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# Land and economic development in Sub-Saharan Africa

**Lorenzo Casaburi**  
UBS Foundation Associate  
Professor of Development Economics



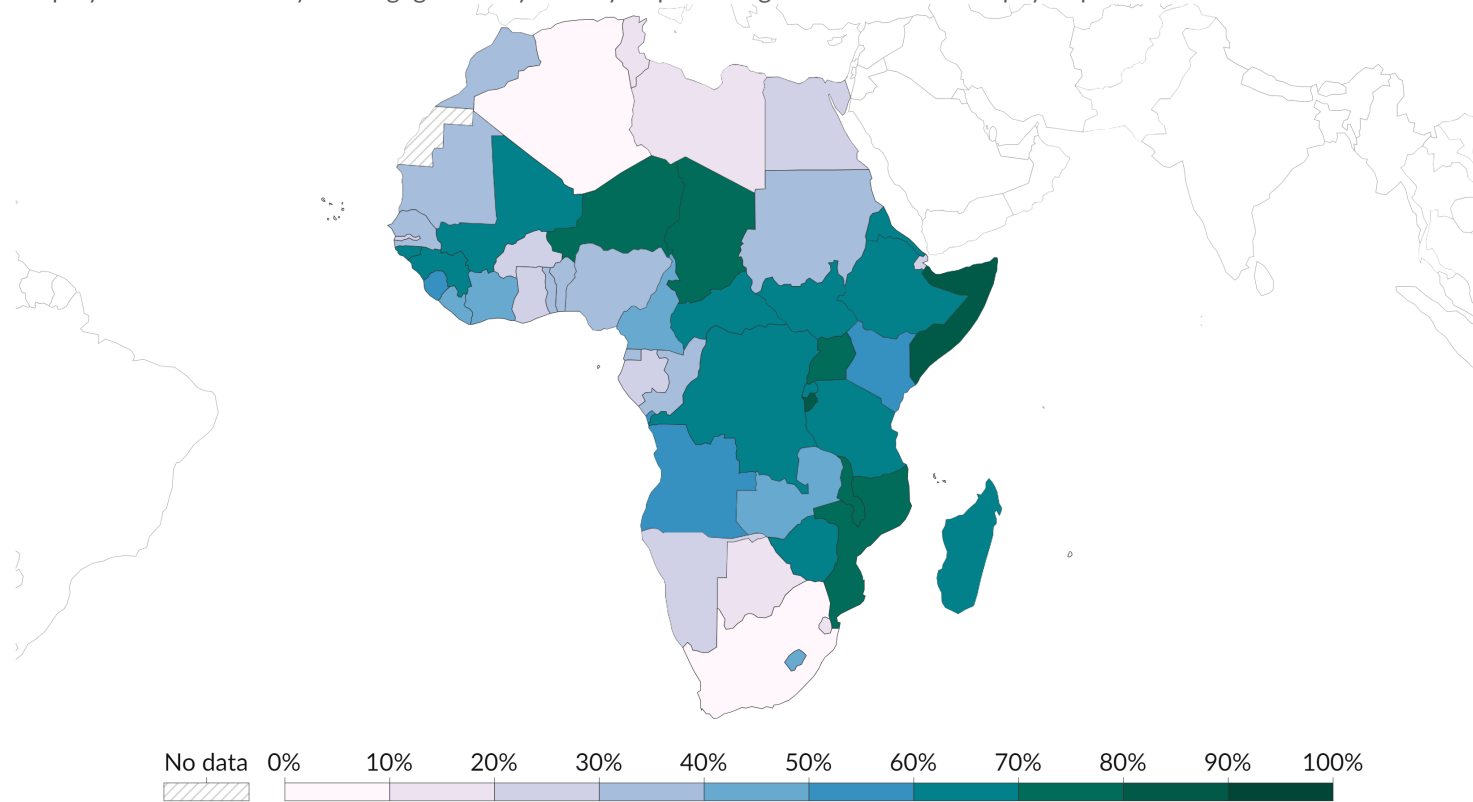


# Land is the most important physical asset for the poor

## Share of the labor force employed in agriculture, 2019

Our World  
in Data

Agriculture includes the cultivation of crops and livestock production, as well as forestry, hunting, and fishing. Employment includes anyone engaged in any activity to produce goods or services for pay or profit.



Data source: Our World in Data based on International Labor Organization (via the World Bank) and historical sources  
[OurWorldInData.org/employment-in-agriculture](https://OurWorldInData.org/employment-in-agriculture) | CC BY

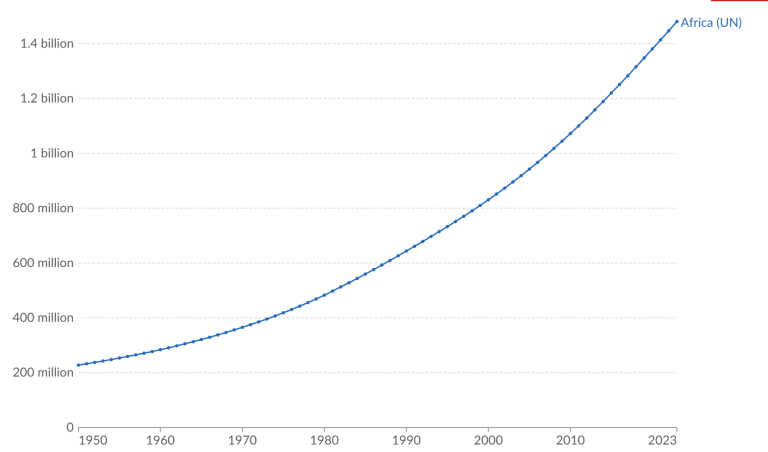
- Agriculture is often the largest employment sector. Large share of *smallholder* farming.

# The traditional view of land markets in Sub-Saharan Africa

- Land is abundant
- Land markets are not important

# Land access: a changing landscape

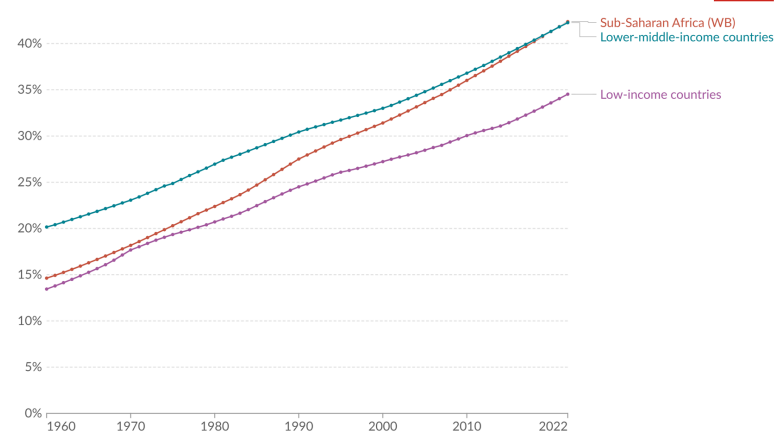
Population, 1950 to 2023



Data source: UN, World Population Prospects (2024)  
Note: Values as of 1 July of the indicated year.

OurWorldInData.org/population-growth | CC BY

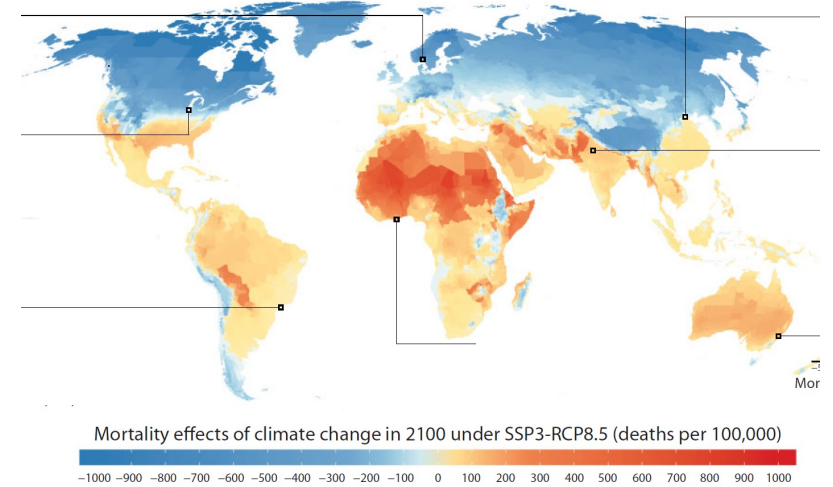
Share of the population living in urban areas, 1960 to 2022



Data source: Multiple sources compiled by World Bank (2024)

OurWorldInData.org/urbanization | CC BY

Note: Because the estimates of city and metropolitan areas are based on national definitions of what constitutes a city or metropolitan area, cross-country comparisons should be made with caution.



