



# Land and Ethnicity in Dagestan

by J. David Stanfield

## 1. Background<sup>1</sup>

Located on the western coast of the Caspian Sea, Dagestan is an autonomous republic in the Russian Federation, with an approximate population of 2 million<sup>2</sup> and a land area of 52,029 square kilometers. Approximately 50 percent of the population lives in 10 cities, with the other 50 percent living in villages and other rural settlements. Makhachkala, the capital, has about 290,000 inhabitants. There are 39 *raions*—the main administrative division of the country. The northwest is mountainous, while the southeast has lowland plains that are quite productive, especially when irrigated. Table 1 shows the areas in different categories of land.

Sheep and to some extent cattle are a central component of agriculture in Dagestan, particularly in the mountains and foothills, with winter pastures in the lowlands. The large land area classified as pasture reflects the importance of livestock, though many “pasture” lands are barren mountainsides. Grain and other annual crops are cultivated mostly in the lowlands, while fruit trees and vineyards are cultivated in both mountain and lowland areas.

For its relatively small size, Dagestan has one of the most ethnically diverse populations in the world.<sup>3</sup> Table 2 shows the relative sizes of the 10 main ethnic groups. Inhabitants of mountain communities tend to identify themselves as belonging to a single ethnic group, as do those in lowland communities, though



Streets of Makhachkala.

the more urbanized communities in the lowlands tend to be multi-ethnic. At present, the general land issue is whether ethnic groups should exercise control of specific territories, particularly in the lowlands. Mountain communities have an extremely limited land base and need to find land for grazing their livestock and in some cases for establishing farming communities. Traditionally, mountain communities developed arrangements for grazing their livestock on the lowlands. During the Soviet period, efforts were made to resettle mountain families in agricultural settlements in the lowlands, where irrigation and other land reclamation programs provided opportunities for more intensive land

**About 50% of Dagestani live in 10 cities.**

<b>TABLE 1: Land resources of Dagestan</b>	
<b>CATEGORY</b>	<b>AREA (hectares)</b>
Arable land	475,988
Perennial crops	58,728
Fallow	2,912
Hayfields	167,868
Pastureland	2,748,332
<b>Total agricultural land</b>	<b>3,453,828</b>
Other land	1,749,112
<b>Total land area</b>	<b>5,202,940</b>
Source: State Committee on Land Reform, 1 January 1996.	

*Land resources of Dagestan*

**The Gory attempts to generate investments in the highlands.**

use. The resettlement process placed mountain ethnic groups onto lands that tended to be the historic grazing and agricultural areas of lowland ethnic groups.

In order to reduce the pressures for out-migration by mountain peoples, a tax has been placed on lowlands used for grazing and for agriculture. In 1995, a total of 12 billion rubles (about US\$2.4 million) was collected from this tax and the government expects that 30 billion rubles (about US\$6 million) will be collected in 1996. The average tax rate is 3,400 rubles per hectare, though the actual rate charged depends on type of land use, productivity of the land, location, and distance from factories and processing plants. At present 60 percent of this tax is supposed to be invested in mountain communities, 20 percent in the communities where the land is located, and 20 percent in the central budget; however, no allocations have yet been made from these funds, other than to the central budget.

This migration reduction strategy is the justification for the *Gory* program and its attempt to generate and focus investments in the highlands, which is

most visible in the various hydroelectric projects presently under way. In order to find viable substitutes to the bankrupt defense industries, however, “more resources, more outside partners and expert advice on how to increase penetration and effectiveness”<sup>74</sup> will be needed. There is substantial local knowledge about how to survive in the difficult environments of the highlands, with complicated land and water saving schemes dating from several centuries ago. With encouragement, these experiences may be expanded, though they will require substantial initial investments.

The conflict in Chechnya is driving refugees into Dagestan, across the 600 km border between the two countries. An estimated 100,000 refugees are in Dagestan in areas with a local population of 58,000. Violence threatens the area, especially if the Chechens become desperate and take revenge on the Dagestanis for not coming to their aid. Formalization of the border with Azerbaijan to the south created difficulties in maintaining family and commercial contacts for the now divided Lezgin community. Many other families that had been deported by Stalin during and after World War II are returning from Central Asia, increasing the pressure on the limited Dagestani resource base.

