The rush for land in Africa:  
Resource grabbing or green revolution?

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Growing demand for food, feed, fuels and fibre, increased price volatility, combined with a shrinking resource base, and liberalisation of trade and investment regimes, are among factors causing increased commercial pressures on land and fuelling a new global rush for land. This primary affects agrarian economies, mainly in Africa and Asia. Lands that only a short time ago seemed marginal to investment interest are now being sought by international and national investors and speculators in quantities hitherto unseen. As such, growing foreign direct investments (FDI) into agriculture and a multiplication of investment projects on the African continent can be observed. For instance, in 2008 FDI into the African continent reached US$87.6 billion (i.e. 27% higher than the previous year), of which a third (i.e. US$27 billion) towards the mining and agricultural sectors in Sub-Saharan African countries².

The investment flow towards agriculture, particularly in Africa – a sector severely neglected since the 1960s – can only be applauded. However, several questions remain: how inclusive are these investments? Are the African countries benefiting from these renewed flows of FDI? Do these investments lead to Africa’s green revolution or do they merely represent another resource grabbing era in the continent’s history? Analysing in-depth the broader phenomenon is a step towards better understanding the present land rush and its implications. Based on results resulting from several projects (Commercial Pressures on Land project (ILC/CIRAD), financialisation and corporatisation of agriculture (CIRAD/UP)), the paper will first detail the features of the global land rush and present a deeper analysis of the processes at stake, particularly focussing on Africa. This will enable a presentation of the nature of these land-based investments. A second section will focus on the implications related (or not) to Africa’s green revolution. Emphasising the need to go beyond the “land grab” issue and its direct consequences, it recontextualises the rush for land in broader dynamics of agrarian transformations in Africa. If the present rush for land might represent a revitalisation of Africa’s agricultural sector, it is doubtful this revolution benefits the continent overall.

Global features of the rush for land – Africa most targeted continent

The most recent and well-informed data emerging from the LAND matrix provides evidence that the scale of the phenomenon is larger than (previously) assumed. As of September 2011, the Land Matrix contains reports of 2012 land deals, amounting to 228,130,787 hectares of land worldwide. This includes all recorded deals that have been reported as approved or under negotiation. An idea of the scale of land reportedly under

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investment interest is given by its equivalence to the combined surface area of Germany, France, Spain and UK\(^3\), representing about 4.7\% of world’s agricultural land. These results are between 4 and 5 times more than the assessment of the World Bank 2010, detailed in their ‘Rising global interest in farmland’ report which presents a figure of 46.6 million hectares as reported in the press between October 2008 and August 2009.

Preliminary analysis from an ongoing cross-verification exercise suggests, nonetheless, that only about one third of the land reported as under investment interest is in reality ongoing and transferred. Of the 2012 reported deals, 1107 (55\% of reported number of deals) have so far been verified, accounting for a total of 67,042,000 hectares (29\% of reported number of hectares)\(^4\). The latter represents an area of the size of France and Belgium combined or 1.4\% of world’s agricultural land.

**Figure 1: The scale of reported and verified land acquisitions in the world**

Source: The Land Matrix, 2011

These figures must be taken with caution; a significant proportion of unverified/unidentified deals have undoubtedly taken place. In reality, the gap is therefore likely to be smaller. However, it is nonetheless evident that a high proportion of deals that are announced do indeed never reach fruition. The gap between announcements and implementation should not create cause for complacency. First of all, announcements, negotiations and certainly contracts signed but not implemented may still exacerbate commercial pressures on land. Several case studies show that negotiations and contracts without effective implementation may translate into loss of land for local groups, even if the project is not implemented after all – for example in Ethiopia\(^5\).

*Africa is the prime target of the land rush*

Of the publicly reported deals, 948 land acquisitions of about 161.7 million hectares are located in Africa, while some 42.7 million hectares have reportedly been acquired in

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\(^4\) The LAND Matrix (2011).

Asia, and 17.6 million hectares have been acquired in Latin America. The remainder (5.4 million hectares) concerns other regions, particularly Eastern Europe and Oceania). Of course, this regional distribution may reflect the strong media interest in African deals, as much as real-world differences in volumes of transactions. For example, some food-importing African countries that are or were major recipients of food aid have attracted extensive media reporting, such as Ethiopia and Sudan, while scattered evidence suggests that there has been strong investor interest in Australia, New Zealand, North America and eastern Europe (Figure 2).

