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HDN WORKING PAPER SERIES

2016-01



HDN Working Papers are commissioned by HDN for the purpose of producing the Philippine Human Development Reports. This research is funded by the United Nations Development Programme (UNDP). Papers under the Working Paper Series are unedited and unreviewed.

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Judy T. Gulane¹

I. INTRODUCTION

Maguindanao, one of the five provinces comprising the Autonomous Region in Muslim Mindanao (ARMM), is gifted with a wide, flat terrain and soil enriched by the silt deposited by the Rio Grande de Mindanao. At its southwest, the Teduray highlands provide additional planting grounds while offering respite from the heat in the lowlands, especially at the height of the dry season. Maguindanao has the widest agricultural lands in terms of total area in the whole ARMM.²

Most families in the province support themselves by tilling their lands, raising corn, rice, coconuts and fruit-bearing trees. During times of personal distress, they exchange their properties for cash in the informal land markets or use it to securitize their debts, International Alert's 2012 study showed (Gulane, 2013). For them, land is their most valuable asset.

International Alert's (Alert) earlier study sought to answer why people chose to transact in informal land markets despite the insecure tenure arrangements and the propensity of these markets to produce conflict. However, the study also showed that these transactions were creating wide cleavages between poor farmers who were increasingly losing their assets and other individuals who were generating capital from lending to accumulate land. The informal land markets were producing income gaps, and these inequalities were in turn becoming sources of tension and violent conflict.

The links between informal land markets and inequality became the thrust of this study. Research was conducted to generate evidence about the economic and social outcomes arising from land-related transactions in informal markets. The evidence was deemed useful in determining how inequality was manifested in various types of transactions, and how barriers to entry and exit from these markets could provoke violent conflict. The study is also important for what it can say about the state of Maguindanao's agricultural sector, which employs the majority of poor families in this conflict-affected province.

Finally, the study is timely in anticipation of renewed efforts by the Moro Islamic Liberation Front and its followers and supporters to secure the passage of a basic law for a new region in Muslim Mindanao to institutionalize the Comprehensive Agreement on the Bangsamoro (CAB). Land rights are a critical issue in the autonomy project, and this study is an opportunity to interrogate the land-related provisions in the CAB that seeks to balance "vested property rights" that shall be recognized and respected versus the "legitimate grievances of the Bangsamoro people arising from any unjust dispossession of their territorial and proprietary rights..."

¹ International Alert land researcher and communication specialist.

² A Review of the Agricultural Sector in the Autonomous Region in Muslim Mindanao (2005). Retrieved from <https://psa.gov.ph/content/review-agricultural-sector-autonomous-region-muslim-mindanao>

II. LITERATURE REVIEW

Most research on inequality sought to determine its effects on income, economic growth, among others. Asset inequality is seen as detrimental to economic growth, implying that a better distribution of assets such as land will positively impact growth, so long as these are accompanied by policies strengthening property rights (Fort & Ruben, 2006). On the other hand, stronger property rights may increase income inequality because only the rich may benefit. Therefore, policies should also look at the barriers preventing the poor from gaining from stronger property rights (Haidar & Velasquez, 2009).

‘Land inequality’ may be defined as inequality among those who own land. A better definition is one that compares inequalities among landowners and the landless in a country (Erickson & Vollrath 2004), or in the case of this study, in two villages.

Most of these studies entail cross-country comparisons and measure land inequality in quantitative terms. While they provide insights as to how inequality affects development, they inadequately explain how the unequal distribution of land came about in the first place. Few have used data from informal land markets as points of departure for their analysis on land inequality and its effects, despite the wide reach of informal land markets and other secondary markets in developing countries.

In the Philippines, Floro and Yotopoulos’s (1991) classic study of credit interlinkages continues to shape understanding of how these markets operate. The study noted the active role played by farmer-lenders in the informal credit market, extending loans backed by borrowers’ usufruct rights as collateral. Farmer-lenders were benefited enormously by the defaults of borrowers. They expanded their control over bigger tracts of land.

While the abovementioned study was about the informal credit market, it highlighted wealthy farmers who, through loans, acquired more land. Alert’s 2012 informal land markets research yielded similar findings. Lenders took possession of farmlands after agreeing to a sale or pawn, or took over farmlands when farmers to whom they extended financing or inputs on credit failed to settle or pay their debts. The poor farmers who borrowed or defaulted on their loans became farmworkers or tenants.

