

Digitisation of land administration

Will it work?

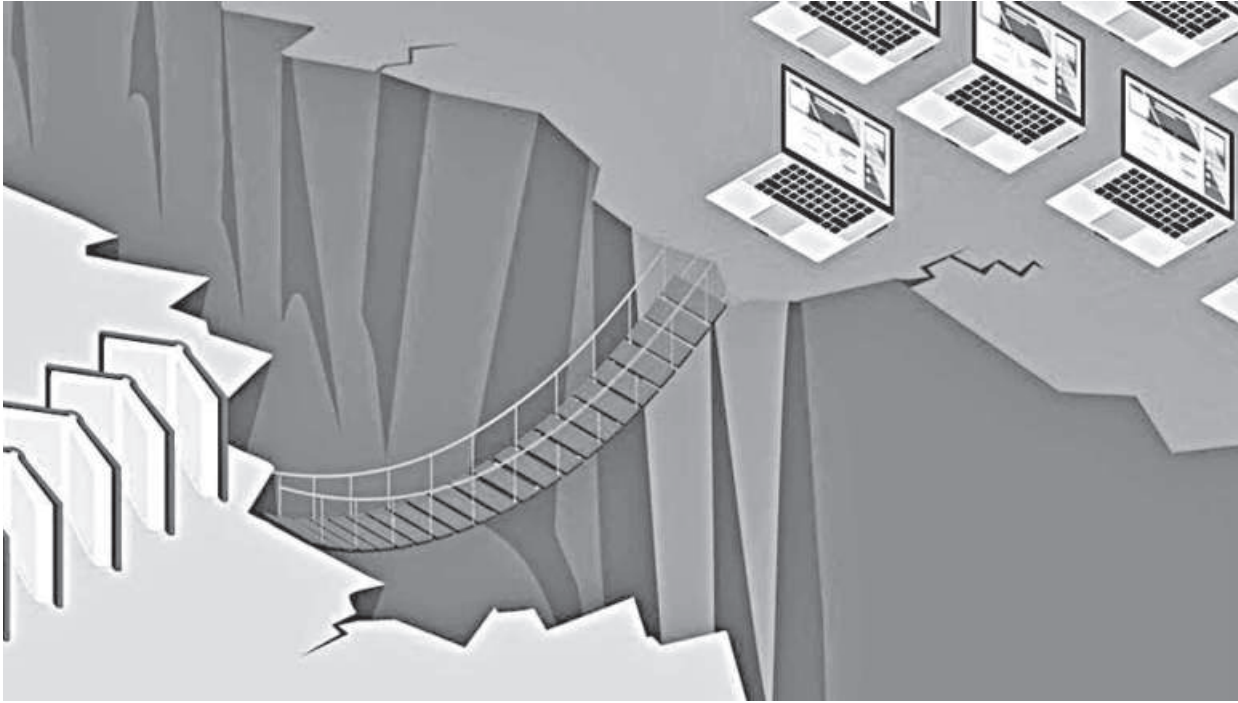
MEHNAZ RABBANI and FARUQ HOSSAIN

“DIGITAL land administration is the need of the hour”—an op-ed published in *The Daily Star* on August 19, 2019 reiterated the age-old concern over the inefficiency of the land market in Bangladesh, leading to “unending anguish and frustration for the general public”. Opinions and policy recommendations for land reform are aplenty in the media and intellectual discussions. Land related troubles affect the lives of a large majority of citizens and it is common knowledge that the sector is fraught with irregularities and corruption. The problem lies in how digitisation is understood. If it means that land records will be maintained on a digital platform, that land transactions can be done online and land ownership is secure, this is certainly a desirable goal. But in developing countries it often means that conflicts over records and possession are left as they are and the existing contested records are simply put on a digital platform. While even a limited form of digitisation can ease some of the problems of land administration, it is overly simplistic to see this type of digitisation as the answer to a complex problem. The deep-rooted problems of the land management system have evolved from a long history of structural and social processes that cannot be solved by simply digitising records in the current system. More importantly, premature digitisation can exacerbate the existing inefficiencies and create greater problems in future if the root problems are not solved first.

The government of Bangladesh is taking laudable strides towards digitising several public services, with a view to reduce time, cost and irregularities in availing these services. E-mutation was the first service digitised in land management,

which allows citizens to apply for mutation (change of title) online. As a first step, this is commendable, but the benefits from digitisation of this one step is unclear. A research conducted by BIGD in 2018 shows that the returns from investment is negative for e-mutation—in other words, the money invested by the government is more than the value of benefits in terms of time and cost savings. One might argue that this is only the beginning of digitisation for the entire system, and benefits will accrue only after all linked services are also digitised. True to its word, the government has also initiated digitisation of other services within land management, namely *khatiyani*, maps and *parcha*. The benefits of these services will be felt if and only the entire land management system is digitised.