**Figure 2: Reported and verified deals by region**
Source: Land Matrix, 2011.

Countries like Madagascar, Mozambique and Ethiopia appear to be among the main recipient countries for cross-checked deals (see Figure 3). More deals signed or under negotiation in these countries may not have been reported in the media and may thus not be reflected in Figure 3.
**Figure 3: Countries with highest land-based investments**
Source: Land Matrix, 2011.

**The rush for land is not only for agriculture**

With the pace of land acquisitions peaking in 2008 after the food price crisis (Anseeuw et al., 2012), much of the recent focus has been on investments in agricultural production for farmland. Agricultural production is indeed the primary driver behind the rush for land, with food crops accounting for 31% of the number of announced projects, biofuels 29%, other non-food crops 6%, and livestock 3%. This gives a total of 69% of investments for whom the driver is known. However, other sectors are not insignificant: forestry and carbon sequestration, mineral extraction, and tourism account for a combined 11%, while others/not known is 15%. Although the latter are not always directly linked to the recent land acquisition phenomenon (many of the forest concessions did exist prior to 2007-2008); their growing importance in absolute terms translates however in increased commercial pressures on land at present (Figure 4).

**Figure 4: Global land acquisitions by sector**
Source: Land Matrix, 2011.

It also draws the attention to the different drivers priming in the different regions. As such, land acquisitions in Africa are for 38% orientated towards biofuels, whereas food crops tend to be more important in Asia (25% compared to 21% biofuels projects). In Latin America, on the other hand, acquisitions tend to be more mining oriented (17%) (Figure 5).

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Figure 5: Global land acquisitions by sector and by region
Source: Land Matrix, 2011.

Africa’s investment remains extra-continental

A large proportion of investment flows continue to originate from western countries. However, emerging economies are rapidly becoming a major source of investment. The Land Matrix suggests that Asia is a key region of origin. While much public attention has been paid to the role of China, India and South Korea, investors from countries such as the UAE, Qatar, Bahrain as well as Thailand, Malaysia, South Africa and Brazil also appear to be active in land deal negotiations. The former originate from countries that are rich in capital, but that are endowed with limited quantities of natural resources necessary for the expansion of their agricultural production and of their economy in general. The latter (South Africa and Brazil), however, are countries that are mainly extending their influence and economic power within commercially profitable sectors (Figure 6).
If these shifting investment patterns suggest that regionalism and new South-South cooperation patterns may be on the rise, Africa’s investment still mainly originates from outside the continent. Africa’s farm land investments originate for 71% from outside the continent; whereas this amounts only to 9% in Asia. If there is a renewal of the investment flux on Africa’s farm land, they remain foreign owned.

**The investment dynamics – new actors, new investment models**

The renewal of these investment dynamics mainly concern three types of actors\(^7\).

A first investor concerns tradition western food-producing, processing and exporting companies seeking to ‘square the market’. They mainly represent Western, private investors. One practice strongly appearing since a couple of years, is the partial integration of primary production, mainly to secure the access to primary production. As such, companies that used to rely on the market to access their produce, will engage (often up to 30% of their necessities) in primary production.

A second category of investors concerns land and water scarce populous and capital-rich countries. It is composed by countries such as China (20% of the world population for only 9% of world’s arable land) and other capital rich but food insecure Asian countries (South Korea) and Gulf States. These countries coordinate their investments off-shore, mainly through direct government involvement, State owned enterprises or sovereign wealth funds. The major characteristic of this model is the establishment of parallel value-chains in order to avoid markets (cindered to have become too volatile).

Lastly, a third category is foreign to the traditional farming sector: it concerns financial actors, commercial banks, investment/pension/hedge funds, asset management companies, aiming to diversify their portfolios. As a result of the widely held predictions, they perceive the agricultural sector as an investment for the future and engage as such in "Malthusian oriented speculations". Besides being characterized by the speculative character, these models are often characterized by the implementation of finance-value-chains, where financial services are often combined with marketing activities and possibly technical support ⁸. Thanks to total control and to the circulation of capital and information flows, this approach aims at limiting transaction costs and the risks inherent to the agricultural activity, leading to extreme integration and internalization of the production.