The context surrounding the two studies is different though. The Floro-Yotopoulos study surveyed lenders in rice- and corn-producing villages in Cagayan, Nueva Ecija and Iloilo in 1984. Meanwhile, the Alert study investigated the reasons for the resilience of informal land markets and their links to conflict in Maguindanao and, in the process, uncovered the interplay between the informal credit and informal land markets. It also exposed institutional and organizational issues that reinforced the existence of informal land markets, making them worthy of deeper examination in terms of the inequality dimension, e.g., the failure of the ARMM government to accomplish the formal registration of land ownership, and the role of strongmen, be they local government leaders or clan leaders, in mediating and enforcing the terms of informal land transactions.

The new study gains urgency amidst an ‘urban bias’ against agriculture. As Bezemer and Headey (2006) have pointed out, underdeveloped countries have cut budgets for agriculture and rural development – a manifestation of an urban bias in their development policies. The Philippines has become a service economy but most of its poor are in

agriculture, requiring a rethink in its poverty alleviation strategy, with particular focus on the ARMM. The region remains agricultural³ and grapples with a poverty incidence of 48.7% among families as of 2012, the highest among the country's 17 regions.⁴ Its economic backwardness – it contributed only 1.3% to the Philippines's total output in 2014 – is due to a host of reasons, including the long years of conflict, and the very low levels of agricultural productivity⁵

III. METHODOLOGY

This study aims to generate the evidence base that describes the links between informal land markets and inequality. It is an exploratory study that sought to marshal primary data gathered from focus group discussions (FGDs) and key informant interviews (KIIs).

Data gathering was held in August 2015. FGDs were held and conducted with farmers and their sons and with farmers' wives and daughters in Kuya, South Upi and Cabayuan, Buldon, two farming villages in Maguindanao where informal land transactions had been recorded. Kuya, located in the province's southwest, was the subject of a case study in the 2012 research and was revisited for this study to deepen the findings from the earlier study. Cabayuan, located north, was added as a comparator to check for similarities and differences in the operations of informal land transactions.

Another FGD was held with recipients of the Handog Titulo program of the Department of Environment and Natural Resources (DENR) in Christiannuevo, a village in Lebak, Sultan Kudarat that's adjacent to Kuya. The Handog Titulo program provides titles covering agricultural land to farmers at minimal cost. The FGD with farmers in Christiannuevo was held to see if there were significant differences between the conditions of farmers in Kuya and Cabayuan who did not hold land titles and in Christiannuevo who did.

Lastly, several KIIs were held with lenders in Kuya and Cabayuan who expanded their landholdings through transactions in the informal land markets. KIIs were held as well with DENR-ARMM and Department of Agrarian Reform (DAR)-ARMM officials.

A total of 39 male and 21 female farmers participated in the FGDs, while 18 lenders (some of whom were also farmers and traders of farm inputs and products) agreed to participate in the KIIs. The farmers and their family members and the lenders in Kuya and Cabayuan were asked about their economic and social conditions after the land transactions. Farmers' wives were asked if they were consulted about the transactions. Farmers in Christiannuevo were asked about their conditions following their acquisition of titles.

The FGDs and KIIs with farmers and lenders were conducted in Filipino. Respondents also used Teduray or Iranun, which were translated into Filipino by local research assistants. The FGDs and KIIs were recorded on digital recorders and thereafter transcribed. The transcriptions comprised a text data pool that was analyzed and coded according to themes.

³ ARMM Regional Profile. Retrieved from <http://countrystat.psa.gov.ph/?cont=16&r=15>

⁴ 2012 Full-Year Official Poverty Statistics. Retrieved from <http://www.nscb.gov.ph/poverty/dataCharts.asp>

⁵ Gross Regional Domestic Product. Retrieved from <http://www.nscb.gov.ph/grdp/2014/default.asp>

IV. SETTING

A background on the study sites is important in understanding the results from the FGDs.

