale-neutral



Share of farming HH using own / rented machines in land preparation and threshing

Moderate levels of migration but growing quickly

- 14% of HH have a migrant at present (Dry Zone = 30%)
- 7% of individuals of working age are migrating
- Men 53%; Women 47%
- More current international migrants than domestic (65:35), but domestic increasing rapidly
- Most migrants send remittances (58%)
- Average remitted amounts significant (MMK 67,000/month)
- Most remittances spent on day to day expenses and necessities

Conclusions

- S. Shan has high levels of access to farm land, relatively equitable land distribution, agro-ecology supporting diverse crops
- Low levels of titling – high vulnerability to confiscation, limits access to formal credit (e.g. MADB)
- Much confiscation quite small in scale, by domestic actors, for speculative purposes, not large scale acquisitions by foreign investors
- Complementary mix of commercial and subsistence farming
- Rapid agricultural modernization driven by active private sector, improving input and output market access, receptive farmers
- Own-farm accounts for majority of rural income & employment

Conclusions

- RNFE growing slowly (some exceptions linked to agricultural growth – e.g. machinery rentals, maize traders)
- Migration increasingly important, with links to domestic urban growth
- Rural wages have not yet begun to converge with urban
- Rapid, scale-neutral agricultural mechanization
- Big improvements to public infrastructure and mobility post-2011, from low base
- Results presented here mainly from areas under direct government control – contested areas (which are often also remote) may be different

Implications for programming

- Much more potential for agriculture to be a motor for growth in Shan than many other areas of Myanmar.
- Look for investments that leverage additional value from existing crops (e.g. better varieties, improvements in cold chain, packing and handling), branding, geographical indications, organic.
- Explore introduction of complementary technologies (e.g. greenhouses, small-scale irrigation), modes of development (e.g. agro-tourism).
- Reduce risks and maximize benefits of migration; provide more options for participation in local NFE; reduce impact of shocks
 - e.g. skills training and language, awareness of rights, tailored credit (migrants & businesses), social safety nets, health services.
- Examine ways to support registration of land that is already *de facto* private property (customary tenure lands will require different approach)