Source: Carleton et al. (2022)

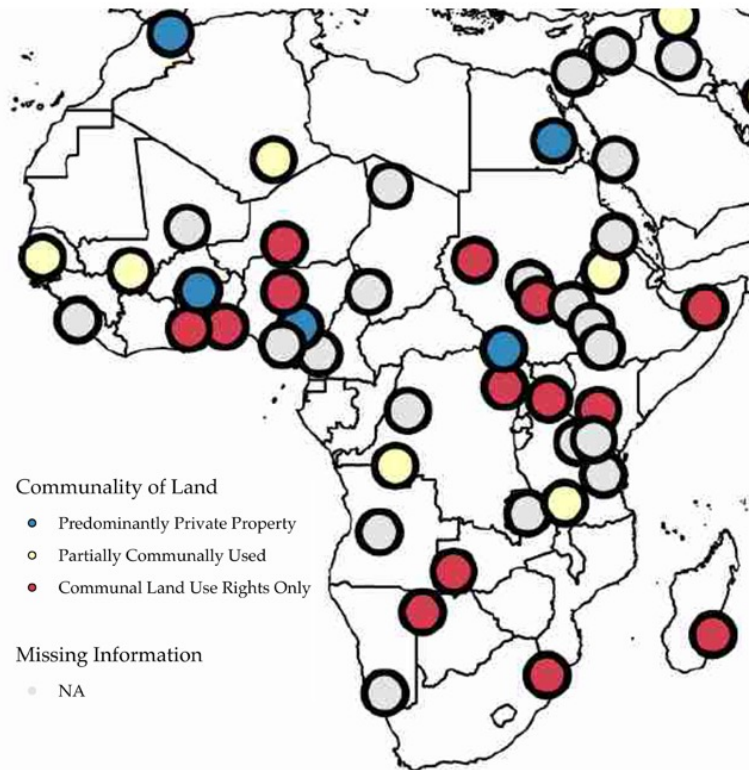


**Increased pressure on land resources**



# Evolving land tenure

- From **customary & communal** property rights to **formal & individual** tenure



**Historical land tenure**

(Source: Le Rossignol *et al.*, 2024)



**Land formalization programs**

(Source: own data collection)



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# What effect do these changes in land tenure have on economic development?

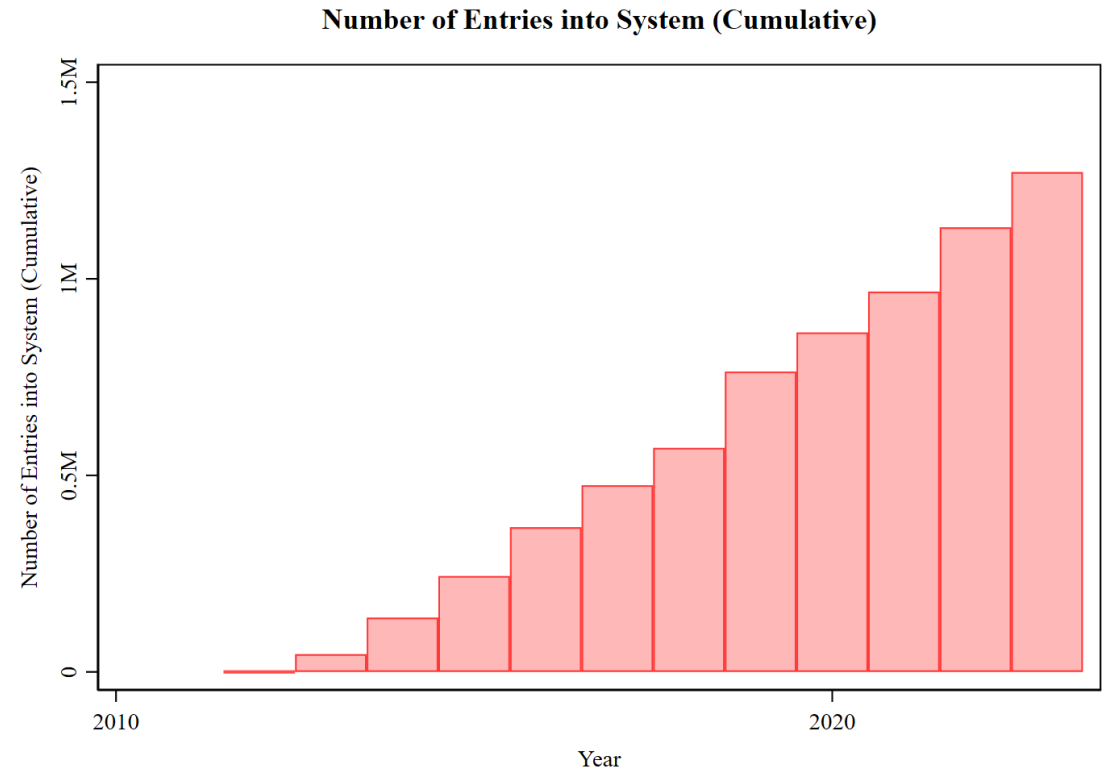
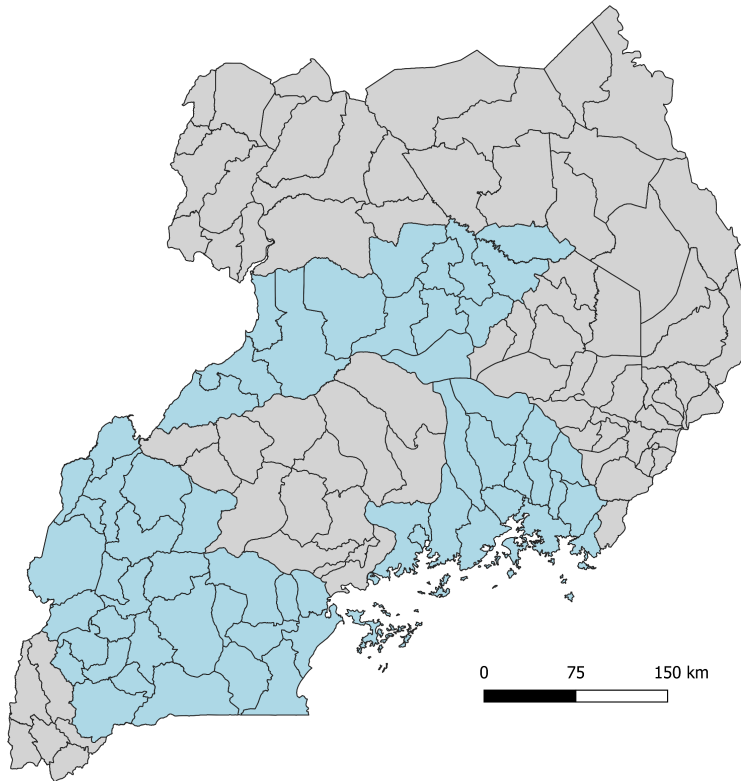
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# Formalization of land rights in Uganda

*In collaboration with the Uganda Ministry of Lands, Housing, and Urban Development*