Kuya, South Upi, (population of 5,510 as of August 2015), is located in the Teduray highlands in Maguindanao's southwestern corner and is populated by a mix of Teduray, Lambangian (who are part Teduray and Manobo) and Ilonggo. Like Kuya, Christiannuevo, Lebak has a population composed of a mix of Teduray and Ilonggo (numbering 3,459 as of August 2015). The two rural villages are linked by violent episodes in the 1960s that forced the Teduray and Lambangian to leave Kuya and seek refuge in Christiannuevo and other nearby barangays. The Teduray and Lambangian reported that Maguindanaon farmers, backed by armed men, had forced them off their lands. They returned only when the Maguindanaon were driven off with the help of the Ilaga, the Ilonggo paramilitary group that fought the Moro Blackshirts/Barracudas. The Ilonggo had been living in Lebak, lured by the resettlement programs that began during the American period, when Sultan Kudarat was still part of Cotabato province.

This history explains why entrants of Maguindanaon origin remain unwelcome in Kuya to this day and why instead those with Ilonggo origins were allowed to stay and make Kuya their home. Maguindanaon families hold titles to land in the barangay or have applied for titles with the DENR-ARMM but cannot return due to the resistance of the Teduray and Lambangian. They are not helped by a municipal ordinance that requires them, among others, to secure prior clearance from the barangay chairman signifying no opposition by barangay residents to their return.⁶

Buldon, along with Matanog, Barira and Parang towns, are located in the plains in Maguindanao's northern portion and comprise the Iranun areas in Maguindanao. The first three towns were actually part of Parang until they were detached and spun off into separate local government units in 1961, 1975 and 1977 respectively. Buldon has a history of violent conflict as well. Residents had to evacuate during the Ilaga-Blackshirts/Barracudas clashes and the government-Moro National Liberation Front war in the 1960s-1970s and, more recently, during the Estrada government's 'all-out war' against the MILF in 2000. There were – and continue to be – land conflicts between the Iranun and those resettled in Buldon from other parts of the Philippines through the Economic Development Corps (or EDCOR) program in the 1950s (Paderanga, 1987; Uhlig, 1988).

The residents of the village of Cabayuan in Buldon (population of 2,314 as of August 2015) have experienced evacuations from their land and homes and have reported cases of forced entry by other families and settlers in their land, making them suspicious of people who are non-members of their clans. As a result of their fears, all land-related transactions exclude others who are not part of their clans. This is in contrast to Kuya and Christiannuevo, where non-ethnic Teduray, Lambangian and Ilonggo are excluded.

⁶ South Upi Municipal Ordinance No. 5, Series of 2006, 'An Ordinance Giving Emphasis on the Policy of Handling Evacuees in the Municipality of South Upi, Maguindanao'

Kuya, Cabayuan and Christiannuevo are agricultural villages. Farmers in Kuya and Cabayuan raise mainly corn and coconut, while those in Christiannuevo have shifted from corn to coconut, coffee, rubber and fruit-bearing trees such as mango and lanzones.

Teduray and Lambangian farmers in Kuya and Cabayuan don't hold land titles, adhering to customary law where the land's owners are determined through years of occupation and inheritance rules. However, awareness of the importance of titles is increasing, even though many of them profess a poor understanding of the process of getting titles or are unable to do so because of the costs involved. There is also some confusion about the roles of two land administration agencies in the ARMM: the DENR, which issues titles called 'patents,' and DAR, which distributes titles called 'certificates of land ownership award.'

It is clear that in these cases, customary law always trumps any land distribution program. The Teduray and Lambangian have rejected the patents that several Maguindanao families possess as proof of land ownership in Kuya while in Cabayuan, families have resisted becoming beneficiaries of the Comprehensive Agrarian Reform Program (CARP) as they reject the payment of amortizations for land that has traditionally been theirs.

The DENR and DAR in the ARMM, it should be noted, face fundamental challenges when it comes to land titling and registration. The cadastral surveys that are the basis for the issuance of patents are unfinished while the distribution of land to beneficiaries under CARP had been delayed by stringent rules of title verification and beneficiary validation following the controversial voluntary-offer-to sell scam in the 1990s (Gutierrez & Borras, 2004).⁷

Institutional infirmities also beset formal land markets. For example, indigenous peoples in the ARMM cannot apply for ancestral domain or ancestral land titles because the National Commission on Indigenous Peoples (NCIP), which implements Republic Act No. 8317 or the Indigenous Peoples' Rights Act (IPRA) of 1997, does not operate in the ARMM. The Office of Southern Cultural Communities (OSCC) devolved to ARMM in 1991 was not folded into the NCIP when the commission was created by IPRA in 1997. Hence, the OSCC-ARMM lacks the authority to grant ancestral domain and ancestral land titles; it is limited to issuing certificates of tribal membership, non-overlap and confirmation.