**2. Land reform**

By 1940, according to the Great Soviet Encyclopedia (1983), 98 percent of the peasant farms had been collectivized; by 1971, there were 167 sovkhoses (state farms) and 376 kolkhozes (collective farms). There was frequent shifting of organizational boundaries of these enterprises, so that by 1980 there were 262 sovkhoses and 249 kolkhozes and by the period of perestroika in 1990 there were 312 sovkhoses (occupying 2,008,600 hectares) and 291 kolkhozes (occupying 2,105,800 hectares) (State Committee for Land Reform, 1 January, 1996).

As part of the Russian Federation, Dagestan enacted the Law on Land in

1991 for restructuring the sovkhoses and kolkhozes. Various new land administrative forms were introduced, including peasant farms, agricultural enterprises, cooperatives, and joint stock companies. The allocations made under the land reform program have been for the life of the recipients but can be inherited by their heirs. The state retains “ownership” of the land.

In June 1992, a referendum was put to the Dagestani people to decide whether Dagestan would accept the Presidential Law of the Russian Federation as well as whether Dagestan would permit the buying and selling of land. About 87 percent voted “no” to the Presidential Law, and 89 percent voted “no” to the buying and selling of land. Subsequent polls have indicated a slight but not significant drop in this rejection of the land market. A similar rejection of radical change came after the firing on the Duma in October 1993 and the proposal in December 1993 for a new constitution in the Russian Federation and new executive powers: 70 percent of the Dagestani electorate voted “no” in a referendum on this question.

While these national referenda would seem to indicate a unified Dagestani rejection of radical restructuring of the economy and political system, people have tended to elect reformers in national elections. The options open to these “reformers” are limited, however, since the economic collapse of the Soviet Union has left Dagestan extremely vulnerable economically, with former defense-oriented industries closed and financing of the remaining ones and the administrative structure dependent on subsidies from Moscow (one estimate is that 98 percent of the national budget comes from Moscow).

The option of moving to a radically restructured market-oriented economy to deal with this crisis is viewed with caution in Dagestan. While the rule of the market in the trade sector is gradually being introduced (at least importation of consumer goods from such countries as Turkey is beginning), the operation of the market in capital investment and economic enterprise

management based on private ownership of land and capital is more doubtful, with the option being some version of the Chinese brand of “workers’ capitalism.”

The reasons cited for the electorate’s rejection of legalizing buying and selling land include: (1) fear of private ownership of land under present conditions, which might lead to ethnic conflicts if the new private owners subdivide and sell to others of their ethnic group and not to the historical users of the land, who may be less advantaged economically; (2) fear that the rich will buy much of the land, not with the proceeds of hard work and risk taking, but rather with illicit gains from criminal activities; (3) belief that the rich will not make the land produce, preferring to speculate in its increased value;<sup>5</sup> (4) belief that the discussion of the 1992 referendum focused primarily on the question of the presidency and that the people did not understand the land market proposal because there has been no experience with private property

***Dagestan moves toward market orientation with caution.***

*Major ethnic groups of Dagestan*

**TABLE 2: Major ethnic groups, Dagestan, 1989**

<b>NATIONALITY</b>	<b>POPULATION</b>
Avars	496,007 (27.5%)
Dargins	280,431 (15.6%)
Kumyks	231,805 (12.9%)
Lezgins	204,370 (11.4%)
Russians	165,940 (9.2%)
Laks	91,682 (5.1%)
Tabassarans	78,196 (4.3%)
Azeris/Turkic	75,463 (4.2%)
Chechens	57,877 (3.2%)
Nogais	28,294 (1.6%)
Other	92,053 (5.1%)
<b>Total</b>	<b>1,802,188 (100%)</b>

Source: Ministry of Nationalities of Dagestan, as cited in International Alert, 1995, p. 4.

**Much confusion underlies structural change.**

for 70 years. The sum of these forces produced the decision not to change the ownership structure of the land, at least openly or massively.

An underlying problem with bringing about structural change in Dagestan, whether private business capitalism or workers' capitalism, is the lack of clarity about which model will predominate in the Russian Federation and the resulting confusion in laws and decrees aimed at restructuring the economy. Added to this difficulty is the confusion about the legal force of Moscow-approved laws and decrees inside Dagestan. Under some interpretations, legislation emanating

from Moscow is the law in Dagestan as well. Under other interpretations, Dagestan has the right and the obligation to adapt centrally issued laws and decrees to Dagestani conditions, with no automatic transfer to Dagestan. This legal uncertainty adds to the problem of deciding what rules to follow in relation to land.