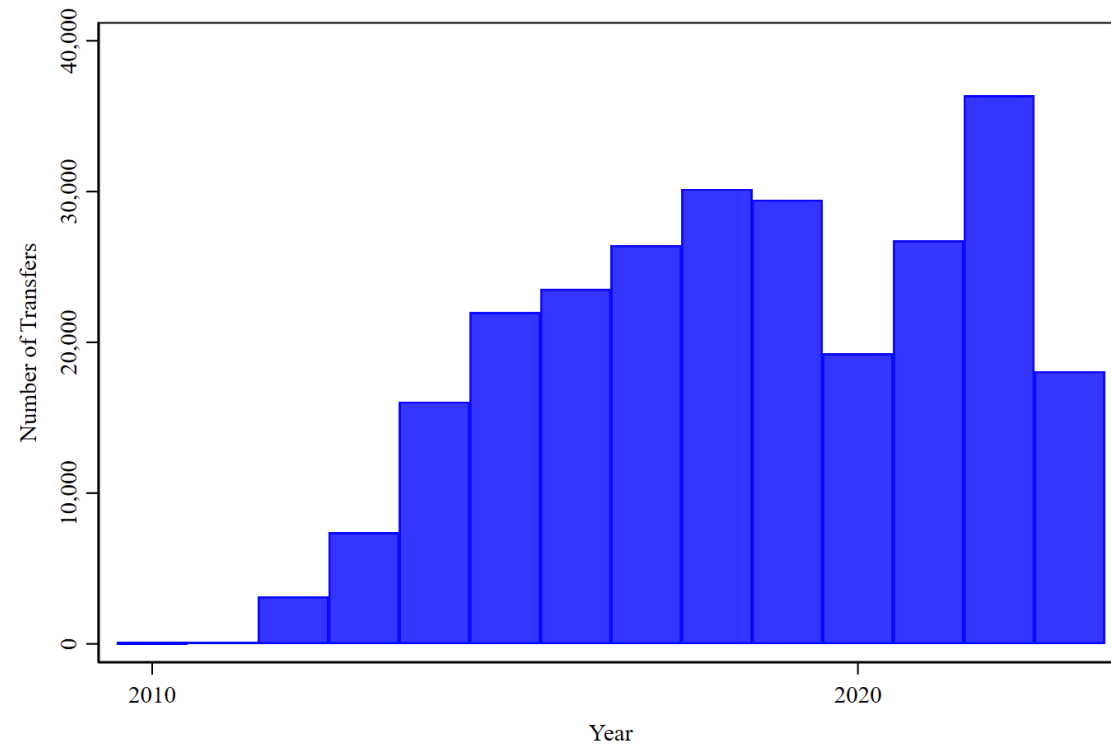
- Creation of a digital land registry. Granular parcel-level database



