# 1. Introduction

Compulsory Land Acquisition (CLA) is the power of government to acquire private rights in land without the willing approval of its owner for the benefit of her society (FAO, 2008). This power is often necessary for social and economic development such as roads, railways, harbours and airports; for hospitals and schools; for electricity, water and sewage facilities (FAO 2008). It compels the owners to surrender their land for public purposes (general public use, and any government scheme) in exchange with compensation payments (ADB, 2013).

Worldwide, CLA is inevitable in the process of urban expansion since land is needed for infrastructures and projects development. The International Commission of Large Dams and the World Bank studies show that, about four million people are displaced by 300 large dam projects and ten million people are displaced by urban development including transportation programs around the world each year (Zhang and Lu 2011). Despite its good cause, CLA shatters project affected people (PAPs) from their well-established social structures and results into economic and social effects living them with limited livelihood strategies (Larbi et al. 2004, Cernea 2008). Thus, satisfactory CLA approaches are crucial to ensure that PAPs are placed to at least equivalent positions as if there was no CLA (Maldonado, 2012; ADB, 2013).

In Tanzania, Land Acquisition Act No. 47 of 1967 empowers the President to acquire any land for public purpose in exchange with compensation. The process is subject to mandatory payment of fair, prompt and adequate compensation to affected households (Ndjovu, 2003). The land acquisition power has helped the government in carrying out of several infrastructure and development projects in its major cities including Dar es Salam to improve people's lives. The programs both in urban and rural areas have revealed many problems such as late payment of compensation and inadequate compensation leading to disputes between the government and the affected people (Kironde 2006, Kusiluka et al. 2011). In contrast, the impacts of CLA to PAPs have seldom been examined some years *after* their land has been acquired. Thus there is a need for examining the channels through which PAPs are impacted in the long-term in order to enable decision-makers understands the best ways to avoid or minimize recurrence of negative impacts of CLA projects.

# 2. Literature review

# 2.1 Global overview of CLA Practices and Impacts to PAPs

CLA, expropriation, eminent domain has been used as a policy mechanism to correct market failures in urban development, to attain environmental and social goals, or to implement land use plans (Larbi, 2004). Theoretical justifications for CLA include;

- a) Provision of public social and economic amenities such as hospitals, schools, markets, airports, roads, public parks and other uses that benefit the society which cannot be provided privately.
- b) Existence of economic and social inadequacies in private market operations, which necessitate a search for greater efficiency in the production of goods and services.

c) Need for greater equity and social justice in sharing of land.

CLA is however, considered inequitable, coercive; a method that necessitates displacement of people, and permanently delinks property owners from their economic, social, and cultural networks. These shortcomings are associated with lack of land owners consultation (Mahalingam and Vyas 2011, Ogaboh et al. 2010, Syagga 1996) or unsystematic public consultation and poor information disclosure patterns. Many projects may be delayed at different stage including preparation, planning, valuation and even compensation payment (Mahalingam and Vyas 2011,) especially when land to be acquired is very big. There are also evidence that compensation paid in CLA in many developing countries is usually unsatisfactory either due to time delay between determining compensation or due to a failure to sufficiently account for non-market values such as cultural assets, social cohesion, psychological costs and market access (Cernea 2008).

# 2.2 Compulsory Land Acquisition and Compensation

Compensation is the reparation made to the owner of the property which is taken over by the acquiring authority for public purposes. It can be in many forms such as in-kind replacement of housing, land, and other assets as well as cash compensation (Denyer-Green 2013). To achieve this, the International Valuation Standards (IVS, 2017) requires the use of market value and advocate for proper valuation approach towards an objective compensation assessment. Valuation process for compensation during CLA takes place within different legal, cultural, socio-economic, political and historical environments, which influence carrying of the process by the responsible actors (Mahalingam and Vyas 2011). Compensation assessment is usually influenced by local and national statutes, enactments or laws which set the basis upon which procedures and compensation assessment methods may be applied. The principles or philosophies that guide land acquisition and compensation in most countries can be classified into three main categories:

- a) The "value to the owner" principle which aims at compensating landowners to the tune of the market value of the land together with other losses suffered by the claimant (Denyer-Green 2013). This is widely used Commonwealth countries and regions.
- b) The "just compensation" principle, and aims at providing dispossessed groups with adequate financial compensation.
- c) The "reasonable compensation" principle whereby landowners should be fully indemnified only for their direct losses.

Experience shows that, CLA and compensation creates several effects and costs to PAPs such as uprooting of living communities, production systems and dismantling of informal social networks linking due to disintegration of on-going human activities and existing collectivism (Maldonado 2012, Cernea 2000). In most cases, PAPs are not put into equivalent position and new resettlement sites are rarely envisaged and thus CLA is seen as a threat to property rights (Kironde, 2006). Thus, it is important to look at this whole issue to minimize possible family

breakup and poverty to PAPs since such programmes are indisputably needed (Maldonado, 2012).

