

Land Tenure Reform in East Africa: Good, Bad or Unimportant

Abstract:

Theoretical arguments lead to the conclusion that there should be more land-secured credit, more investment, a more active land market, and more inequality of land in a community under freehold tenure compared with one in which the state owns and allocates the land. Detailed evidence from two communities in Kenya and Tanzania suggests that none of these conclusions holds because the stated policy differences do not in fact cause the land markets to perform differently in the two countries. These results are in broad agreement with other studies conducted in Africa in recent years that indicate that indigenous land tenure arrangements provide considerable security for investment and continue to have strong impacts on land markets even when they are no longer in effect according to the law.