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The Cost of Property Rights: Establishing Institutions on the Philippine Frontier Under American Rule, 1898-1918

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Abstract

We examine three reforms to property rights introduced by the United States in the Philippines in the early 20th century: the redistribution of large estates to their tenants, the creation of a system of secure land titles, and a homestead program to encourage cultivation of public lands. During the first phase of American occupation (1898-1918), we find that the implementation of these reforms was very slow. As a consequence, tenure insecurity increased over this period, and the distribution of farm sizes remained extremely unequal. We identify two primary causes for the slow progress of reforms. The first was the high cost of implementing these programs, together with political constraints which prevented the government from subsidizing land reforms to a greater degree. The second was the reluctance of the government to evict delinquent or informal cultivators, especially on public lands, which reduced the costs of tenure insecurity.

Keywords: <u>Property;</u> <u>Ownership;</u> <u>Rights;</u> <u>Governing Rules,</u> <u>Regulations,</u> <u>and Reforms;</u> <u>Cost;</u> <u>History;</u> <u>Philippines;</u> <u>United States;</u>

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