



**DEVELOPMENT
RESEARCH**

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Land in the urban development agenda

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Motivation

- Big question
 - How to respond to the demand for land for future urban population growth (esp. African cities)?
 - Key issue = “getting cities right”
- Share some perspectives about land issues that matter for urban development
 - The focus on land tenure is important
 - Lessons from *multidisciplinary* research & operations
- Lessons for research and policy

Five Pinciples about land for urban development (in an ideal world...)

- P1: Land is available for urban expansion
- P2: The land market functions
 - Land is put to its best use (efficiency)
 - The market “works for all” (equity)
- P3: Appropriate instruments are used to guide urban expansion and address land-use externalities (sustainable planning)
- P4: Land can be taxed (Henry George)
 - Fund the infrastructure needed for expansion (LVC)
- P5: Good land governance supports P1-P4

The Real world (West African cities)

- R1: Scarcity of formally supplied land is a major issue
- R2: Limited formal land market
 - Unaffordable land prices
 - Large and insecure informal market
 - Underinvestment & land misallocation (market failures)
- R3: Absence of effective urban planning
 - Unplanned urban expansion
 - Suboptimal land use patterns & costly regularizations
- R4: Lost opportunity of land taxation
 - Infrastructure unable to respond to rapid urban expansion
- R5: Poor land governance (the core problem?)

Limited success of land policies

- Policies to address land issues
 - Reforming the legal framework (prerequisite) is a slow process
 - Formalizing property rights and stimulating urban land markets has been challenging
- Should we approach land issues differently?
 - Take a step back: understand the context specificity
 - The comparison with cities in developed countries before they urbanized can be misleading
 - Three main observations about West African cities

The context of West African cities (1/3)

- **O1: The current legal framework results from a cumulative history of land reforms**
 - Pre-colonization /colonization / socialism / market
 - New laws do not completely abolish old laws...
 - Legal pluralism and inconsistencies
 - Land tenure complexity (customary, informal, formal)
 - Major issue in titling programs

The context of West African cities (2/3)

■ O2: Cities are to a large extent rural

- The origin of residential land is customary-held agricultural land
 - Peri-urban land (where urban expansion occurs)
 - Transition from customary allocation of land (non-monetary) to formal and mainly informal markets (commodification of land)
 - Various processes of tenure transformation involving many stakeholders



Land use (and tenure) conversion under rapid rural urban transformation (Bamako)

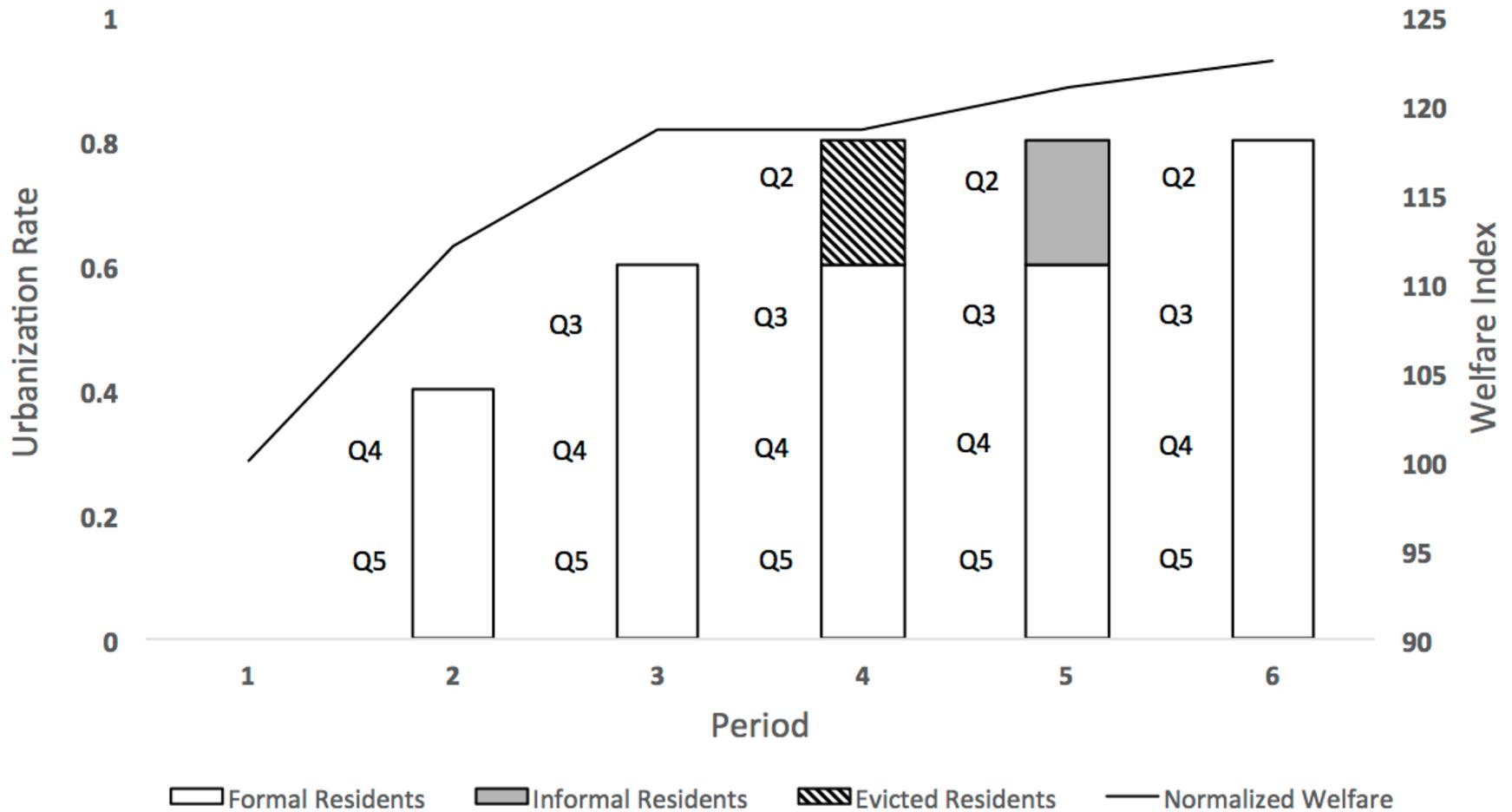
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The context of West African cities (3/3)