A common characteristic regarding this increasing control over land-based productive cycles, primary agricultural production in particular, is the establishment through a strengthened vertical integration. Downstream (including financing) and upstream activities (distribution and commercialization) are undergoing an ever-increasing concentration process to the advantage of some macro-actors. In addition to partnerships, contractualization etc., total integration of these activities allows dominant actors to widen their control over the productive cycle in its entirety. Compared to the well-known down and upstream integration by monopolistic agribusinesses (cf. Cargill, Monsanto, etc.), the present integration processes, including the effective agricultural production, are presently being initiated from outside the agricultural sector, in particular by financial actors and engineering companies. Models vary according to the established organization (contracts, production outsourcing, etc.) and the actors involved (banks, intermediaries, investment funds, etc.). The approach is not new, and several agricultural export sub-sectors (such as coffee, cotton, etc.) are already structured according to this model. However, over the past few years, this financial strategy has been applied more widely, both geographically and at the level of the concerned value-chains (e.g. cereal).

**Beyond loss of land … Agrarian change and social transformations**

With the spirit of optimism driving massive flows, but potentially putting livelihoods and food security at risk and shaping the future of global agriculture, there is a great need to take stock of the real outcomes for all those involved. Based on empirical evidence and experiences on the ground, the following section examines the outcomes and impacts of large-scale land acquisitions, focusing mainly on agriculture.

The effects of large-scale land acquisitions and wider commercial pressures on land can be conceptualized along several dimensions. They may be felt at a local level, at a national level, or at a global level through world markets and global ecosystems. They can include direct outcomes such as new employment or loss of access to a resource, or more indirect impacts such as changed food security, local or elsewhere. People may be affected in different ways. Income, livelihood security and economic development are important aspects; food production, availability and security are others. But issues of dignity, self-determination and the right of people to decide their own path of development and control their own food systems if they want to do so is also a critical issue. Lastly, commercial pressures on land have different impacts on different groups of people. Such groups include international land acquirers and host country elites, the population of host countries and other countries, and the local communities directly affected. But it is also vital to remember that there are divisions and power relations within these groups. It is the poor who are most likely to be negatively affected, as are pastoralists and forest-dependent people. This notwithstanding it should be noted that commercial pressures on land is not a phenomenon only affecting pockets of rural minorities, but rural majorities, and indeed whole societies, in many parts of the world.

Expectations rarely fulfilled

The renewed interest of a diversity of investors seems to represent an opportunity for host governments to attract private, national and international, capital. As such, with reduced public spending and ODA, these investors are perceived as solutions to overcome the lack of public interest and investment for the discarded agricultural and rural sectors. For the first time since the late 1970s, there is an opportunity for African governments to attract investment for a sector that had been gradually relegated both in the public policy agenda as well as in private investors’ strategies. As such, these initiatives are promoted as contributing to the countries’ revitalisation of their agricultural sector (directly through large-scale investment or through a positive pull-effect integrating the host country’s small-scale farming sector), to enhance their national food security situation, as well as to develop rural infrastructure. This being said, these processes tend to fuel unrealistic expectations on the part of the host countries and local populations.

Not only is often the production not developed according to plans and expectations, the accompanying promises – infrastructural development, employment creation, etc, are generally neither fulfilled. Several reasons do appear. Firstly, some operators may have underestimated the managerial and technical difficulties related to the implementation of large land deals in often difficult ecological, political, bureaucratic and socio-economic environments. This issue is likely to be particularly relevant to operators that do not have an established track-record in agriculture. Secondly, investors may not be successful in gaining the attributes they seek, thus leading the investor to pull out. This was reportedly

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the case in Mali and Madagascar among others. Brautigam gives the example of a Chinese parastatal backing down on its allegedly well-received request to access 100,000 ha to three million hectares of forested lands to grow oil palm, following feasibility studies which showed insufficient transport and infrastructure support from the area.

Thirdly, some public announcements of land deal negotiations may reflect the strategic positioning of investors aiming for instance to secure land even in the absence of specific investment plans in the short term, other than an expectation that land prices will increase.

On one hand, the loss of access to productive resources can have negative effects on income and compel the affected to seek other livelihood sources. On the other hand, investments can be a source of income for local populations, through wage employment, share-cropping and outgrower schemes, or locally negotiated land leases. But in all these instances, the income effects depend on the terms that have been negotiated, and thus on the negotiating power of the relevant parties. In other words, the sharing of income between investors and local populations depends on the level of wages, leases and other negotiated contractual terms, and on the price of agricultural supplies provided by small scale growers. In turn, these aspects are affected by varying degrees of control over resources, on market conditions (such as monopoly or monopsony structures), and on negotiating power.