## 2.3 Compulsory Land Acquisition in Tanzania

CLA in Tanzania is done through four stages as elaborated in Section 5 to 11 of The Land Acquisition Act Number 47 of 1967. Subject to the provision of the relevant laws to the land, every property holder is entitled to fair and adequate compensation under the Constitution of the United Republic of Tanzania (1977). Compensation is however limited to un-exhausted improvements on the land as per Section 12(1) of the Land Acquisition Act. Likewise, the Land Act Number 4 of 1999 and the Village Land Act Number 5 of 1999 advocates for full, fair and prompt compensation during CLA. Further the compensation should be assessed at market value by using the comparative or replacement cost method of valuation. Where compensation remains unpaid for more than 6 months after valuation assessment, the acquiring authority should pay the PAPs interest for delayed compensation.

# 3. Conceptual framework for the study

There are different ways to analyse the impacts of CLA on PAPs. One is the IRR model which focuses on social and economic mechanisms that may set in when people are forcibly displaced such as homelessness, joblessness, landlessness, social disarticulation and loss of common properties. According to Cernea (2000), the path from 'risk' to 'reality' can be broken through responsible policy, good planning and targeted preventive measures, adequate resource allocation through mobilization of project affected persons and hosts' participation. Another approach to analyzing the impacts of CLA on PAPs is the Sustainable Livelihoods Framework (SLF) which argues that success of any development intervention that touches people's livelihoods requires an understanding of underlying conditions that support their livelihoods. Without such an understanding, negative results from such interventions will not be new. This study combined these two frameworks as shown in Figure 1 to explore the impacts faced by PAPs relocated from Kipawa area. It illustrates the relationship between various factors, theories, policies and legislations and drivers associated with CLA for a variety of reasons, whose combination can result into changes on PAPs' lives. Adherence to governance principles such as accountability, rule of laws determines achievement yields improved outcome in favour of PAPs (Makupa and S 2018). Hence, lack of appropriate policies, lack of adequate resource allocation and lack of hosts' participation will result into disruption of PAPs' socioeconomic activities and the opposite is likely true.

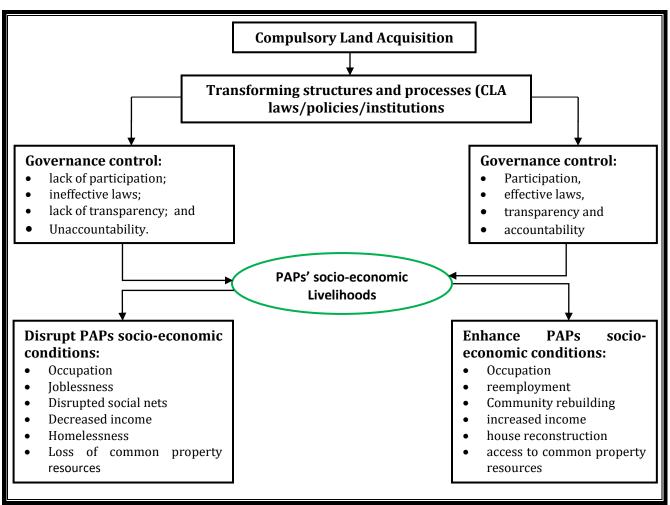


Figure 1: Conceptual framework for the study

## 4. Research Methodology

The unit of analysis for this study was households displaced from Kipawa area whereby snow ball sampling was used to develop the sample of PAPs interviewed. The examination of CLA impacts to PAPs was based on interviews, observations and focus group discussions with PAPs from Kipawa project. Similarly, key informant interviews were directed to Ward leaders, land officers, program executers, leaders of various communities social and economic groups such as saving groups et cetera. Review of documents such as acquisition laws, valuation reports, and acquisition records from the acquiring institutions assisted in obtaining the secondary data to explore the projects implementation and valuation assessment activities. The analysis of data was done through narrative analysis and descriptive statistics through cross-tabulation to examine how PAPs were affected socially and economically due to CLA projects. The focus along this dimension is to provide not only a description of projects implementation but also on how the project enables PAPs to improve or worsen their livelihoods.

# 5. Results and Discussion

# 5.1 Respondents' Demographic Characteristics

Interviews were conducted to 41 PAPs from Kipawa CLA project. Majority of PAPs were above 30 years of age out of which 58% were 41 years and above. This group comprised the most productive age groups in terms of socio-economic undertaking and up-keep of household members. In terms of education, majority of PAPs attained primary and secondary education at the rate of 46.3% and 43.9% respectively while only 7.3% had advance secondary education and above. 89.5% of respondents migrated to the acquired area between 1971 and 1990 hence they lived in the areas for 30 years, implying that they had developed both social and economic ties on land. Thus as noted by Cernea (2000), forced displacement tears away the existing social cohesion as well as and interpersonal ties of communities.

