

Does Land Titling Matter? The Role of Land Property Rights in Colombia’s War on Drugs

The ‘war on drugs’ has failed. Despite an increase in law enforcement, production levels of coca – the crop used to make cocaine – have hardly altered in the last decade. A 2017 report by the United Nations Office on Drugs and Crime found that coca cultivation in Colombia had increased by 52 per cent; thus, there is an urgent need to find alternative policies to counter illicit behaviour. Research by the Institute of Development Studies found that regions in Colombia with a higher level of land titling, where people who have worked land for many years are given formal ownership of it, witnessed a greater reduction in the area of land used to grow coca.

Coca crops in Colombia

Colombia is one of the largest coca producers in the world. Coca is grown primarily on the agricultural frontier, where the lack of law enforcement, the weak definition of land property rights, the abundant natural resources, and the high prevalence of poverty create a perfect environment to establish coca production. It is an industry that is based principally on small-scale coca growers. While only a small portion of total profits remains with the growers, the profit they gain from growing coca is relatively larger than the profit they would generate from any other crop.

Colombia has witnessed many policies aiming to reduce coca production, with Plan Colombia being the most comprehensive. This policy included the seizure of raw materials for coca production, manual and aerial eradication of coca fields, land expropriation, destruction of laboratories, interception of drug shipments, and promotion of alternative development programmes. It was complemented by an intense counterinsurgency policy, launched by President Alvaro Uribe (2002–10). Despite this meaningful increase in law enforcement across all national

territories and halting the expansion of coca fields, production was hardly affected. In fact, nearly the same amount of cocaine is being produced on half the land that was being used for the cultivation of coca crops before Plan Colombia was implemented.

Why the ‘war on drugs’ in Colombia has failed

Among the different explanations for why the ‘war on drugs’ has failed in many regions in Colombia, one stands out: small-scale coca growers have shown persistent illicit behaviour. Small-scale coca growers appear to be able to learn and adapt rapidly, thereby evading the rule of law and reallocating their crops. This suggests that small-scale coca growers follow a persistent risk-taking behaviour pattern, whereby coca cultivation becomes inelastic to increases in perceived risk. Empirical research has noted that this behaviour cannot be explained solely by monetary reasons. Non-monetary variables, such as experience with coca cultivation, legitimacy of authorities, and religion could also be important factors in the coca growers’ decision-making process. Hence, an increase in law enforcement is efficient only if the policies generate microeconomic incentives that alter the

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risk-taking behaviour of coca growers, thereby restoring the link between small-scale coca growers and the state. In such a context, the strength of land property rights might have had an important role in the efficiency and effectiveness of the war on illegal crops in Colombia.

The unintended effect of land formalisation on illicit crops

Between 1995 and 2000, a joint effort by the Colombian government and the Inter-American Development Bank called the Program for Land Titling and Modernization of the Registry of Deed and Cadastre took place. This initiative aimed to increase the coverage of cadastral information (a cadastral map or survey providing information on the extent, value, and ownership of land) and the level of formalisation of land property rights across the Colombian territory. The programme was implemented in about one-fifth of the Colombian municipalities, leading to an increase in the level of formalisation in these areas for a number of reasons. The research showed that a low presence of the state in most of the Colombian regions before 2000 boosted the spread of coca crops throughout the

territory. Once the rule of law increased, attempts to reduce coca crops were more effective in those municipalities with more formalised land property rights.

Two main mechanisms might explain this relationship. First, improved law enforcement due to increased state presence (e.g. Plan Colombia) could have been more attractive to crop growers with legal titles because they were able to benefit more from alternative programmes (both within Plan Colombia and outside the scope of this counter-drug policy); for example, by using land as collateral to obtain credit, or by substituting illegal crops for low-risk cash crops, among others. We call this the substitution mechanism. Second, the cost of cultivating coca increases due to more-severe sanctions. Formal ownership implies criminal responsibility for landholders who grow coca on their land plot, and land titles inherently increase land value. Hence, as the government expropriates land from landowners who grow coca crops, the cost associated with expropriation rises. Put simply, land title holders have more to lose.

Policy recommendations

- Policies focusing on the strength of alternative social arrangements such as land property rights are an effective alternative to counter illicit behaviour such as coca production. For Colombia and other drug-producing countries, land rights formalisation presents an effective alternative to other policies such as aerial eradication, which have been proven not only ineffective but also counterproductive.
- Formal property rights reduce risk-taking behaviour. To reduce this behaviour long-term, an increase in law enforcement is an important complement for the most traditional policy action for rural development; in particular, in those contexts where illegal activities co-exist with formal and informal property rights.



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Further reading

Muñoz-Mora, J.C., Tobón, S. and d'Anjou, J.W. (2018) 'The Role of Land Property Rights in the War on Illicit Crops: Evidence from Colombia', *World Development* 103 (March): 268–83

United Nations Office on Drugs and Crime (2017) *World Drug Report 2017*, Austria: UNODC

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