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SUMMARY AND ANALYSIS OF LAND REFORM IN SOUTH VIET-NAM

SUMMARY

During the period 1957 - 1960 the GVN's land reform program redistributed land to 10% of the landless tenants. The GVN still holds enough land to supply another 10%. The remaining 80% of Viet-Nam's tenant farmers was to be covered by the rent control provisions of the program. Effectiveness of rent control contracts has varied greatly by region; there has been reasonably good observance of legal maximums in the Delta (where many farmers pay no rent except perhaps to the Viet Cong) and common disregard in the land-poor province of CVN. Deteriorating security conditions beginning in 1960 virtually halted further implementation of the basic land reform program, which was already encountering bureaucratic opposition. There have been no significant developments in the past three years. Development of the nationwide strategic hamlet program and improving security in the Delta ricelands might, however, compel the GVN to re-examine realistically its record to date and, hopefully, bring about serious consideration of measures for moving ahead again in an area vital for gaining and keeping the support of the Vietnamese peasant.

The GVN's land reform program is three-fold; (1) regulation of landlord-tenant relations, (2) purchase and redistribution of Vietnamese-owned rice lands and (3) purchase and redistribution of French-owned lands.

(1) The rent control program began in 1957 and stipulates that no tenant shall pay less than 15%, nor more than 25%, of his main crop in rent. It further states that the landlord and tenant will sign a government-provided contract along these lines, good for five years.

(2) The purchase and redistribution of Vietnamese-owned rice lands is commonly known as the Ordinance 57 program. All Vietnamese landlords holding lands in excess of 100 hectares had the excess expropriated and were paid 10% of the value in cash and the remainder in 12-year bonds, bearing 3% interest. The landlord was also allowed to keep 15 hectares for religious purposes. The land was then to be redivided among the farmer tenants, who would pay for it in six, interest-free, yearly installments.

(3) Under the Franco-Vietnamese Agreements of September 1958, France gave the GVN 1,490 million old francs (US\$3 million) to use in purchasing approximately 262,000 hectares of French-owned rice lands for redistribution.

The government was able to have 770,720 contracts signed between landlords and tenants: 604,776 in the South and 165,944 in the Center. It is generally believed that there were about 1,200,000 tenant farmers in Vietnam at the beginning of this program. GVN data now show some 805,000 contracts in force as of December 31, 1961, but Land Reform Directorate officials admit that they are frequently unobserved especially in CVN.

According to knowledgeable officials, the GVN never provided sufficient cadres for effective enforcement of the rent control program. For example, the Chief of the Land Service in one CVN lowland province reported early in 1962 that he had only six men to cover 100 villages. Discussions with Saigon officials and field trip reports confirm that lack of personnel for supervising provisions of the land reform acts has crippled the program from the start. The Tenant Farmers Union (TFU), an affiliate of the CVTC, did apparently send cadres into the villages in the late 1950's to explain the provisions of the rent control law to the peasants and to assist them in securing their rights. The organization also offered to assist the GVN in collecting rental payments on land redistributed under Ordinance 57 to help the farmers earn permanent title to their new rice lands. The role of the TFU as a defender of the peasant's interests began to be eclipsed, however, by the GVN decision in 1959 to establish its own organization, the Farmers Associations. The result was that the TFU was reduced to its present status of scattered membership and minimal impact in the rural areas.

Despite the lack of enforcement machinery it appears that the nature of the situation in the Delta had led to general observance of the 25% maximum rent ceiling. Insecurity, and the absence of many landowners who moved to province capitals or to Saigon, has left many farmers paying little or no rent (except perhaps to the Viet Cong). Many landlords are pleased to collect whatever rents they can, and payments above the legal maximum are rarely reported. The reestablishment of security in the Delta by means of the strategic hamlet program could pose problems for the GVN in terms of popular support. This would be the case if it were accompanied by return of landowners seeking to collect current rents from farmers, who had been paying none, and perhaps even attempting to collect back rents. Such an attempt would certainly arouse animosity.