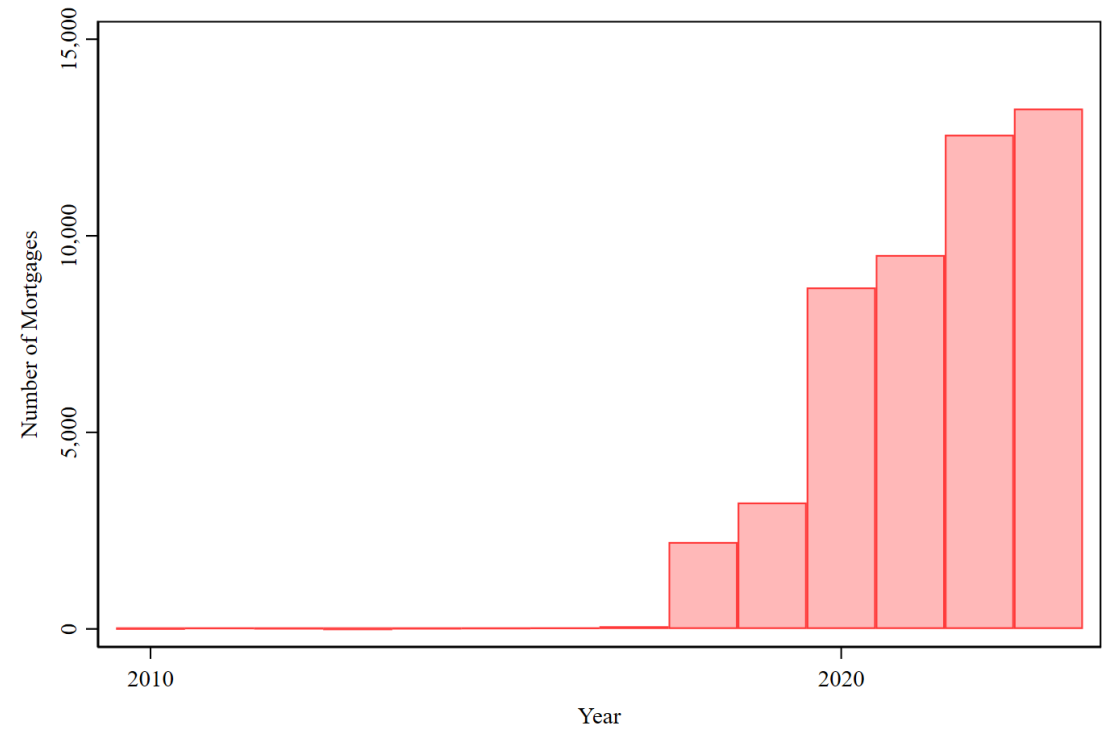


# The growth of formal land markets in Uganda

### Number of Transfers

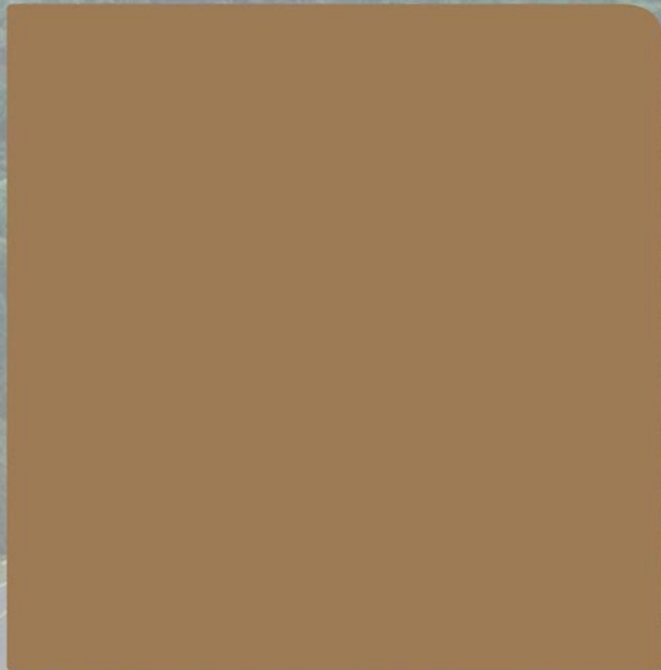


### Number of Mortgages



# What effect do these changes in land tenure have on economic development?

71%



Positive

0%

Neutral

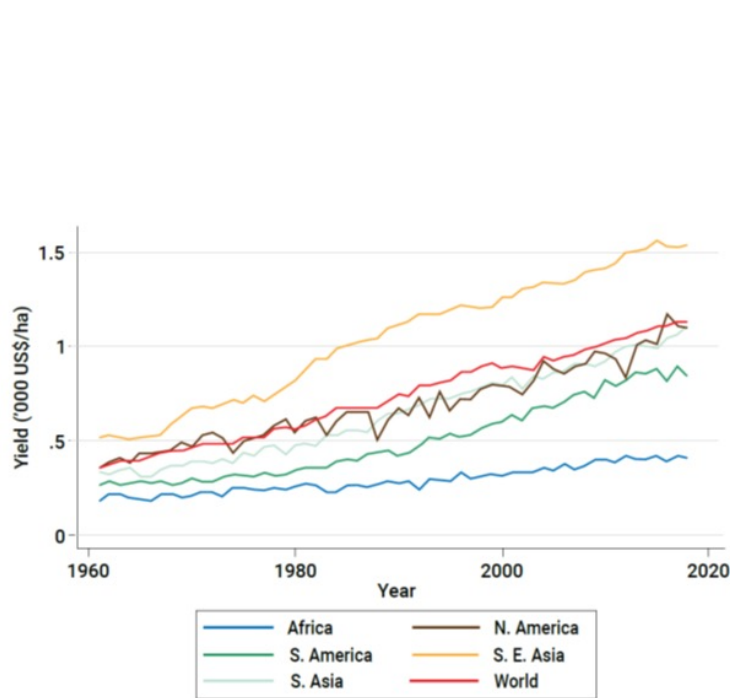
29%



Negative

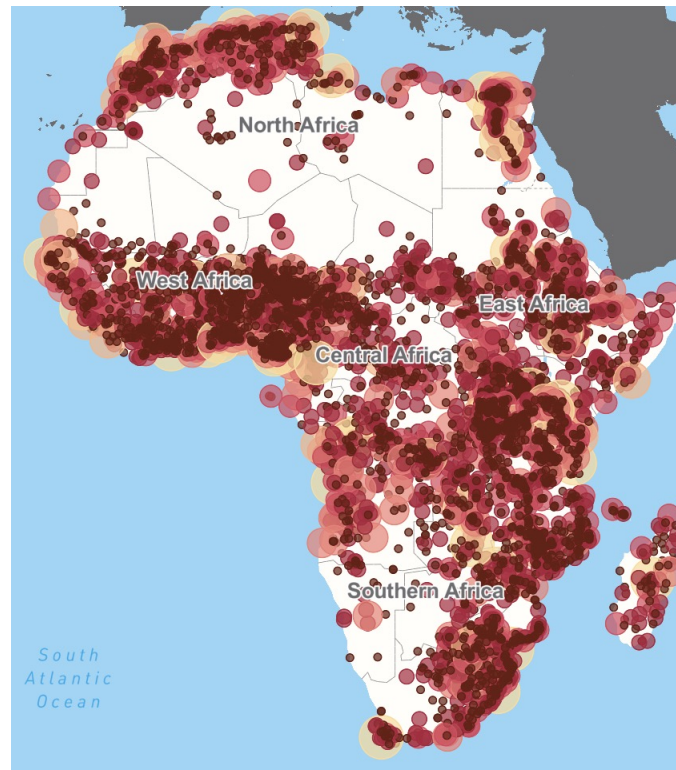
# Implications for economic development?

(roadmap)



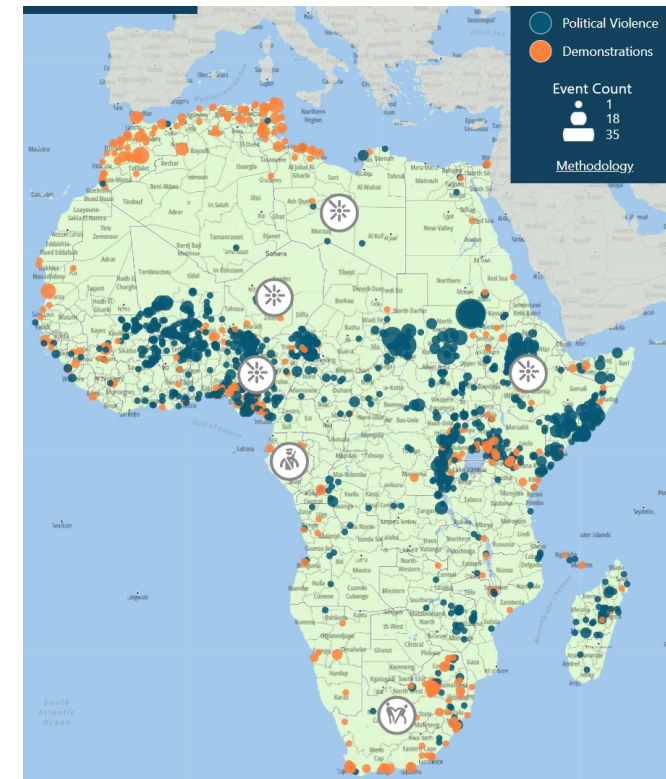
**Agricultural productivity**

(source: FAO)



**Urbanization**

(source: Africapolis)



**Conflict**

(source: ACLED)

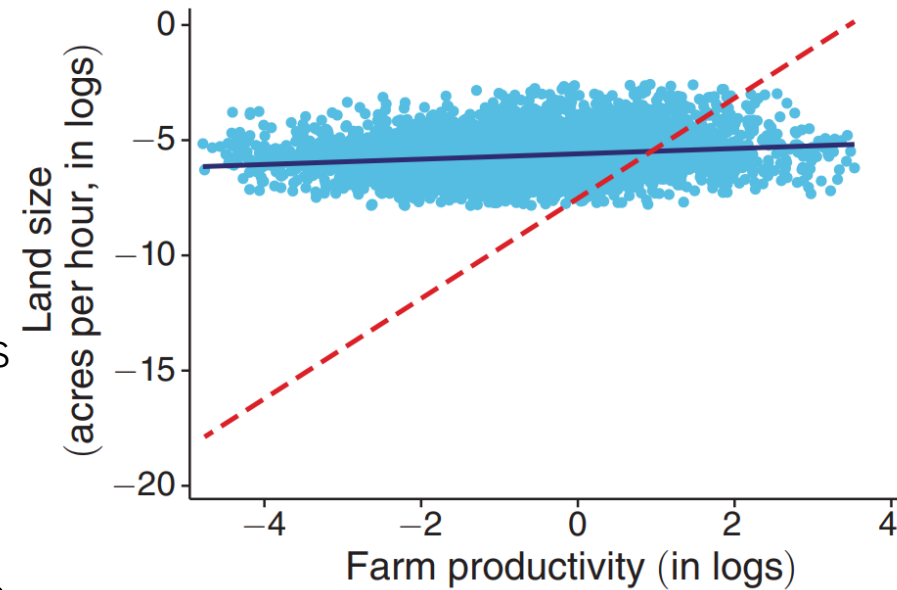


## **PART 1**

# **Land markets and agricultural productivity**

# Land misallocation?

- Agricultural productivity: low average and **high dispersion**
  - Productivity uncorrelated with farm size (Chen *et al.*, 2023)
- **Misallocation?**
  - Potentially, gains from markets reallocating land to better farmers
  - Possible *frictions*: disputes, soil exhaustion, etc.
- ***Experimental approach***: inducing land market transactions and studying their effects





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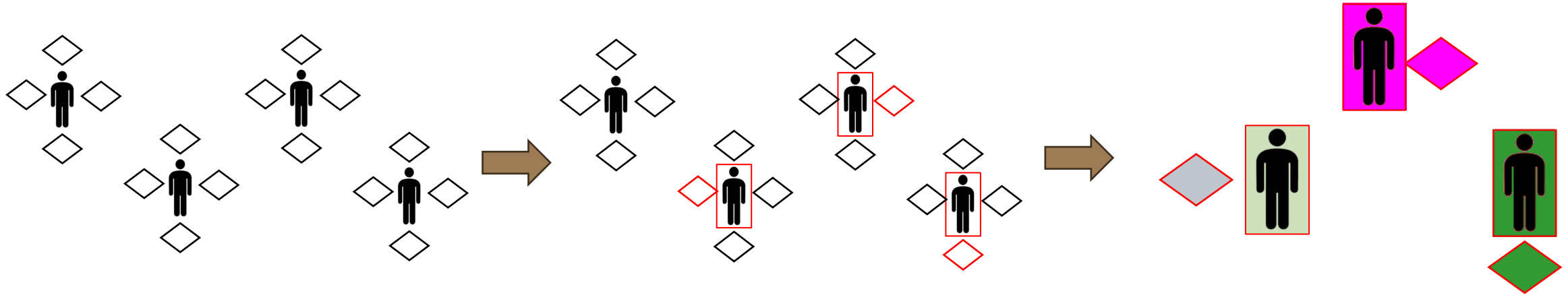
# How does inducing land rentals affect land productivity?

