The Global Land Rush, Agrarian Change and Social Transformations

Ward ANSEEUW
• The global land rush – some features
  • Project: The LAND matrix (with ILC, OXFAM, CDE, GIGA, GIZ)

• The investment dynamics – new actors, new development models
  • Project: Corporisation of agriculture

• Triggers, enablers and aggravators of the global land rush
  • Project: Commercial pressures on land (with ILC)

• Conclusion: Agrarian change and social transformations
The global land rush – Some features
2012 announced deals
228,130,787 ha
+400-500% compared to WB report

1107 verified deals (55% announced deals)
67,042,000 ha (29% announced deals)
+45% compared to WB report
Global

Reported

Verified
Africa is the main target

Announced
- 161,666,675 ha in Africa (948 projects)
- 42,723,526 ha in Asia (699)
- 17,643,692 in Latin America (240)
- 5,423,632 ha in other regions (112)

Verified
- 34,195,189 ha in Africa (542)
- 27,902,236 ha in Asia (458)
- 3,360,697 ha in Latin America (84)
- 1,583,878 ha in other regions (23)
Africa is the main target

Reported deals
African countries affected

Reported/under negotiations
The sectors invested in

Reported:
- 39% food crops
- 28.5% biofuels
Origin of investors

Intra-regional

Extra-regional
The investment dynamics – new actors, new investment models
Reported deals in Africa
**Investors**

- Traditional Western food-producing, processing, and exporting companies seeking to extend their market share

**Capital-rich / food insecure (Gulf States)**
- Land and water scarce populous but capital-rich Asian countries.

- New actors – Investment funds

**Avoiding markets:**
- Direct gov. involvement
- Sovereign wealth Funds
- State-owned enterprises

**Speculation:**
- Hedge funds
- Pension funds
- Invest banks
Beyond ‘land grabbing’...

- ‘Large-scale land acquisitions’ - top of the iceberg of wider dynamics, diverting attention from a dynamics of control over land-based activities/production.
- Beyond land, the renewed interest to control land-based activities

Commercial banks engagement in primary agricultural production
Agricultural engineering/management companies
Investment/equity funds
Integration of entire production cycle, including primary production

- Integration of the entire production cycle
  - Integration of primary production / finance in an overall cycle
  - Spreading the risks / no collateral / A reversal of the risk-profit relationship appears within the production chain

New actors / new practices
- MACRO-actors/corporasation/financiarisation
- Speculation

Agriculture and land not an exception anymore
Triggers, enablers and aggravators of the global land rush
A complex and inter-dependent environment ...

**Triggers**
- Food price crisis

**Drivers**
- Demographic/food & energy regimes
  - Food production
  - Biofuels
  - Industrial production
  - Forest/fibre production
  - Ecosystemic Services/Tourism
  - Speculation

**Facilitators**
- Crisis of (the perception of) small-scale farming
- Land governance
- Economic governance and market regulations
- Democratic governance

A problem of governance (global and host country level)
The crisis of (the perception of) small-scale farming

SSF has not succeeded to assume the role of socio-economic development driver
-Lack of support: i) lack of means in post-ind era, SAP, decrease of DA
-Priorisation of available resources: concentrated on urban centers (electoral and elite interest)

Agriculture – in particular SSF - neglected
Crisis farm production/productivity

Direct stakes for agriculture
-Land becomes vulnerable to other – more commercial - uses
-Renewal of interest in agriculture leads to private/public land-based investments
Uneffective land governance

The status of land and of the land rights of populations in host countries (land reform often not implemented)

- Communal land considered as private property of the State
- Vacant or non-utilised land – considered to be non-occupied/non-claimed

- The majority of land acquisitions/dispossessions are legal, with little or no compensations
- The State and national/local elites are main land grabbers
Demographic governance

Incomplete democratisation – enables for decision-making not to consider the affected populations and to facilitate land acquisitions

- Non transparency
- Weak governance systems overall
- Lack of effort to effectively decentralise power
- Non-participatory, non-inclusive policy processes (at different levels)
- Disempowered communities at local level
Economic governance and market regulations

- New phase of capital expansion and capitalist transformation
  - Commodification/privatisation of land
  - Profit/rent seeking as facilitators of social transformation – speculation on rights that until recently were 100% secure and recognised as not tradable

- Deregulation/liberalisation of markets - 2600 treaties in 2010, obliging host States to deal with trade/investments issues through international arbitration
  - Reinforcement of international protection for (foreign) investors
  - Incapacity of international initiatives (voluntary)
  - Incapacity of Human rights treaty etc – compulsory to exhaust domestic tribunals first
Large-scale land acquisitions as aggravators

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- LSLA as aggravators
Large-scale land acquisitions as aggravator

- Deterioration of small-scale farming
  - Loss of land – exclusion of land and agriculture
  - Perte de terres – exclusions agricoles
  - Biased competition
  - Non-insertion of local-national economy

- Deepening weak land governance
  - Land reforms canceled
  - Present, already weak, land rights questioned

- Exacerbated opening up of economy
  - Development land acquisition instruments by host countries

- Entrenching non-democratic governance
  - Increasing non-transparency-corruption
  - Further exacerbating the non implementation of effective decentralisation
  - Non-respect of women and minority rights
Agrarian change and social transformations
Agrarian change and social transformations

More than land loss, food security issue, etc.

Profound restructuring of agrarian societies

* Financiarization and corporization of agriculture
  - New development models brought along by renewed types of actors (Macro-actors - engineering, financial, industrial sectors)
  - Generate new productive agricultural models & Redefinition of orthodox frontiers of the agricultural sector
    - Speculation henceforth long-term strategies, led by actors external to the sector, equivalent to other sectors

* Concentration and dualisation within the sector
  - Dominion of a few large international groups (Agricultural intermediaries & commercial banks and insurance companies)
  - Marginalization of the majority of the (East) African farmers
Agrarian change and social transformations

* **Deregulation and foreign powers**
  - Economic agents’ direct involvement and control over agricultural regulation mechanisms - Private norms developed by very same actors
  - Foreign economic powers control an increasing part of the production, emphasizing food sovereignty issues

* **Socio-Professional implications of these models**
  - Marginalization in the decision making process for the communities and independent family (small scale and large scale) farmers
    - Proletarisation, farmers ‘service provider’
    - Dependence cycle: impossibility to realize productive investment
  - The end of the peasant? No family farming anymore? Which future for agricultural sector?
Thank you!
Assanti sana!

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