This infirmity affects landholdings of residents in Christiannuevo. The town is under the administrative jurisdiction of the Region 12 offices of DENR, DAR and the NCIP. Its Teduray residents have explored getting a title for their ancestral domain with the NCIP but the DENR has stepped in and have placed their lands under coverage of the Handog Titulo program, which distributes titles to individual landowners, not an indigenous group.

Finally, while most Christiannuevo residents value the possession of formal land titles, they have also complained about expensive and inexplicable fees that must be paid before they can get them.

⁷ Interviews with Nasrudin I. Tapodoc, Chief, Land Utilization and Disposition, Land Management Bureau of DENR-ARMM and Bai Cabayan D. Bacar, Provincial Agrarian Reform Officer, DAR-Maguindanao.

V. RESULTS: INFORMAL CREDIT, INFORMAL LAND MARKETS AND INEQUALITY

This section begins with a description of how informal credit and informal land market transactions result in inequalities before discussing land and income inequality in more detail. It then proceeds to discuss how land titling widens land inequality while creating conflict.

A. Emergencies, Linked Credit and Land Transfers

Land transfers are prompted by distressful events: hospitalization, burial, school-related expenses, and even pricey celebrations such as weddings. Land is also used to settle debts. Transacting parties involve, on one hand, small farmers who don't have land titles, claim only usufruct rights and therefore have no access to formal credit. On the other hand are individuals with enough capital to participate in a pawn or sale, who may also be engaged in farming, trading or in both.

A pawn or a sale entails outright transfers. A pawn provides a chance for the farmer to repay the lender and get back the land, while a sale does not. A pawn, however, may be turned into a sale if the farmer's need for cash is dire or when repayment of the loan looks impossible. In such cases, cash is added to the original loaned amount to constitute a sale.

Loan defaults trigger land transfers. These usually occur among hybrid corn farmers, who need large capitalization for seeds, fertilizer and pesticide. They get the inputs on credit from traders, who are in most cases hybrid corn farmers themselves, in a 'charge-to-crop' scheme where repayment for the debt plus interest is taken from the earnings from their harvest, which they must sell only to the traders. One harvest failure gives them other chances to take inputs on credit for the next planting rounds but, if these fail as well, then the traders will cut their access to credit and demand repayment.

Farmers have two options. One, transfer their rights to traders as a guarantee they will repay their debts. This action also prevents the debts, which are levied a monthly interest rate, from growing. Two, use the land to wipe off their liabilities by asking the traders to shell out cash, which with their loans, comprise full payment for their properties. Either way, traders take control of the land.

'Linked credit' – the term given by Floro and Yotopoulos (1991) to this type of financing – has been practiced for decades by informal providers but in its current form, the loan is tied to both farmers' produce and usufruct rights, making it especially painful for them. This has come about as farmers engage in trading, personifying the trader-lender and farmer-lender, two distinct players in the informal credit market that Floro and Yotopoulos had written about. A trader-lender is primarily engaged in the buying and selling of farm produce. He or she extends credit tied to the borrower's produce. Meanwhile, a farmer-lender provides credit tied to a borrower's usufruct rights over a piece land. The aim is to increase market share, for the trader-lender, and to increase landholdings, for the farmer-lender.

Farmer-traders are engaged in farming but also sell inputs and buy and sell farm produce. They make inputs available to poor farmers on credit on two conditions: farmers sell their harvest only to them and they surrender their land rights if they fail to pay their loans. Farmer-traders put a high price on the inputs and add interest, and during harvest time, buy at

a low price, giving farmers little earnings, or none at all, after deducting payment for the loans. This way, they keep the farmers on a leash such that after a series of debt defaults, they take over their lands.

The lack of protection from hard times such as falling commodity prices and personal and natural calamities plus the lopsided terms of linked credit transactions have created new landless farmers. Running parallel is the onslaught of rapid land transfers that have concentrated land ownership in farmer-traders. Indeed, the amalgamation of the informal credit and informal land markets has intensified rural inequalities.