Irregularities or corruption in a system such as in the land market are largely a result of glitches that have been created and sustained over many years. To start with, let’s take the discrepancies in our land survey records. Land use and demarcation are continually changing and requires regular updating. Starting from the time of colonial rule, at least four land surveys have been initiated in Bangladesh. The Cadastral Survey (CS) is the earliest and most complete map and the Bangladesh Survey (BS) which is still ongoing, is the latest. None of these surveys were completed, which means that none of them offer a full map of our land. On top of that, the surveys did not follow a common format/template or align with any earlier survey. As a result, in many parts of the country, the CS records are still in use. Many transactions are made based on this survey. As this survey was conducted in the era of *zamindars*, demarcations of divisions within large landholdings (farmed by multiple



SOURCE: PITTSBURGH TODAY

farmers who later took possession of these pieces) are contested till today. In other parts of the country where more updated survey information is available, there are often discrepancies between the different surveys. It is not uncommon for two persons to have legal claim over the same piece of land because one is the owner according to CS record and another has ownership by another survey record. Although the law says that the RS (Revisional Survey) record takes precedence, conflicts regularly arise due to these discrepancies, which are most often solved informally by local arbitration or local land officers. These loopholes, of course, create opportunities for rent seeking or corruption. Digitisation is not the answer to curbing corruption in this case. Without reconciliation of records,

digitisation will render informal resolution impossible, which will create deadlock situations where conflicting rights cannot be resolved informally. The only way out will be to take every small problem created by these inevitable discrepancies to court, where resolution will take several years and further increase the misery of landowners. This is, of course, one of the simpler cases that arise due to record discrepancies. We also have the more commonly known history of illegal possessions, fake documents which cannot be verified and discrepancies between the various documents of the same land (deed, *khatiyani*, registration, mutation, etc.) which have prevailed over many generations. Once digitised, all these incorrect records will be formalised, making correction of errors impossible in future.

Another problem, which gives rise to most land related conflicts is inheritance. Almost every family in Bangladesh can narrate first hand experiences of family disputes over inherited land. When a landowner dies, his/her descendants are entitled to proportions of the land by law. While how much of the land will be owned by each inheritor is clear, which part of the land will go to individual inheritors is not. Suppose there is a piece of land with two equal owners, with one side facing a road. The side facing the road is more valuable than other parts of the land. By law, there is no demarcation assigned to an individual inheritor, which means that both owners have entitlement of the more valuable half. Again, scenarios such as these require informal arbitration. Opportunities for corruption are created, as the first one to register and get mutation

for the more valuable part of the land will have full entitlement. If two generations down the line, the losing party rejects the informal ruling and files a claim for the prized land again, the case will have to be reopened. Digitisation is possible only when records, demarcations and entitlements are clean. The reality of the situation in our land market is that cleaning all these records over at least the last few generations has been a complicated process. Digitisation makes it necessary to resolve all these problems in one go and therefore has the risk of heightening conflicts.

Digitisation is most certainly a need for the future, but we have to be careful before saying that it is the need of the hour when it comes to our land market. As part of a research project at BIGD, BRAC University, a careful and in-depth analysis is being conducted of the various kinds of land related problems faced by citizens, the governance mechanisms related to these problems and the political and social processes which have led to the current state of the market. The preliminary conclusion is that digitisation is not the panacea that will relieve citizens of the anguish of land related problems. At most, digitisation can streamline the application and record management systems which will only reduce some administration costs but only if the underlying land records are clean and undisputed.

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PROJECT ■ SYNDICATE SRI LANKA ELECTIONS

Can the new president turn things around?



AS Sri Lanka makes another crucial political transition, it faces a major risk of macroeconomic instability. Minimising that risk will depend, above all, on whether the country’s newly elected president, Gotabaya Rajapaksa, can defy his reputation and embrace inclusive politics.

This idyllic island in the Indian Ocean was once a star performer. In the years following independence in 1948, progress on leading social indicators such as poverty, infant mortality, and primary education put Sri Lanka well ahead of its neighbours—India, Pakistan, and Bangladesh—and was the envy of much of the developing world. But, for several decades now, divisiveness and conflict have been the serpent in this paradise.

As a result, Sri Lanka has been strikingly prone to macroeconomic instability. According to data compiled by Carmen Reinhart and Christoph Trebesch, the country has spent nearly 70 percent of the last four decades in macroeconomic stabilisation programmes with the International Monetary Fund. In South Asia, only Pakistan has spent a greater proportion of this period under the IMF’s supervision. Bangladesh has had Fund programmes around 50 percent of the time, and appears to have graduated from IMF tutelage in 2015. And India has had IMF programmes only about 15 percent of the time, and none since 1995.

Macroeconomic instability reflects deeper



PHOTO: REUTERS/DINUKA LIYANAWATTE

Sri Lankan president Gotabaya Rajapaksa shares a moment with Muslims during his visit at Ketchimale mosque in Beruwala, Sri Lanka on August 17, 2019. Rajapaksa declared victory on November 17, 2019.

social and political factors. According to the late Albert Hirschman, one of the leading thinkers on economic development, “It has long been obvious that the roots of inflation ... lie deep in the social and political structure in general, and in social and political conflict and conflict management in particular.” Even Milton Friedman, who famously said that inflation was “always and everywhere a monetary phenomenon,” conceded that it

had deeper social causes.