# 5.2 PAPs Socio-economic Status prior to Compulsory Land Acquisition

The findings of this study suggests that land is a key asset that not only was held by every household but also assists the use of other assets such as human, social, physical as well as financial capital. Thus, land is an important in urban context because it supports shelter, income and social identity of households. From interviews, the reasons that attracted people to settle in Kipawa area included access to services, to be near to town and pursuit for livelihoods. PAPs engaged into various occupations such as formal business (7%), urban farming (7.6%), employed (34%) and petty trade (51.4%). Moreover, social assets assumed a great importance to Kipawa households by enabling them to access income opportunities and material assets. They potentially enforce collective interests and mobilizing tangible resources in times of crisis including food assistance or job opportunities through various networks.

# 5.3 Land acquisition implementation process

The land acquisition implementation process was done as per the Tanzanian statutory requirements. However, adherence to components of each stage and time frame used between the stages was a big challenge. Payment of compensation sum to PAPs within six months as required by the law was not met. Kipawa reported an extreme case whereby more than 10 years were used to effect compensation payments. Observed delay resulted from poor planning of the projects, non-adherence to procedures, inadequate funds and lack of accountability. Further, there was lack of transparency and participation of PAPs in the entire process, which limited them to prepare strategies of starting new life elsewhere.

S/N	ACQUISITION STEPS FOLOWED	ACTIVITIES DONE	
1.	Preliminary Investigation	Done by Tanzania Airport Authority (TAA), MLHHSD and Ilala Municipal Council at Kipawa, Kipunguni and Kigilagila areas were identified for acquisition.	
2.	Declaration and	An order was published in the Government Gazette; Government Notice	

Table 1: Land acquisition implementation process

S/N ACQUISITION STEPS FOLOWED		ACTIVITIES DONE	
	Notification	Number 23 published on 4 <sup>th</sup> February, 2000 as required by law. Copies of the same were served to the PAPs by MLHHSD through the Municipal Land Officer (Ilala).	
3.	Assessment of Value for Compensation	-Firstly done by "Tan Valuers & Property Consultants" in May 1997 to September 1997. The 1997 assessed values were later reassessed and updated in 2004 and 2009 by a task force formed by the MLHHSD.	
4.	Paying Compensation to the Project affected persons	-Began in October 2009. Out of 1218 families, 875 received their compensation while 343 people rejected compensation payment - both cash and land compensation were paid	
5.	Take possessions of the property	Forced demolition to PAPs who object compensation	
6.	Resettlement of the dispossessed (optional)	-Allocated land at Pugu Makanga. -Surveyed but un-serviced with basic infrastructures.	

Three valuation assessments were made due to a long lapse of time between 1997 when the intention to acquire was declared and 2009 when PAPs were to be compensated. Thus, 6 percent interest rate was used to update compensation sum made in 1997 in 2004 and in 2009. Out of 1218 displaced PAPs, 875 received their compensation and relocated to designated areas in "Kipawa Mpya", Kigogo fresh, Kinyamwezi and Zavala (Buyuni) Streets. About 343 people rejected compensation payment and consequently file a case in the High Court (Land Division) which in the end led to forced demolition before the case was heard.

## 5.4 Impacts of CLA on PAPs Wellbeing

## 5.4.1 Impacts on Occupation and human capital

The results show a decline of respondents involved in different economic activities. About 39.7% of the respondents are engaged in petty trade as compared to (51.40% before land acquisition. There is also emergence of jobless people (24%) who are not involved in any economic activities. Loss of assets such as land which is a source of income and employment generation put the affected households in more difficult position economically to sustain their families. This observation is linked to non-adherence to the rule of law as it took 12 years for PAPs to be compensated contrary to 6 months required by the low. Lack of transparency created difficulties for PAPs as they failed to continue with their investments or creating new job without knowing where they will relocate to. These findings support Maldonado (2012), Olawepo (2008), Ogaboh et al, (2010) who observed that, resettlement tears apart social fabric of existing communities and disrupt occupation PAPs. Again, PAPs declared to have their ability and experiences reduced/lost due to displacement from their income sources and human capital was rendered inactive as also noted by Olawepo (2008). For example, one of the respondents commented that:

"...I can no longer use my estate agent skills in this new area as there is no renting business here. When I was in Kipawa area I could easily get such job as most residents were tenants with renting businesses such as shops structures and the like....."