Rendering legitimacy to these transactions are the barangay or municipal government officials or clan leaders who may also be lenders and farmer-traders themselves. They sign as witnesses to contracts between the transacting parties and ensure that the terms are followed. They also mediate in cases of competing land claims, especially those involving undocumented transactions or verbal agreements. While they provide some measure of order and a system to govern land-related transactions, they are also incentivized by the 'service fee' collected from the transacting parties.

B. Land and Income Inequality

In general, both male and female farmers who have lost their land continue to do farm work as daily-wage laborers and as tenants, mostly in the land they used to till as their own. Laborers who clear land and assist during and after the harvest season earn around PhP100 a day.

Tenants who raise hybrid corn earn PhP5,000 per hectare under optimal conditions, that is, no pests and weather disturbances. From this amount, they deduct the payment for the land rental and for debts they incurred for household expenses in between harvests. In the end, they pocket very little – or none if they had to pay off a lot of debts.

On-farm work is supplemented with off-farm work. Women vend vegetables raised in their backyards or cooked food such as rice-based delicacies. They also sell clothes or take in sewing jobs. Men do carpentry and construction work, raise chickens or produce *balut*.

Families with many children are often forced to stop sending their children to school and instead utilize them as source of additional family labour that can be hired out. Few are able to send their children beyond elementary or high school. Only in rare instances do children reach or finish college. In Cabayuan, one of the respondents said one of his children was in college only through the help of the *datu* (the title of local chieftains and often the clan leaders as well).

Recovery of the land is difficult once it is sold or pledged to lenders. Among the respondents, only those who pawned their land and raised coconuts, which don't require much inputs and provide income every three months, managed to do so. A respondent in Kuya claimed that he pawned his 10-hectare land planted with 500 coconut trees for the measly sum of PhP50,000 but managed to pay off the loan from earnings from copra. Meanwhile, some pawner-borrowers who were into hybrid corn farming chose to hold out, continually extending the terms of their agreements with lenders out of a reluctance to completely waive their rights over the land and in the hopes of coming up with the payment with the help of their children.

The decision to pawn or sell farmland inherited from a parent, whether male or female, is made by its owner, whether male or female, following the bilineal rule of descent that is commonplace in Muslim Mindanao. Men and women are equal in this respect. For example, a female respondent in Kuya inherited a one-hectare piece of land from her father, though she had to sell it to repay debts from seeds and fertilizer.

However, in the few cases in Cabayuan where land was given as dowry to the wife, husbands made the decision. Female respondents reported that the dowry they received actually reverted to the possession of their husbands because the latter decided to mortgage and later sell the land. As practiced among the Iranun, the wife becomes the new owner of a piece of property given as dowry. She gains the right to make the decisions over it, unless she shares this right with her husband. That husbands took that option in the cases this study encountered may be an indication of a change in traditional practices as a result of economic need.

Family members may lament the loss of the land but eventually get resigned to the fact there are no options other than to let it go. Health needs are a common trigger in the mortgaging or outright sales of land.

Meanwhile, lenders have amassed landholdings that range in size from less than 10 hectares to hundreds of hectares. They usually start with their own plot, and with their savings, buy additional plots they farm on their own. Then they branch out to selling farm inputs or to lending cash, and through debtor defaults, add more farmlands. They are also approached by farmers who sell their land, desperate for cash because of emergencies.

For those engaged in hybrid corn farming, profits range from PhP5,000-6,000 per hectare, and harvest is done twice a year. They also earn extra from hiring out their trucks for transporting farmers' harvest to consolidators in Cotabato and Davao cities. With their higher income, they build concrete homes, buy vehicles, and send all their children to school, even as far as Davao City.

While it is generally in their interest to widen their landholdings, lenders also reach a point where having too much receivables and land becomes expensive. They become saddled with debts they cannot collect and farmlands they cannot maintain (if they are using these themselves) or oversee (if they have put these under tenancy).

C. Titling and Conflict

Farmer-traders acquire land titles when and where they can, further driving a wedge between themselves and poor farmers and provoking conflict.

In Kuya, some of the Ilonggo, who have ended up as big landowners as a result of informal credit and informal land market transactions, have gotten land titles even for properties pawned to them. In Buldon, Iranun with large landholdings said they were open to the redistribution of large estates under CARP so they could get titles to parcels of land they already occupied within these properties.