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# Land rental markets: Experimental evidence from Kenya

(with M. Acampora and J. Willis)



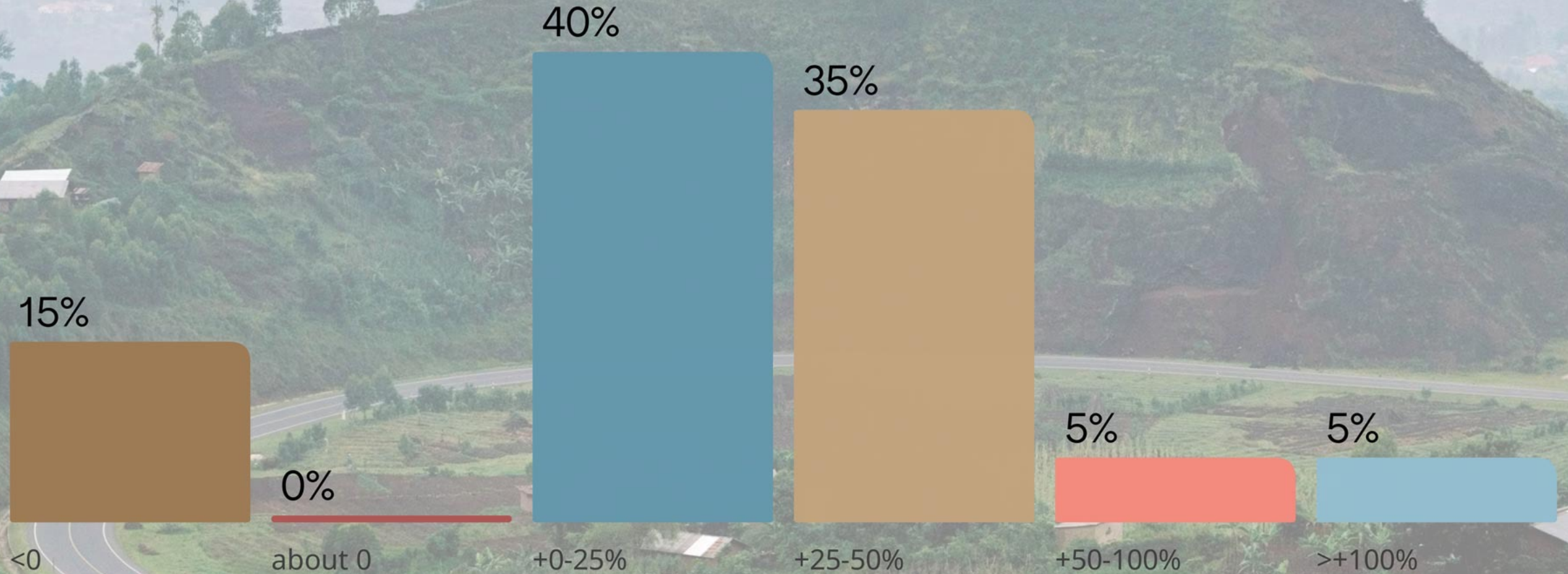
**Listing:** ~7,000 farmers in ~160 villages → info on plots and planned use for next season

**Sample:** Focus on farmers interested in renting out extra plot (N=521) if they receive a rental subsidy (**30% of average rental price**)

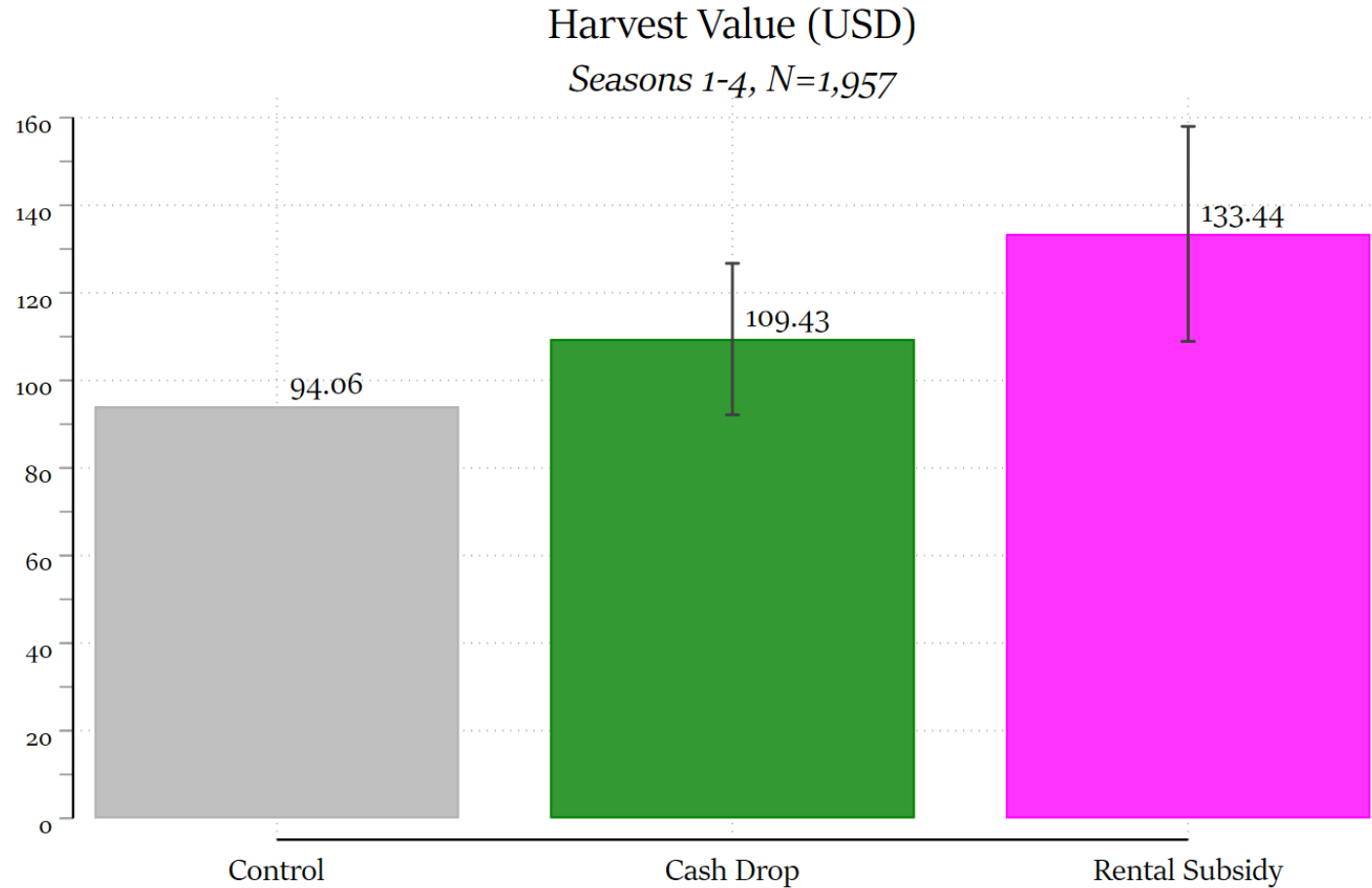
**Randomization:**

- **Conditional rental subsidy**
- **Unconditional cash transfer**
- Pure control