In the majority of the cases, only the better-off local farmers could adapt to the changing context and benefit from incoming investment, mainly through outgrower or sharecropping schemes. The others, particularly those who lost their land, faced a loss in income as an avoidable consequence. A Rwandan case-study provides a clear example of this. Only a relatively small number of farmers – those who were commercially oriented before the arrival of the agribusiness company - were able to retain access to land and work as outgrowers with the agribusiness; the others took up employment on the plantation or somewhere else. The study suggests that both groups considered themselves to be poorer than they were before the takeover by the agribusiness. The outgrowers complained about the conditions imposed by the agribusiness which benefits from its monopolistic position; the labourers about the bad labour conditions.

Also, several studies suggest that the hoped-for jobs do not necessarily materialise, partly because investments are often capital intensive and because local populations are not well integrated in the investment projects. Also, benefits in the form of local jobs are likely to be limited where investors can hire imported labour or, worse, can come with their own

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labour. This commonly applies to recruitment for management and skilled positions, relegating locals to precarious, seasonal or low paid jobs (e.g. the Bechera agricultural development project in Ethiopia\textsuperscript{13}). Lastly, when local people are employed, labour relations tend to be difficult\textsuperscript{14}. These observations are all the more significant, as the lack of alternative livelihood options in these countries, exacerbated by reduced access to land as a result of the investment, constrain the affected populations’ ability to disassociate themselves from the investing companies.

Lastly, benefits at national level have to be nuanced. Most of these investments focus on provisioning food and primary commodities, neither for local societies nor for export on international markets, but directly for the investor country through integration of the production process based on far-reaching vertical integration. This offshore production, besides the lack of local integration (import of machinery and labour) as seen here above, which is failing to circulate money in local economies, feeds into parallel markets enabling the investors to avoid world markets (becoming too unreliable) but failing to benefit local food production and security. These current mass investments in land-based production are thus not directly integrating poor agrarian economies with the global economy. Instead poor economies, while providing resources for the investors, are remaining in a client position. In these circumstances, host countries may find it difficult to exert their own priorities relating to agricultural development and national food security. Examples come from several cereal importing countries, where investors, mainly from the Arab countries, are producing and exporting cereals to secure their own food security situation\textsuperscript{15}. In addition, countries tend to provide extensive benefits to investors. Critics argue that they have not attracted new FDI, but encouraged the shift of existing industry (foreign as domestic) to benefit from the lower tax regime and/or represent lost revenue when comparing exemptions and benefits versus productive income\textsuperscript{16}.

**Direct negative impacts on local populations and agrarian economies**

Besides expectations not being realised, local populations may also be negatively affected by incoming investments. Although it is still too early to fully assess possible negative impacts of many of these investments, some evidence of early impacts do mushroom. Some adverse consequences are directly ascribable to an investment project, and may include for instance changes in access to resources – in particular land and water - and overall changes in local livelihoods, particularly in Africa’s agrarian societies. Other are indirect or broader but less directly observable; they might however, but in fact can have more comprehensive and deeper roots.

\textsuperscript{13} Fisseha, M. (2011).
\textsuperscript{15} Anseeuw et al., 2012.
There is a widespread perception that much land is “empty”, “available” or “wilderness”. However, land that is not under permanent cultivation is more often than not the collective asset of rural communities under local tenure systems. These communally held lands, or ‘commons’ often make up the major land and resource asset of rural communities. Far from being idle or unused, such lands are in fact crucial elements in the system of customary or indigenous landholding and use\textsuperscript{17}. They are also major contributors to livelihoods. Pastoralists and forest-dependent people are particularly at risk given the nature of their land use and their need for large land areas to survive\textsuperscript{18}.

In addition, despite the rhetoric of targeting marginal lands, acquirers are most interested in lands which are fertile, well-watered or with good rainfall, and easily accessed by roads or rail, and electricity transmission, market centres, habitation (helpful for employing people), and export servicing centres nearby. These are areas likely to be already used relatively intensively by local people, for farming or any other livelihood-based activity.


In most jurisdictions, water is owned by the government, in particular following reforms in the 1990s to implement Integrated Water Resource Management. Land deals for irrigation agriculture may grant acquirers priority access to water, or even an entitlement to specified quantities of water\textsuperscript{19}. Where this happens, water abstraction and enforceable water rights may adversely affect water access for other users. Competing water interests

can be particularly difficult to manage in large transboundary river basins such as the Niger and Nile basins\textsuperscript{20}.

