

# Editorial Note

## “Political Economy of Land Reform”.

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This number of the IJLTFES - International Journal of Latest Trends in Finance and Economic Sciences is dedicated specifically to Political Economy of Land Reform. The discussion involving these subjects comprises several authors who have contributed to this number of the Journal with their work and to whom the Editors would like to thank for their participation. After this recognition, it is suitable to thank also to all the reviewers for their contributions for the improvement of the Journal's issue.

Land reform is an ancestral political economy instrument, from Roman and Egyptian times, which involves redistributing land – a crucial asset in any economy in the world. There are since ancient times two prevalent types, **agrarian reform**, with political intervention where land estates are centrally redistributed; and **land reform**, which, even though more modern, and has a market prevalence, the redistribution is made through a land bank with proper market rules and incentives. One can look carefully at a political and economic typology by this first article, Rocha de Sousa and Duarte (2016, Table 1).

It is still important nowadays in the world, especially in Latin America, which has inherited the highest skewed distribution of inequality in land – see in this issue on the first article Rocha de Sousa and Duarte (2016, Figure 1).

A specific reference to the authors' work, article by article, will be made in order to allow a first insight over their contributions in the discussion of these matters on the area under analysis on this issue.

Considering the general topic all authors and articles address the political economy of land reform.

This special issue starts by an article by Rocha de Sousa and Duarte (2016) which presents on section 1 the motivation already related of why to study land reform and its economics and political interaction yet today, on section 2, the authors present a typology borrowed from

the literature on the field which is quite vast, they build on an actual political economic land reform typology matrix borrowed from Branco and Rocha de Sousa (2008) and compared it with the Japanese Kawagoe (1999) which presents feasible land reforms. These authors yet on the first article (Rocha de Sousa and Duarte, 2016) present on section 3 the motivation for the present study and related literature of Latin American Land reforms. On section 4 of this article they present the newness of the study, the main novelty, studying land reform with human capital destruction, by means of an economic growth model- in this case resorting to the Arrowian learning-by-doing model (Arrow, 1962). This section 4 is rich on results and complies with the title providing the idea that “Don't do land reform” should be used as an electoral motto if one is defending wage growth of unskilled labour – as is the case of the applied Arrowian model. This model is still open for the study of leaderships, namely in the political setting, where a leader of an incumbent party is replaced by another one - this was done by Rocha de Sousa (2012).

The second and third articles do present akin visions, from a common background, without resorting to quantitative analysis, a hermeneutic approach is carried on. First, Dr. Branco's (Branco, 2016) article “*Human rights based approach to land reform*” inserts itself in the literature of human rights, he does defend that a natural right to land, understood as access to land should be created, as a natural right in the subsequent generation of third generation movement rights. Dr. Branco has developed a framework, yet not quantitative, but illustrative, resorting from discourse analysis of the conflicting views of Economics versus Human rights (Branco, 2012), and is further trying to establishing a solution Branco (forthcoming) Economics for Human Rights.

The third article, by Dr. Ferreiro, “Towards a political economy of Land: Reciprocal rights and duties in private property” presents the same methodology, narrative and discourse analysis from leading political economist across the centuries, and also resorting to law and human rights, clearly setting the stage for the role of private property – a conundrum in all political economy

exercises – from Marxist ones to Smithian or Walrasian ones.

The fourth article on this special issue, by Rocha de Sousa (2016), entitled “Rawlsian Land Reform with Human capital”, subtitled “A social inclusion process for the Landless ‘underdog’” fits again into the category of quantitative analysis and, shifts the focus again to human capital, and with an even more clear political presence: The theory of Rawlsian welfare present on the *Theory of Justice*, Rawls (1972) is firstly presented here as a case, as far as we know, for land access. A dynamic threshold for social political economy is introduced as a best practice for getting people out of poverty- the excluded ones or landless ‘underdogs’. ‘Underdog’ is a Rawlsian term which defines the least well-off in a society, and which precludes the criteria for intervention.

This provocative essay sets the tone for the next two articles, Caleiro (2016), does try to comply if in a Rawlsian traditional sense, “Are equity an Inequality incompatible?” by means of a graphical response. The results, are quite unravelling, in general economists assume that equity and inequality evolve in opposite directions, Caleiro proves this is wrong by a graphical analysis between two landowners, both equity and inequality can change in the same direction.

Guerreiro and Caleiro (2016), on the following article, on this issue, “Rawlsian Land Reform with Human capital: An empirical investigation taking into account the gender” do set the stage for the discussion of Rawlsian welfare policy, within a human capital market land policy, but specifying a rather relevant aspect in developing economies: the gender bias. The role of women has resorted in microcredit (Yunus, 1999) is crucial for the leverage of development, while women being paid always at a discount wage due to wage bias. They show empirically that even the Rawlsian Land reform policy, will not mitigate the gender land bias asymmetry on land (ownership or and/or holding) taking into account the gender.

Another aspect, not abridged in this Special Issue is land grabbing, a movement of states, and even corporations that buy large amounts of land to speculate and herd revenues in the global world land market, having some major power even greater than the recipients of small revenues- in economic terms one might talk of rent seeking by monopolists. Eventually, one might look at China as a case of this, or the pre-merger Monsanto as major player in the agrarian commercial market.

Finally, the Special Issue ends with a book review by Alberto Ferreira, on “Agriculture Cooperative Management and Policy” which focus on the role of cooperative behavior and models.

The editors,

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&

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