Since 1990, nearly 617,000 hectares have been taken out of agriculture (15

percent of the agricultural land in 1990), which is in part an adjustment that re-categorizes, as "other land," the largely barren land classified in 1990 as pastures. This loss of land classified as agricultural has mostly affected the sovkhozes, which lost 879,000 hectares since 1990 (43.8 percent of their original land base), while the kolkhozes have lost only 56,000 hectares (2.6 percent of their original land base) since 1990.

Part of the land lost by these two types of collective farm is due to the formation of other enterprises out of their land base. It is likely, however, that many of the new forms of agricultural enterprise (agricultural cooperatives,

joint stock companies, agricultural enterprises) are reorganizations of sovkhoz and kolkhoz without major management or legal changes. The vast majority of the land remains in the traditional sovkhoz and kolkhoz forms of organization. These enterprises are in a state of crisis, with declining prices for products, lack of markets with the collapse of the Russian Federation's integrated industries, lack of capital for investment, and rising costs of inputs and spare parts as well as consumer products needed by the families dependent on these enterprises.

The option of restructuring these enterprises has not been a clear goal. There have been 15,947 peasant farms created and formally documented, but occupying only 35,811 hectares, and 65 farmer associations, occupying 7,000 hectares. Collective orchards and vegetable gardens also have been allocated (5,185 hectares in total). These new forms of management of agricultural land together account for only 47,000 hectares among 45,304 families, or just 1.4 percent of the agricultural land base in 1995. By comparison, 31,224 hectares of land have been distributed as house plots to 141,881 families since 1990.

These official statistics probably underestimate the extent of de facto redistribution of the collective farmland, especially in mountain communities, where apparently many villagers have assumed family control of land previously owned by their ancestors. In these communities, the assembly of all adult village residents—the *jamaat*—presents recommendations to the relevant *raion* land committee as to the distribution of land rights to families and groups. These recommendations are almost invariably followed in the issuance of official documents of land assignment, when such documents are issued. More frequently, the *jamaat* simply assigns land to families and groups without documents.

There are persistent rumors that wealthy and/or powerful families and individuals have illicitly acquired substantial landholdings, though there is



Republic of Dagestan ■

**Agricultural enterprises are in a state of crisis.**

no way to verify the extent of this phenomenon. The state's control over land appears to be slipping away, but the country has not decided whether to reinstate the state planning and allocation structure forcibly or to create the new but necessary institutional structure for guiding people to make desirable private market decisions about who uses the land and how.

Formally, the constitution says that the state owns the land and has the right to allocate it to different users. Moreover, the constitutional court recently issued a decision that ethnic nationalities have *no rights* to own land or to allocate its use, which is the purview of the state. At the same time, the Law on Land states that local authorities have the responsibility to issue use rights to individuals and groups, obviously a task that can be complicated when ethnic nationalities are mixed. The National Assembly has the responsibility for assigning land for resettlement, usually assigning land for the use by one ethnic group within the traditional use area of another.

The overlapping jurisdictions and ethnic tensions involving land emerge particularly around the rapidly growing urban centers. These towns and cities are usually ethnically mixed but are surrounded by sovkhozes or kolkhozes of more homogeneous ethnicity or with the management of the enterprise balanced against the majority of the resident families. When the issue arises of a town's or city's need for land to settle people who are moving there, the ethnic calculus complicates the already difficult question about what land might be available and at what price.

With these countervailing forces, it is not surprising that there seems to be paralysis in Dagestan. People appear to wait for someone from Moscow or elsewhere to resolve their dilemma. Perhaps this national sense of indecision will reform itself when (or if) Moscow's course becomes more coherent. On the brighter side, what appears to be paralysis from one point of view is social peace from another. Dagestan with its 30 different ethnic groups living in

relative peace with one another could provide an example for resolving the political/ethnic problems of the Commonwealth of Independent States; the overarching threat of economic collapse demands the collective attention of the entire population.

### 3. Summary of land/ethnic issues

The dilemma concerning land ownership restructuring is whether ethnic nationalities should control land access, use, and transfer, whether individual or corporate entities should have these rights, or

**Specific issues express the dilemma concerning land ownership.**



whether the state centrally or locally should control land access, use, and transfer rights. This conundrum is expressed in a number of more specific issues:

- Population shifts from the highlands to the lowlands result in land traditionally used by people from one ethnic group being granted to people from another group, often accompanied by special privileges being given to the immigrants. While perhaps justified for a period of time, continued privileges and continued use of the land without compensation creates tensions with the local group.