DAR-ARMM has been trying to redistribute a 1,024-hectare property titled to the Cabayuan Plantation Inc. owned by Jose De la Rosa, and another 239-hectare property titled

to De la Rosa and his sister. They had taken advantage of the Public Land Act that allowed the titling of hundreds of hectares of land by corporations and individuals.⁸ The titling of these large properties, which sprawl across the villages of Cabayuan, Edcor and Oring in Buldon, was without the knowledge of the actual occupants. This explains why majority of Iranun farmers have refused to be CARP beneficiaries.

Titling in Kuya was made possible via a group settlement survey of a portion of Kuya's 6,515-hectare total area. This facilitated the Maguindanaon's acquisition of and application for titles there. While they could not return to the village as a result of the Teduray and Lambangian's opposition and therefore were shut out from the informal credit and land markets, they have taken advantage of titling to press their claims on land there. Several families with patents or patent applications have visited the village to try to identify the lands they used to occupy before they evacuated in the 1970s, causing distress among the Teduray, Lambangian and Ilonggo.

In contrast, other farmers have actually acquired formal titles through government programs. Farmers in Christiannuevo in Lebak, Sultan Kudarat have gotten land titles through the Handog Titulo program and have complied with the real property tax payment schedule. They said they were taking better care of the land because of the tax that must be paid.

Still, because of emergencies or debts with traders, they sold part or their whole property to raise cash or used it to guarantee payment of their obligations. However, not as many reported losing their lands compared to those in Kuya and Cabayuan. They continued to raise corn, but of the local variety and for their own consumption, and have shifted to permanent crops such as coconut, coffee, rubber and fruit-bearing trees to diversify their income streams. They said they no longer raised hybrid corn because its high capitalization requirement would force them to incur debts with traders and eventually surrender their land to them.

Implementation of the Handog Titulo program, however, was not without controversy. The cost of the lot surveys was waived, but beneficiaries still had to pay Php750 for 'forms' and Php5,500 for getting the titles. To these farmers, the situation smacked of corruption, as no receipts were issued for the amounts collected by the DENR representative and the former barangay chairman, to whom the titles were sent for 'safekeeping' by another DENR representative.

The Handog Titulo program also caused divisions among the Teduray. Some Teduray residents insisted on a certificate of ancestral domain title from the NCIP that would benefit the whole tribe especially those who could not afford to pay the fees. Others paid or were willing to pay the fees to get their titles.

VI. CONCLUSION

This study demonstrates how transactions in the informal credit and land markets can create landlessness and land monopolies. Poor farmers sell land because of hardship to rich

⁸ Interview with Datu Lamiyth T. Alim, Municipal Agrarian Reform Officer, DAR-Maguindanao

farmers who accumulate these properties. They also lose their land to these farmers through informal credit, as personal emergencies compel them to pawn it or to surrender it to pay for debts from expensive inputs for hybrid corn farming.

Land inequality leads to income inequality. Those who lose their lands work as farm laborers, hiring themselves out when jobs are available, or as tenants who must apportion to land owners part of the harvest or income from the harvest. Because farm work can be intermittent while the wait for the harvest can result in a pile-up of debts for household expenses, they supplement their on-farm work with off-farm income-generation activities. These farmers, especially the women among them, engage in microenterprises that bring in a little income.

Other farmers are less disadvantaged than the rest, particularly those who make most of their incomes from credit and trading, rather than simply farming. They also need to work hard but they have amassed more land, are hiring in farm labour, and are able to access the inputs they need. They are the success stories in the introduction of hybrid corn farming, earning from their own produce and from the harvests of farmers who must sell these only to them as part of their loan covenants. They are able to send their children to school and afford other comforts such as concrete homes and vehicles.

Informal credit and land market transactions take place in an environment where property rights are weak and access barriers exist for the entry of formal credit providers. Indeed, the vibrance of informal land markets is not matched by a similarly vibrant credit market. Informal land markets tend to peak in terms of number of transactions following calamities, or the temporal ebbs and flows associated with the start of classes, the lean season, and the onset of festivities. The trigger for these transactions are hardships brought about by personal or natural calamities

Meanwhile, the lack of vibrant credit markets is borne out by geographical exclusion and weak property rights. Assets are few and often untitled, diminishing their collateral value. Secondly, areas are focal points in rebellion-related conflict or clan feuding, and are thus avoided, and consequently excluded from the entry of agents of formal credit institutions.