# How does inducing land rentals affect land productivity?



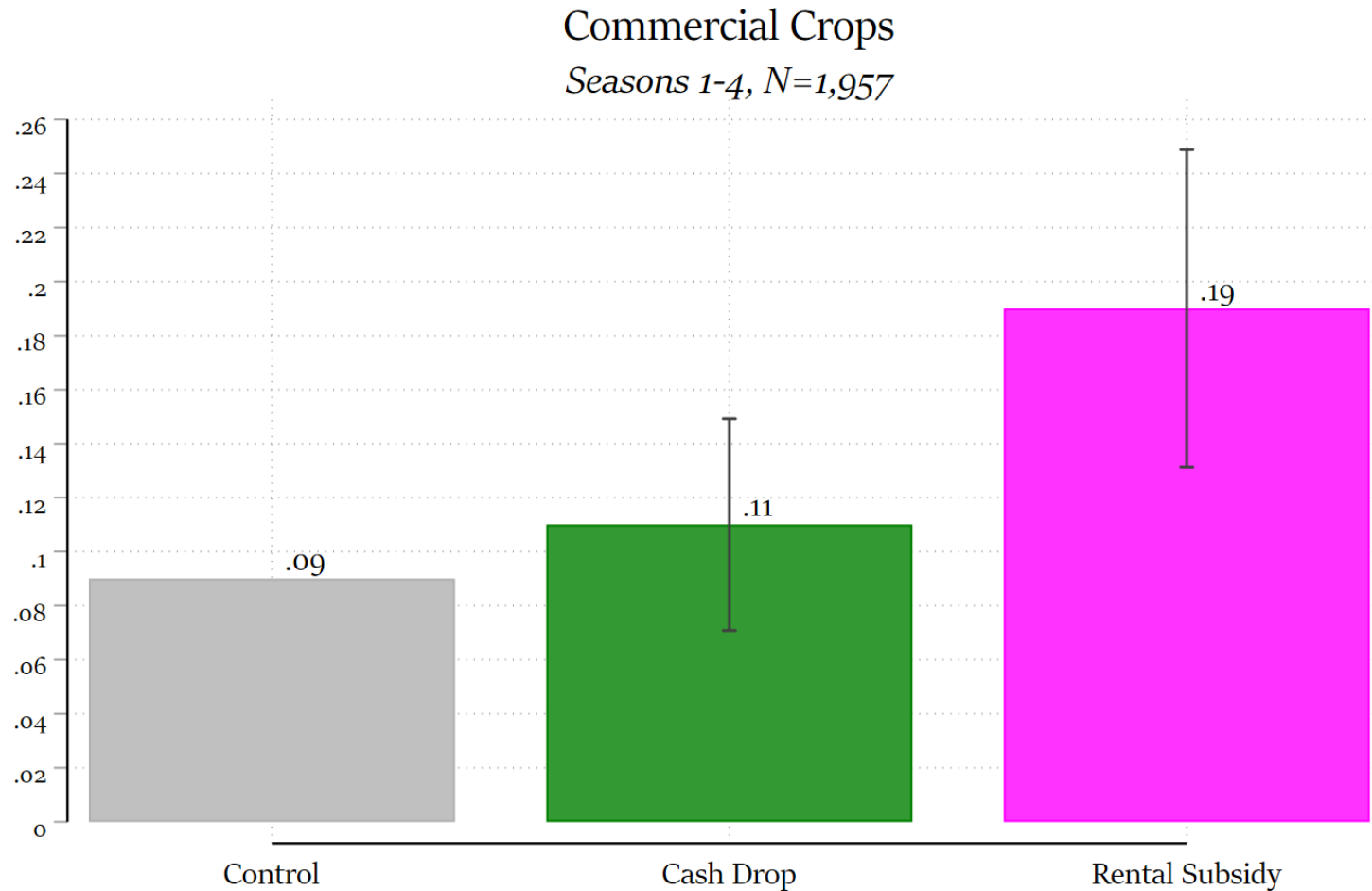
# Experimental results: harvest value



By inducing rental transactions, the rental subsidy increased the harvest value on the plot



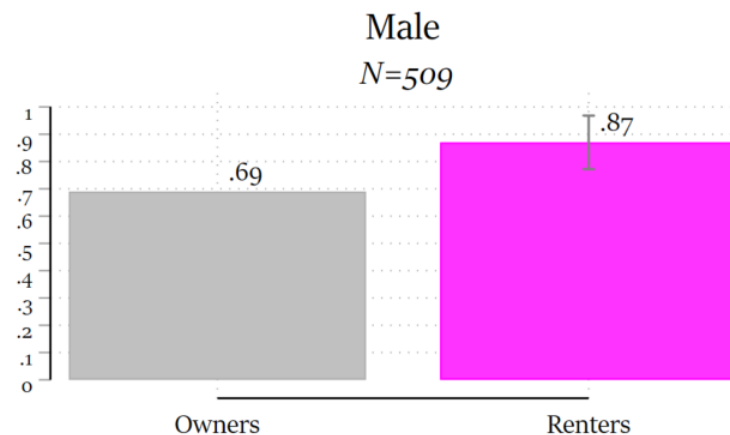
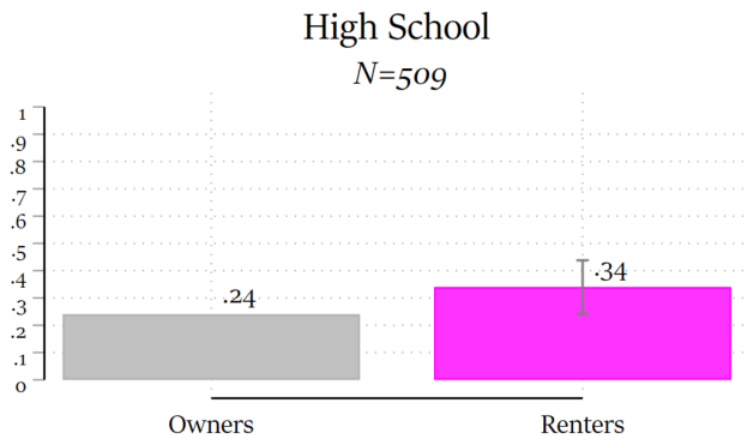
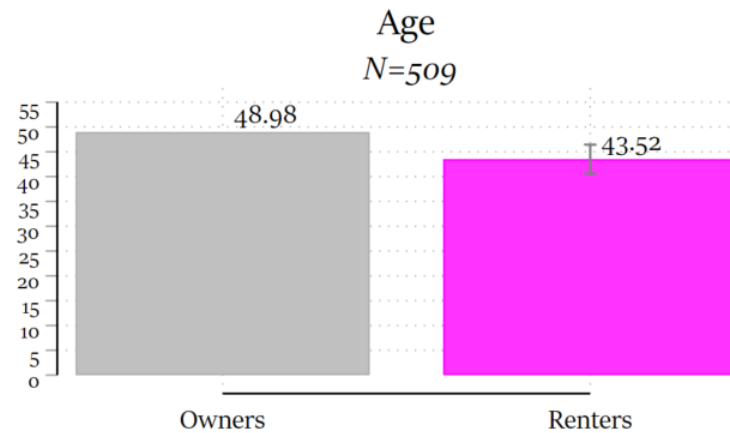
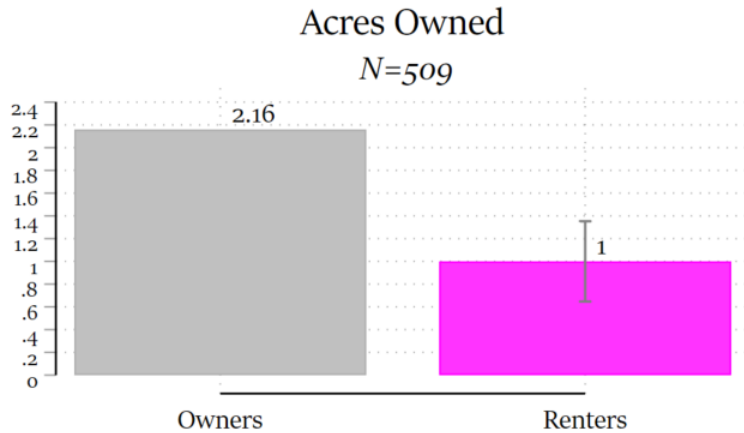
# Experimental results: crop choice



The rental subsidy raised the cultivation of commercial crops on the rented plot

# Experimental results: Owners vs. managers

## Renters Characteristics



Compared to owners, **renters** are:

- Poorer (much less land)
- Younger
- More educated
- More likely to be male

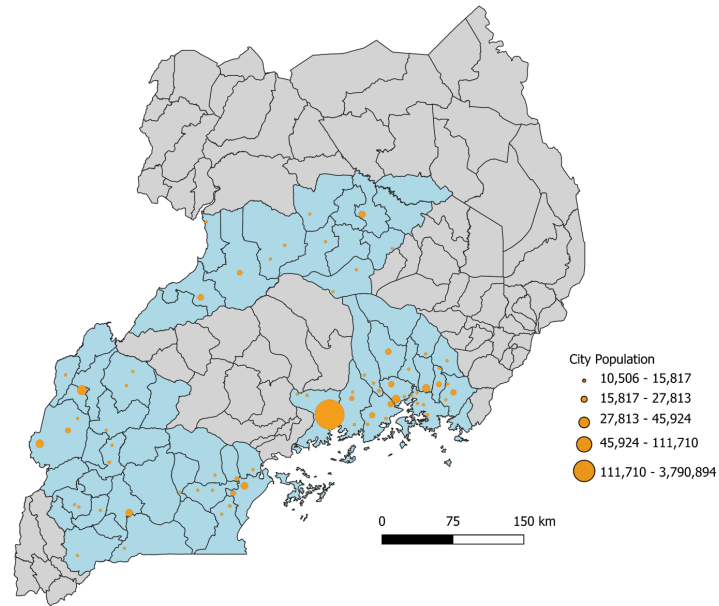
## **PART 2**

# **Land tenure and land use**

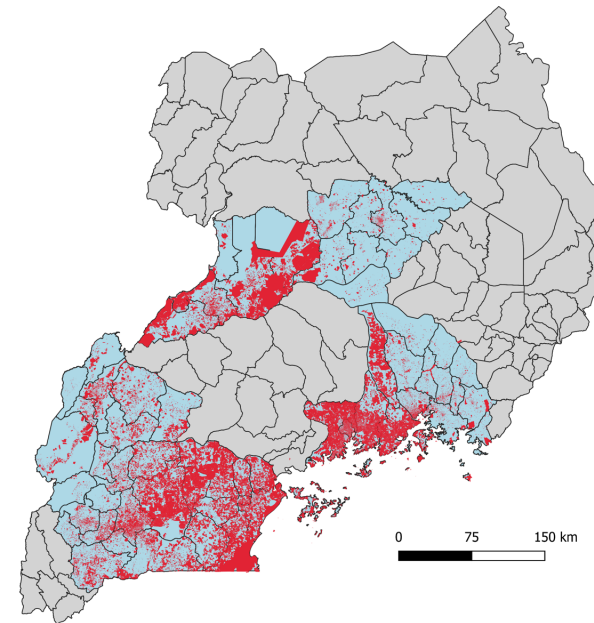


# Land tenure and urbanization

- Spatial correlation between formal tenure and urbanization



**Cities**

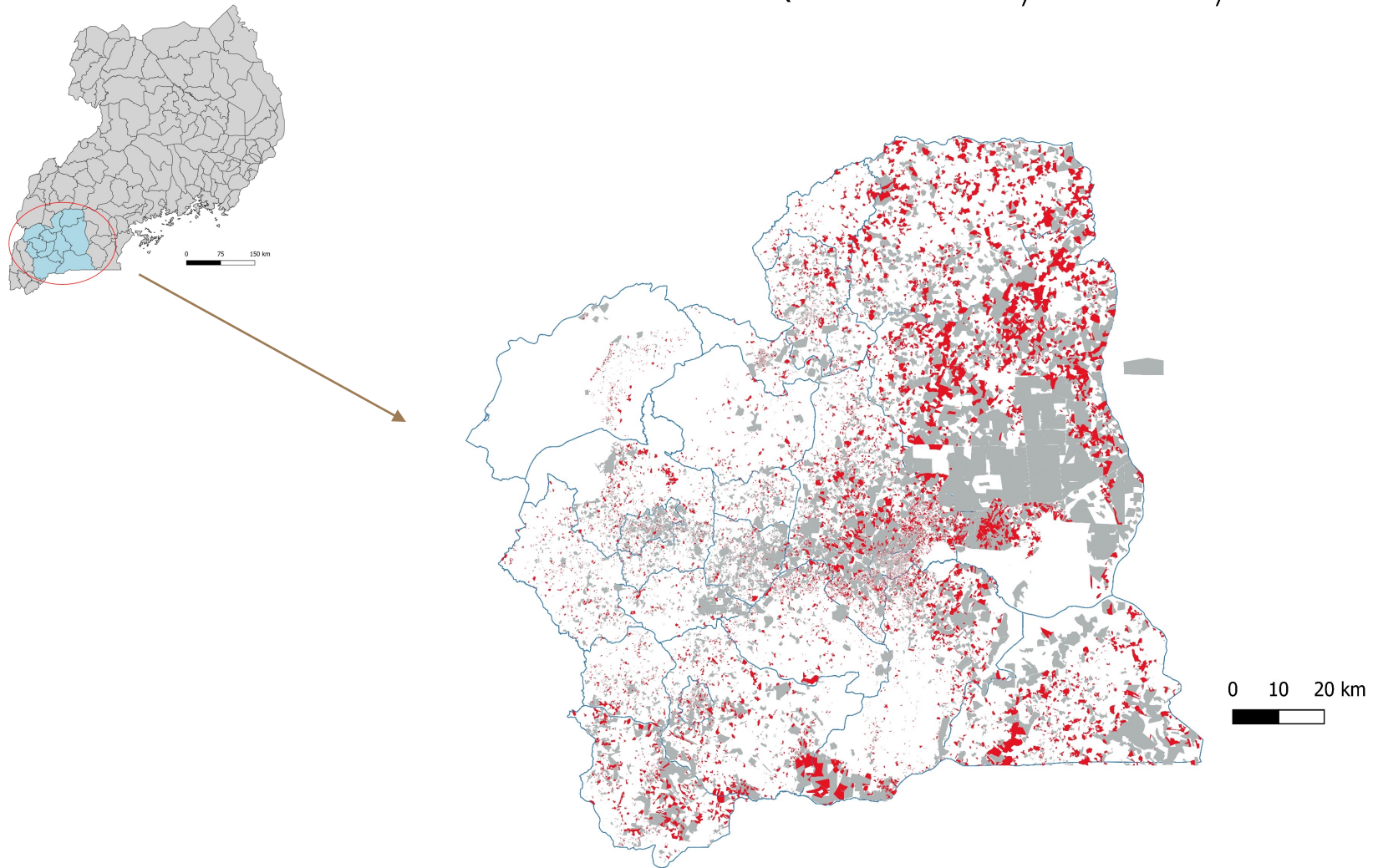


**Registered land parcels**

- Is there a causal relationship? Which way?

# Conversions from customary to freehold tenure

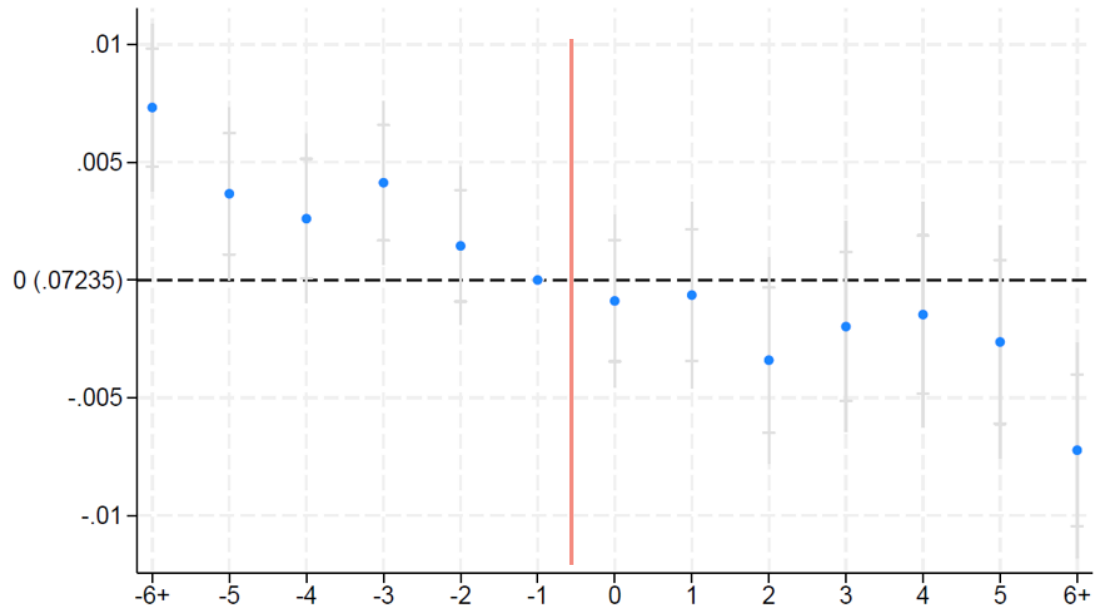
(with J. Alani, M. Jakob, J. Mivule, C. Namuddu)