*Areas of the Caspian Sea.*



Land Tenure Center

## TENURE BRIEFS

*Tenure Briefs* are published by the Land Tenure Center, an interdisciplinary center housed within the College of Agricultural and Life Sciences on the University of Wisconsin-Madison campus, as a source of applied information for professionals and students working worldwide on resource tenure, social structure, rural institutions, and development.

All views, interpretations, recommendations, and conclusions expressed in this paper are those of the author and not necessarily those of the supporting or cooperating institutions.

Author:  
J. David Stanfield  
LTC Albania Program  
Coordinator  
Land Tenure Center  
1357 University Ave  
Madison WI 53715  
jdstanfi@facstaff.wisc.edu  
dstanfield@worldbank.org

For additional copies, contact:  
LTC Publications Desk  
1357 University Avenue  
Madison, WI 53715  
Tel: 608-262-3657  
Fax: 608-262-2141  
Email: ltc-uw@facstaff.wisc.edu  
Website:  
www.wisc.edu/ltc

Edited by Kurt Brown  
Layout by Jane Dennis

Printed in the USA on recycled paper with vegetable inks.

- Granting highland groups the use of lowland for agricultural settlements, without compensation to lowland groups, produces loss of revenue, ecological damage, and ethnic tensions.
- The state owns the land, but it is not clear by what law—that of the Republic of Dagestan or the Russian Federation or that of customary law and tradition which calls for ethnic nationality ownership. The latest contradiction arises from the Russian Presidential Decree permitting the buying and selling of land. Is this also the law in Dagestan?
- Suburban agricultural land is being taken for the construction of housing by private individuals and groups without permission or plan, producing ethnic conflicts as well as unplanned costs for urbanization infrastructure.
- Collective farms and associated agroprocessing industries and marketing facilities are in a downward spiral, producing loss of employment, low incomes, and general lack of profitability of agriculture. This decline adds to the pressures for migration to the towns and cities or to areas where land is closer to urban markets, thereby exacerbating the above-mentioned problems.
- Lack of marketable land rights on the collapsing collective farms is an additional disincentive for people to invest in these land assets, since such investments cannot be redeemed if the family decides to migrate. Without such incentives, even the investment of family labor time and small amounts of capital is not likely, leading to further decline in the productivity of the land and further pressures for collapse and out-migration.
- Rights to land have been allocated in nonlegal ways. Families have regained ancestral lands while people who have achieved some wealth, licitly or illicitly, have acquired land. The informal mechanisms for such land acquisition result in undocumented holdings, which may be acceptable for the time being but which will be a constraint on the capital and land markets in the future, should such markets develop.
- Refugees are coming to Dagestan. Over 100,000 Chechen refugees represent the most pressing problem, but other refugee ethnic groups are also arriving. Refugees need land, while the local people also are under extreme pressures. Ethnic conflicts over such pressures are likely.
- There are border problems between Dagestan and neighboring republics, the most pressing being the restrictions on Lezgin movements in the area bordering Azerbaijan. The main land questions are where the border is placed and what restrictions will be placed on people who wish to pasture their livestock, as they traditionally have to trade, and to maintain family contacts across the border.
- All these potentialities for conflict put a strain on the existing conflict-management institutions, such as the local government bodies and courts. Additional conflict resolution mechanisms are needed.

### 4. Footnotes

<sup>1</sup> This *Tenure Brief* summarizes the main land-related issues discussed at the Seminar on Conflict Resolution, held in Makhachkala, Dagestan, 15–20 April 1996, organized by the Ministry of Nationalities' Affairs and International Alert. Special thanks are due to the facilitators of that seminar, Clem McCartney, Anjoo Sharan Upadhyaya, Anna Matveeva, Tagir Muslimov, and Valerii Ruschenko.

<sup>2</sup> According to the 1993 Census, cited in International Alert, "Dagestan: Situation Assessment," London, 1995. This report was prepared by Clem McCartney in collaboration with Moshe Gammer of Tel Aviv University.

<sup>3</sup> Shirin Akiner Kpi, *Islamic Peoples of the Soviet Union*, 1986, p. 130.

<sup>4</sup> International Alert, op. cit., 1995, p. 32.

<sup>5</sup> This fear is confirmed by the behavior of the people who have bought businesses and industries in the privatization program as implemented to date in Dagestan. The impression is that these assets have not been made to produce. The new owners have preferred to use them to store imported items, generate profits, and invest the profits in the acquisition of other privatized assets at very low prices, again without investing in making the assets produce or generating employment.