- **O3: Informality is the norm, not the exception**
 - Informality is largely a response to...
 - Outdated principles in the legal framework (e.g. non-recognition of land markets to various degrees)
 - Restrictions on formal land supply
 - Secure/formal tenure is unaffordable to most household
 - Complex and costly processes of formalization
 - Involving many stakeholders, with rent capture at each step
 - Temporary situations often become permanent
 - Informality is, in a sense, organized
 - Many stakeholders benefit from informality, including local authorities
 - E.g. delivery of land sales certificates although agricultural land sales are not authorized
 - Political economy trap: powerful agents lack incentives to reform

Is the laissez-faire sustainable in a context of urban expansion? (1/2)

- Inefficiencies
 - Scarcity of formal land deters investment
 - Land misallocation harms productivity
 - Reduced potential for agglomeration effects
- Can we continue to do nothing (or little)?
 - How inefficient will a city be when expanding under a distorted land system?
 - Optimistic view
 - Economic development will pull the system towards formality
 - This can be enhanced by improvement in land institutions
 - Pessimistic view (likely scenario in poorest countries?)
 - Insufficient wealth creation and no improvement in institutions



The optimistic view: urbanization and the disappearance of informality

Source: Cai, Selod and Steinbuks (2017)

Is the laissez-faire sustainable in a context of urban expansion? (2/2)

- Political risks
 - Increasing likelihood of conflicts with urban expansion
 - Inequity is a source of (strong) resentment
 - Access to land is based on strength of social position and networks



Protest of “land victims” in Bamako, Mali (March 13, 2012)

Source: L'essor and MaliJet.com

Concluding remarks:

How can research help policy?

- Policies that can work will need to take into account the specificity and complexity of land
 - First step: have a correct diagnosis
 - Prerequisite for any policy design
 - Need for systemic studies
 - Holistic analyses of land systems
 - Interactions between formal and informal land markets
 - Beyond land markets (understand the context of transactions)
 - Need for dynamic approach
 - Understand transitions
 - **Solely technical responses are not enough**

AFRICA DEVELOPMENT FORUM



Land Delivery Systems in West African Cities

The Example of Bamako, Mali

Alain Durand-Lasserve, Majlis Durand-Lasserve, and Harris Selod



Download at: <https://openknowledge.worldbank.org/handle/10986/21613>

Some of my work on the topic

- Urban economic theory
 - Brueckner and Selod (2009). “A Theory of Urban Squatting and Land-Tenure Formalization in Developing Countries”
 - Cai, Selod and Steinbuks (2017). “Urbanization and Land Property Rights”
 - Selod and Tobin (2017). “The Informal City”
- General audience
 - Deininger, Selod and Burns (2012). *The Land Governance Assessment Framework. Identifying and Monitoring Good Practice in the Land Sector*
 - Durand-Lasserve and Selod (2009). “The Formalization of Urban Land Tenure in Developing Countries”
 - Durand-Lasserve, Durand-Lasserve and Selod (2015). *Land Delivery Systems in West African Cities. The Example of Bamako, Mali*