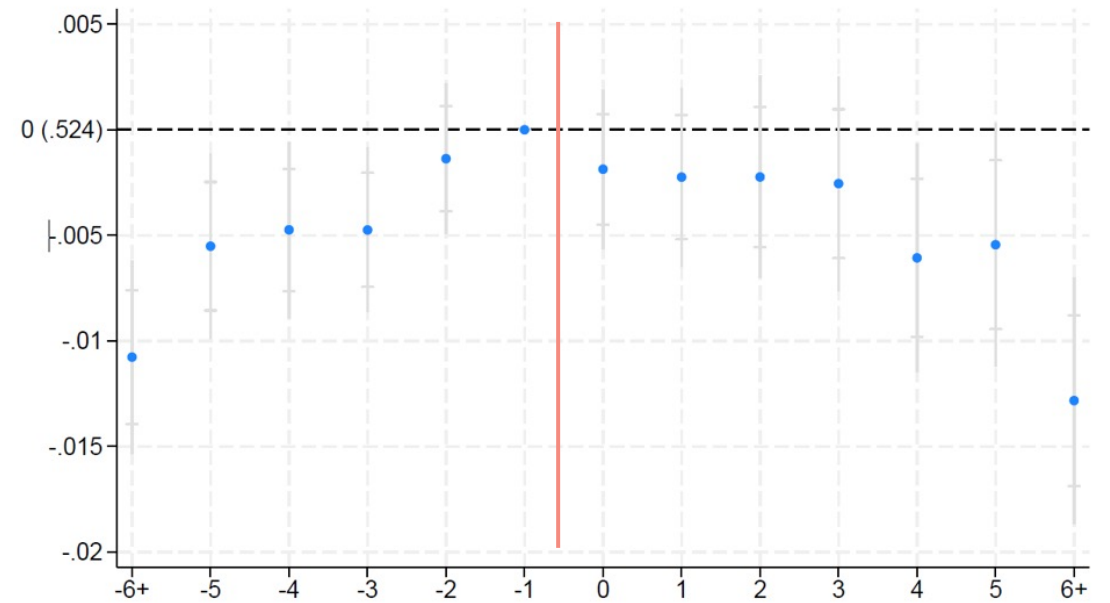
**2018**

# Tenure conversions and land use

- **Land use:** Analysis of 10x10m pixel-level data



Crops



Buildings



## **PART 3**

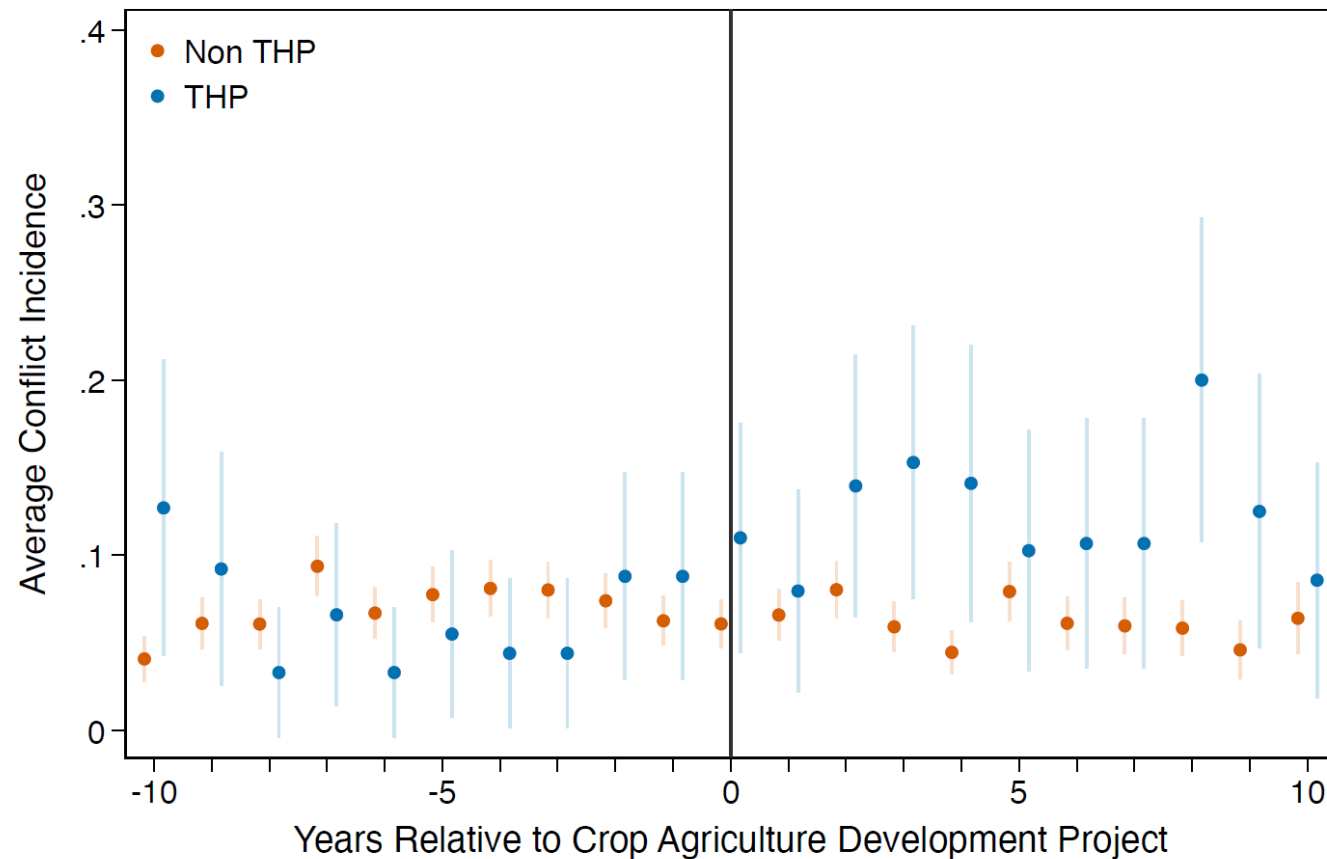
# **Land rights and conflict**

# Land tenure and conflict

- The formalization of titles and the transition from communal to individual rights can lead to disputes and violence
- Concerns:
  - Elite capture
  - Insurance role of communal property rights (Le Rossignol *et al.*, 2023)
  - International pressure
  - Conflict of interests across groups

# Land tenure, land use, and conflict: recent evidence

- Agricultural projects in areas with pastoral groups increase conflict (McGuirk and Nunn, 2024)



(Source: McGuirk and Nunn, 2024)



# Conclusion

- Many countries in Sub-Saharan Africa are experiencing major changes in land tenure and a growth of land markets
- Potential trade-offs?
  - Economic efficiency
  - Inequality
  - Conflict
- Role of research
  - Experimental approach to inform evidence-based policy
  - Analysis of large-scale granular databases

# Policy Responses

- Modernization of land registries and cadastral systems
  - Security of rights and transactions; taxation (Deininger and Goyal, 2024)
- Formalization of *common property* institutions
  - E.g., Demarcation of communal land, without individual rights (Hartman et al., 2024)
- Land use regulation
  - E.g., Uganda National Physical Plan 2021-2040

**Thanks!**



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