## 5.4.2 Impacts on PAPs' income

The results indicate a decline in the proportion of respondent's earnings per month. Figure 3 shows that 25.6% of respondents earn 65.7 USD and above after CLA as compared to 61% who earned the same amount before CLA. It was also revealed that the proportion of people earning 26.5-39.1 USD had increased from 4.9% to 15.3% after CLA while those earning Tshs 0-13 USD increased from 2.4% to 10.3%. This entails that, those who were earning 51USD and above per month shifted to the lower group as a result of disruption of their income generating sources.

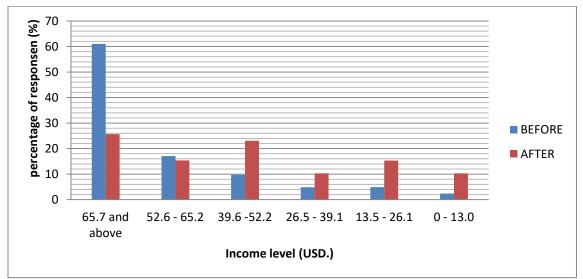


Figure 3: Comparison of monthly income before and after CLA

## 5.4.3 Impacts on Social Networks

After CLA, social activities were highly affected as majority of PAPs (96.2%) can no longer engage into any social activity and hence difficult in assisting each other as before. The remaining 3.8% was for religious groups. The main reasons for not getting involved in social activities included group broke up (65.0%), no source of income to meet group requirements (17.5%) and absence of groups in new settlements (15.0%). These findings confirms Cernea, 2000; 2008; Ogaboh et al. 2010) observations that, social networks are very important means of surviving the urban poverty. Thus, if dismantled while they were once mobilized through people acting around common interests, are difficult to rebuild. This emanates from lack of inclusion of social capital compensation in the Tanzanian laws.

#### 5.4.4 Impact on Housing or accommodation facilities

The results reveal that 96.9% of the respondents had housing facilities through renting or construction a new house. However those who constructed new houses (83.4%), the houses were of low quality, unfinished and of small size compared to their former houses before CLA. Houses were assessed through depreciated replacement cost (DRC). The use of DRC implies that the amount compensated for housing was relatively not enough and thus limits PAPs to construct new housing facilities after CLA. Thus, 71% of respondents in new settlement lives in unfinished houses and others are under construction. This finding corroborates Sharma

(2010) and Ogaboh (2010) who observed that CLA leads to significant dislocation of PAPs accommodation and other lives in tents for several years.

## 5.4.5 Loss of access to common property:

PAPs suffered loss of access to school, worship areas, markets, communal water sources and many others which were already created in the acquired area. The relocated areas were not supplies with the above basic infrastructures as required by the law forcing PAPs to secure them from the host population but with difficulties and conflicts. This however implies non adherence to the rule of law. This resembles Cernea, (2008) who noted that increase pressure on common property resources of the host population creates social conflicts (Cernea, 2000, Sharma 2010).

## 5.5 Challenges faced by PAPs when moving to new settlements

The main challenges were Lack of physical and social infrastructure such as education, health facilities, schools, hospitals, markets and electricity (39.4%). Moreover, PAPs suffered forced relocation without preparation (15.0%) and loss/breaking of assets (19.5%) during relocation process. Access to public transport appeared to be a great challenge as most PAPs moved to remote areas like Pugu Makanga (Kipawa Mpya), Chamazi, and Chanika where they have to walk long distances to acquire their basic needs. All these imply that people are worse-off after CLA (see Table 2). All these difficulties resulted from lack of PAPs inclusion in the entire process, lack of transparency and rule of law principles.

#### Table 2 Perception of life after land acquisition

		n	%
Overall, how do you assess your life before and	Worsened	38	92.7
after acquisition of your land	Improved/better off	2	4.9
arter acquisition of your fand	The same as before	1	2.4
Total			100.0

## 6. Conclusion and recommendations

Socio-economic statuses of APs were not recovered after CLA as PAPs lose their occupations, business opportunities and sources of income, aspects that led into decline of household income and livelihood upkeep. Disruption of PAPs' networks and family disintegration were also discerned. The institutions and professionals involved failed to obtain PAPs' inventory list and sufficient knowledge of their needs resulting into little and unsatisfactory compensation. All these created difficulties to PAPs to restart their life due observed changes and breakups of their former social and economic connections. Changes in land ownership size and patterns, loss of social ties, loss occupations, loss of assets, loss of business opportunities, poor accommodation facilities, drop of income levels and inadequate physical and social infrastructure in the new settlements were the most pronounced impacts suffered. The above socio-economic impacts together with family split up after displacement reveals the predicted recurrent risks of IRR Model during CLA. The study recommends for formulation of resettlement policy that will guide implementation of land acquisition projects for adequate

compensation is crucial as policy facilitates proper inventory list of PAPs. Moreover, CLA should clearly involve of all stakeholders from the beginning of process to the end. There should be transparency and clear information to PAPs coupled with accountability to responsible professionals.

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