The situation is quite different in Central Vietnam, where land is scarce, security is generally better, and the landowners normally live in the same village as their tenants. GVN Land Affairs officials readily concede that rents well in excess of 25% of the main crop are commonplace. Perhaps the provisions of the law in crowded CVN were economically unrealistic; however, its promulgation, followed by almost total lack of observance, does not redound to the credit of the GVN. Another problem in the CVN lowland provinces is the system of bidding for communal land owned by the villages, which is exempted from the rent limitations on private contracts. Having recently completed a cadastral

survey of all communal land, the GVN is reportedly considering modification of the present bid system under which rents up to 50% are paid and which also discourages land improvement because the use of the land is frequently rotated. The setting of a fixed rental on communal land should improve the situation, but overcrowded conditions in CVN will still leave landowners in a powerful position vis-a-vis the landless tenants.

Under Ordinance 57 the GVN bought approximately 435,000 hectares of rice land and has redistributed 245,000 hectares to about 115,000 farmer tenants. Somewhat more than 2,000 landlords were affected by this program. Current data show 335,000 hectares compensated for by cash payments (VN\$164 million) and twelve-year bonds (VN\$1,190 million). Convertibility of these bonds for securities in GVN industrial enterprises has not yet been authorized.

The security situation has undoubtedly hindered the distribution of this land. However, difficulties in selling the land occurred before the security picture worsened. These problems can be partly explained by the confused situation existing in the south before the program began. The struggle with the French drove many landlords to the cities and the peasants paid no rent for a long period. Under these conditions it is easy to see why the Ordinance 57 program, based on payments to the government, would not meet with overwhelming approval. The collections of land payments due in 1960 ran at about 20% and in 1961, 3.5%. Total payments collected during the period 1960-62 (including a minor amount of GVN rent collections from former French lands of which the province chief keeps 60%) were only VN\$24.2 million. The situation has improved somewhat in 1963; VN\$34.8 million was collected in the first four months primarily as a result of improved security in some areas. Consideration is reportedly being given to stepping up efforts to collect rental payments. The question may well be asked whether the resulting revenue will justify the effort and whether the GVN might not gain important popular support in rural areas by forgiving at least the delinquent payments, thereby hastening the day when farmers will gain final title to the land redistributed under Ordinance 57.

Under the French program the GVN bought about 211,000 of the 262,000 hectares subject to transfer. None of this land has been redistributed to private individuals nor are there plans to do so at least in the immediate future. The GVN collects rent at the 25% rate where it is able, and some land has been used for agrovilles. There has been periodic talk of turning it into communal land in connection with the establishment of strategic hamlets. Much of this land consists of large tracts in the Trans-Bassac Provinces far from provincial capitals which poses very real security problems, unless, as is the case of a 5,000 hectare area in Phong Dinh Province, the area is farmed under the supervision of regular Vietnamese Army units.

All figures on the number of hectares involved in the land reform effort are estimates. There has never been a complete cadastral survey in Vietnam, and there are few reliable central records which can be used to settle disputes. In these conditions, differences are usually settled on a local basis and in favor of the man with the most political and economic power.

In summation then, the ownership of perhaps 30% of Vietnam's rice lands has been changed by the land reform program; one-half of this has been distributed to 10% of the tenants. The remainder, if distributed, could benefit another 10%, leaving 80% of the rice farmers to be protected by the rent control measures. As noted above, the effectiveness of rent control contracts has, however, varied greatly by region, with the provisions in general fairly well observed in the south but largely ignored in the land-poor provinces of Central Vietnam, where the power of the local landlord has prevented the tenant farmers from insisting on their rights.

Symbolic of the decline in GVN interest in land reform after 1960 was the downgrading of the responsible office from an independent Ministry of Real Estate and Land Reform to a Directorate General of Land Affairs in the 1961 governmental reorganization. Of course President Diem's oft-cited statement made in January 1962 to the effect that the land reform program had been completed made loss of interest in further implementation of unfinished programs all too understandable. Unfortunately, the present attitude appears to be one of looking back with satisfaction on the accomplishments to date, more accurately the accomplishments of the period 1957 - 1960, with little or no thought to moving forward again in the unfinished areas of the original land reform program. It should be noted, however, that other programs involving land have been going on apace such as opening of new Land Development centers, Montagnard resettlement, etc. Furthermore, it would seem likely that the most important program of all, the strategic hamlet program will ultimately compel the GVN to re-examine its policies toward land tenure. Also, it would appear that as security improves, particularly in the Delta ricelands, the attention of the GVN should be directed anew to an objective analysis of the accomplishments of basic land reform program and, most importantly, means for its further implementation as a key factor in gaining and holding the support of the Vietnamese peasant.