

Opening Ceremony on the Occasion of the Master's Program Land Management and Land Tenure

Academic Year 2003 - 2005

October 10th 2003, 10 am

TUM, Arcisstr. 21, Room 0790, Entrance Theresien-/Arcisstraße, 1st floor

Words of Greetings by Gerhard Hess, Förderkreis Bodenordnung und Landentwicklung München e.V., Hauptgeschäftsführer des Bayerischen Bauindustrieverbandes

Ladies and Gentlemen:

The most important people here today are of course the delegates attending the Master's Program Land Management and Land Tenure, who have come to Munich from all over the world. But this Program is nevertheless linked inseparably with its driving force and supporter over so many years: to you, Professor Dr. Magel.

Mr. Magel, your professional career – from zoning and regional planning in Bavaria all the way to international land tenure and land management – clearly reflects the development of Bavaria over recent decades from an agricultural country to a leading center of industry.

Successful re-zoning and regional planning in political, legal and technical terms is one of the significant strengths that have moved Bavaria up to a leading position in a progressive world. It is no coincidence that the skills and competence Bavaria has developed in this area have in the meantime become a much appreciated asset we are able to export to other countries and parts of the world – for these skills and competence have proven their qualities.

The challenge we faced in Bavaria, no more and no less, was to re-arrange the concept of property and tenure, especially in rural areas, bringing this concept in line with modern standards and requirements. Today other countries are still facing the demanding task to introduce such reliable principles of land tenure as the prerequisite for ongoing development.

This is the case both in rapidly emerging partner countries the world over and in our neighboring countries in Central, Eastern and South-Eastern Europe, where communism destroyed the concept of private ownership. The countries involved are under significant pressure for time: As long as the question of land tenure is unclear and there is no substantiation of tenure in real estate ledgers or catasters, it is impossible to conduct processes quite natural and normal to us, such as the securitization of banks through real estate. This is not only a tremendous barrier to the development of real estate markets, but also deprives all companies, regardless of their line of business, of a fundamental tool they require to secure their economic activities by means of suitable collateral.

The consequences this has on the development of a well-functioning, internationally competitive economy are dramatic.

For this reason alone, Ladies and Gentlemen, it is of fundamental economic interest to an exporting country such as Bavaria to spread the know-how we have on land tenure and land management and to make this knowledge available internationally.

Clearly, foreign investors the world over suffer more from inadequacies in this area than domestic companies. Re-arrangement of land tenure in emerging partner countries is therefore important to the Bavarian economy for this reason alone. A very good example in this context is Central, Eastern and South-Eastern Europe, regions where our exports have been increasing far above average for a number of years: In the first half of 2003 the increase in exports to these countries was 11.4 percent, and their overall share in all exports from Bavaria is now 12.8 percent. It is therefore of fundamental interest to Bavaria to overcome all barriers which might possibly obstruct the continuation of this great development.

Ladies and Gentlemen, I am also speaking here on behalf of the Bavarian construction industry. And there are good reasons why our Federation is particularly committed to the Master's Program Land Management and Land Tenure.

Particularly in countries with a weak infrastructure but a significant growth potential, construction companies are the pioneers promoting the dynamic development of trade and a process of ongoing change. After all, a well-functioning infrastructure is the prerequisite for stable growth.

Whether we are looking at mobility and transport, the secure and reliable supply of energy, or sufficient use of natural resources – only when the facilities required have been built do we have the strong foundation allowing a country to become an internationally acknowledged and respected economic partner. The Bavarian construction industry has the competence, the competitive edge and the dynamic momentum to play a leading role in this expansion of infrastructure. And if our construction industry succeeds in exercising this function, the Bavarian economy as a whole will not only have a foot in the door, but will rather be right in the middle of the market, with other industries automatically following.

Practical experience, however, shows that deficits in the land tenure system are a great barrier preventing construction companies from showing their full commitment.

It is clear, however, that if you slow down the pioneers the remaining economy will be unable to follow. In other words, only high standard of local know-how and competence in land management and land tenure can secure the mutual interests of Bavaria and its partner countries in a dynamic exchange of economic developments.

In a nutshell, therefore, the Master's Program Land Management and Land Tenure, with its teachers and students, comes right in the middle of our world.

Your success, Ladies and Gentlemen, is success we share together. So speaking not only on behalf of the Bavarian building industry, but rather in the name of the Bavarian economy as a whole, I wish you all the best in your work.