

27 June 2005

Media release

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Privatising Land Won't Solve Pacific Problems: New report

Proposals to make Australian aid to Pacific nations contingent on privatising customary land tenures could have disastrous consequences according to a report by five leading experts published today by The Australia Institute.

The report, *Privatising Land in the Pacific: A defence of customary tenures*, is a response to a series of papers authored mainly by Helen Hughes and published by the free-market think tank the Centre for Independent Studies. Hughes' argument that customary land tenures are the principal cause of poverty in PNG, and that Australia should make its aid contingent upon changes, is influential in Government circles.

Releasing the report, Institute Executive Director Dr Clive Hamilton said: "When people heard that land reforms along these lines were being proposed in 2001, there were riots in Port Moresby and four people were killed."

The new report argues that the proposed privatisation is based on wholesale confusion about the nature of land ownership in Pacific nations and reflects an ideological free-market approach to development.

It shows that, far from being an obstacle to development, customary tenures are the dynamic sector in PNG. Over recent decades, agricultural production has expanded steadily under customary tenures, but has mostly declined under registered titles, a fact that destroys the arguments of those who claim land privatisation is necessary.

The report gives examples of highly successful local development built around customary tenures in a number of countries and land types.

Editor of the report, Dr Jim Fingleton said: "The push to individualise customary tenures is an old approach dating from the 1950s; it has been tried before and has failed comprehensively. It is neither desirable nor feasible to cancel out group rights and responsibilities over customary land.

"The radical free market reforms urged by Hughes and her co-authors would, if implemented, be a major set-back to social and economic development in the Pacific."

A summary of the paper may be read under What's New on the Australia Institute's website.