Individual land titling in the ARMM has not been efficient due to the unfinished cadastral surveys and the slow pace of land distribution under CARP, further diminishing the collateral value of lands. Titling also runs contrary to customary and communal ways of recognizing land ownership. Amid the regional government's weak presence, village chiefs and clan leaders have stepped up and come up with rules to regulate land-related transactions so conflicts are avoided. Farmers themselves, they have also taken advantage of the informal credit and land markets, even as they collect fees from farmers for facilitating and overseeing their transactions.

Rich farmers, however, are acquiring titles amid rising recognition of the importance of these documents. These allow them to formalize their use and occupation of the land, even when land is only pawned to them and may be redeemed by their owners.

Strengthening property rights thus has a dual effect: It provides those holding land titles assurance over their properties, encouraging investments while opening access to formal credit. However, it alienates those without the capacity to acquire land titles, increasing their marginalization and fomenting conflict.

And given how farmers who have lost their lands to rich farmers have little or no chance of recovering them, then one concludes that titling cements land inequality.

The informal credit and land markets also reinforce or create other types of inequalities. While bilineal descent confers to Moro and IP women the right over an inherited property, the voices of other women, including those who get the land through dowry, are ignored when it comes to household decisions over the land.

Worse, identity loyalties shut out other ethnic groups or non-clan members from participating in these markets. In Kuya, South Upi, the Maguindanaon can't participate in any transaction even when they are landowners and title holders, while in Cabayuan, Buldon, only the Iranun and members of the same clan can join in land sales and credit-related transfers.

Policy Implications

The study's findings provide lessons for shaping a property rights regime suited for the ARMM and its agricultural priorities. One, property rights for the ARMM's farming poor should be strengthened, echoing the recommendations of Haidar and Velasquez (2009). The ARMM cadastral surveys should be completed and a program for distributing land titles implemented, while taking note of the implementation problems of Handog Titulo in Lebak, Sultan Kudarat. Legacy issues such as titled large properties, military reservations and resettlement sites that have been blocking the redistribution of land should be dealt in an innovative and conflict-sensitive manner, which may include restitution.

Smallholder farms should be supported, not only through titling, but through a re-examination of the ARMM's agricultural programs. According to the Department of Agriculture and Fisheries (DAF), the Agri-Pinoy Corn Program aims to "fast-track the expansion of hybrid corn, cassava and other feed crops production to achieve food and feed self-sufficiency, enhance the competitiveness of the domestic livestock and poultry sectors through cheaper feed inputs as well as generate jobs in the countryside." Maguindanao has the largest area planted with hybrid corn compared to other ARMM provinces. While hybrid corn, which is processed into animal feeds, promises higher yields and income to farmers, it has actually resulted in their indebtedness and loss of land, as this and other studies have documented (Gerpacio et al, 2004; MASIPAG, 2013). The DAF should assess the impact of its Agri-Pinoy Corn Program and check for other agricultural products that are better suited for smallholder farms than hybrid corn.

Other forms of support for poor farmers should be extended: cash transfers, health insurance, credit, and crop insurance. The conditional cash transfer and national health insurance programs should be expanded to cover them. None of this study's respondents was a beneficiary of the Pantawid Pamilyang Pilipino Program or a member of the Philippine Health Insurance Corp. Credit is crucial. Given the dearth of banks in the ARMM and the reluctance of those that are to extend credit due to the lack of titles, microfinance institutions can step in to meet the demand for finance. They can explore other collateral, not just land; when collateral is not available, they can explore innovative ways to ensure repayment by borrowers. Crop insurance is very important in protecting farmers' income, especially amid a

changing climate. The government should expand the reach of the Philippine Crop Insurance Corp. to the ARMM.

To boost household income, there should be livelihood support to male and female farmers who are shifting to off-farm work. Vocational training should be provided.

Finally, in drafting a new Bangsamoro bill for deliberation in Congress, there should be sensitivity to the informal land transfers that have taken place. The CAB takes only historical land dispossession into consideration, not seeing that the situation is now more complex because of the transactions that were concluded through the informal land markets. Anybody now has a 'vested right.' The challenge is to satisfy everyone without causing violent conflict.

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