Essentially, macroeconomic pathologies arise from conflicts over how to divide the economic pie. Unless these conflicts are resolved, they lead to unsustainable fiscal deficits, excessive foreign borrowing, inflation, and exchange-rate instability. Latin American macroeconomic irresponsibility, exemplified by Peronism in Argentina, involved favouring urban and government workers. Sub-Saharan

Africa’s periodic crises, meanwhile, often reflect ethnic and regional conflicts. More generally, Dani Rodrik has shown that external shocks give rise to macroeconomic instability when a society’s mechanisms for burden-sharing do not work effectively.

Sri Lanka suffers from cleavages along many different lines, notably ideology, ethnicity, language, and religion. Michael Ondaatje’s gorgeously sensitive novel, *Anil’s Ghost*, captures the human, personal consequences of these conflicts.

Arguably, Sri Lanka’s original sin was the assertion of linguistic dominance in enshrining Sinhala as the only official language in the 1956 constitution. By the 1970s, Sri Lanka was facing a communist insurgency. Then came the decades-long ethnic conflict involving the Tamils, which nearly tore the island asunder. After that war’s brutal conclusion in 2009, religious cleavages came to the fore, reflected in the Easter bombings earlier this year by Islamic extremists.

These conflicts have exacted a heavy economic toll. Societies with stable social and economic compacts between citizens and the state tend to have healthy rates of tax collection, reflecting a broad willingness to share the burden of paying for the services the state provides. But in Sri Lanka, the ratio of tax revenue to GDP is less than 12 percent, with income taxes accounting for less than a quarter; these are extraordinarily low figures given the country’s relative prosperity.

This revenue was manifestly insufficient to cover the government’s spending needs, especially towards the end of the civil war and afterwards. Sri Lanka therefore embarked on a binge of foreign borrowing in the early

part of this century, propelling its debt-to-exports ratio to a whopping 270 percent. Moreover, this debt has become increasingly onerous, with the share of non-concessional borrowing rising from about 25 percent to close to 70 percent. The debt has already proved unmanageable, and Sri Lanka has had to pay a humiliating price, handing over the Hambantota port and land to China in order to settle some of it.

A final factor adding to Sri Lanka’s vulnerability has been a sharp deceleration in export growth since 2000, well before the collapse in world trade. In fact, Sri Lanka was deglobalising for nearly a decade while the rest of the world was hyper-globalising. That, too, was related to social conflict.

It remains to be seen what political direction Sri Lanka will take under Rajapaksa. But if the government pursues non-inclusive policies, this almost certainly will lead to weak resource mobilisation, continuing dependence on external financing on onerous terms, low rates of foreign direct investment, and stagnant export growth. In these circumstances, macroeconomic stability will remain elusive.

The challenge for Sri Lanka’s new president is as simple as it is stark: to prevent South Asia’s one-time Scandinavia from becoming its Argentina.

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QUOTABLE
Quote

DR SEUSS
(1904- 1991)

American writer and illustrator of immensely popular children's books, which were noted for their nonsense words, playful rhymes, and unusual creatures.

Sometimes you will never know the value of a moment until it becomes a memory.

CROSSWORD BY THOMAS JOSEPH

ACROSS

39 Isolated
41 Alternative to buttons
45 Winter drink
46 Snow house
47 Leg joints
48 English county

DOWN

1 Peculiar
2 Cow call
3 Complete
4 Zeros
5 Fiery crime
6 Review anew
7 Chopping tool
8 Went fast
9 Tennis star
Sampras
10 Poky
16 Enemy
18 “Doggone!”

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11 12 13 14 15 16 17 18 19 20

21 22 23 24 25 26 27 28 29 30

31 32 33 34 35 36 37 38 39 40

41 42 43 44 45 46 47 48 49 50

11-18

YESTERDAY'S ANSWERS

DESKS
INFLA
STONE
ORWELL
WEE
NED
JALEEL
LOVE
AVE
KINDA
EAGER
SLEET

GHOST
AORTA
STIRS
GIT
TESTIFY
ESTHANE
ARMED
SIS
HOP
NEVADA
REMIT
ETUDE
DOSES

BEEBLE BAILEY

by Mort Walker

I'D LIKE FOR YOU TO LEAVE THE BAR AND FIND A SEAT SOMEWHERE ELSE

WHY? I'M NOT BOTHERING ANYONE

YES, BUT THERE ARE OTHERS WHO WANT TO SIT AT THE BAR...

AND YOU'RE USING TWO STOOLS

BABY BLUES

by Kirkman & Scott

HAPPY BIRTHDAY, MOM!

OH, WHAT A LOVELY CARD! THANK YOU, ZOE!

MINE'S A LIVING CARD!

A LIVING CARD?

YEAH, BUT I HAD TROUBLE GETTING THE GLITTER TO STICK TO THE WORKS

YOU MIGHT WANT TO PUT THESE ON FIRST.