Effects of commercial pressures on access to land can also be seen through the lens of land concentration, whereby control of land resources becomes concentrated in ever fewer hands. This transformation from low input smallholder agriculture to large-scale, intensive and industrialized agriculture may imply a range of environmental consequences. These include land degradation, water pollution, excessive use of fresh water and heavy dependence on fossil fuels for machinery, fertilizer, pesticides, storage and transportation\textsuperscript{21}. Meanwhile, the conversion of forested and uncultivated lands is associated with biodiversity loss, degradation, diversion of water from environmental flows and loss of ecosystem services such as the maintenance of soil and water quality, as well as carbon sequestration\textsuperscript{22}. Several reports emphasize the depletion of forests. Observations of deforestation are widespread in the context of increasing commercial pressures on land\textsuperscript{23}.

If some of the local populations could reconvert or relocate, the development of the new activities are often to be realized in less favourable conditions, putting even more pressure on their already fragile farming activities and livelihoods. Reported cases are numerous. In Ethiopia, for example, although sharecropping practices are developing to allow access to land for those who lost or cannot obtain their own plots, these new practices are often not sufficient, leading more vulnerable farmers to abandon their lands and migrate to urban areas\textsuperscript{24}. In Rwanda, the acquisition of fertile lands in the valley by a foreign company pushed the populations towards the less fertile lands situated on the hill sides. In every case it generates an important loss in terms of volume of production and a loss of income\textsuperscript{25}.

\textit{Further marginalisation of smallholder agriculture - Worsening and entrenching the root causes of the land acquisition phenomena}

The direct costs faced by local populations arising from the rush for land covered in the previous section are relatively straightforward; that the poorest members of agrarian societies risk losing their only major assets: land, water and housing. However, in addition to this, the rush for land has also indirect consequences, which threaten to

\begin{itemize}
\item Fisseha, M. (2011).
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worsen and entrench deeply-rooted challenges to the sustainable livelihoods of the rural poor, of which the rush for land is a symptom, not a cause. As the latter encapsulate many of the conditions of agrarian economies and societies, the potential impact on the poor extends far more widely than the direct implications of dispossession from property.

Becoming apparent is that the host economies remain marginalized from the renewed investments in agriculture. Not only not beneficial, many case-studies draw the attention on how these investments and acquisitions are further marginalizing local, often smallholder, agriculture. As discussed, the long-term nature of typical large-scale acquisitions (often involving durations of up to 99 years), effectively locks communities and smallholders out of land for several generations. This may bring about the end of cultivation and livestock rearing as traditional livelihood-supporting activities in affected areas. But not only is local populations’ arable land being lost directly; they also will have to deal with a less favourable socio-economic and institutional environments and increased, often biased, competition related to the arrival of these renewed actors and activities.

In general, the rush for land and the resulting commercial pressures on land lead to a corporisation, of agricultural practices. They are associated with a trend toward concentration and intensification, with the marginalisation of family farming and the proletarisation of farmers which are becoming rent-seekers or landless labourers. Even where this could lead to increased productivity, there are real concerns that the more vulnerable groups will bear the costs without reaping the benefits. These concerns are exacerbated by the lack of alternative livelihood opportunities for people who lose land and do not manage to obtain employment in the newly established plantations. Many of the countries affected have not yet engaged in their secondary or tertiary sector revolutions, so that there are few alternatives to agriculture26.

* Financiarization and corporization of agriculture

First of all, the models show that new actors are appearing on the African agricultural scene. Indeed, originating from industrial or financial sectors, engaging as entrepreneurs, investors or even as pure speculators, the suppliers of capital seem more and more exogenous to the agricultural sector. Besides financing, these actors bring along renewed business logics, modes of actions and regulations, stemming from other sectors. As such, a restructuring of the sector is taking place which is redefining the borders of the agricultural sector. The increased role of banks and investment funds, for example, seems to lead to a "financiarization" of the sector. Indeed, the last couple of years, has seen an unprecedented boom in agricultural speculation. Whereas speculation has in the past been limited to an internal and short-term phenomenon, it has been evolving towards long-term strategies, led by actors external to the sector27. As such, within the framework of

the futures markets exchanges (SAFEX in South Africa), a decreasing number of contracts result in an effective delivery. This trend is similar to speculative mechanisms in other sectors, real estate in particular.

The African agricultural sector is currently also characterized by an industrialization process, or rather a "corporization" process. This dynamic is not a mechanization per se but rather a transformation of the production structures and their interactions. Increasingly, the agricultural value-chain tends to be controlled by one dominant actor. The control over various segments along this chain is established either through direct acquisition, or through contractualization of the actors. While in South Africa the dominant actors include banks and certain former cooperatives, elsewhere other models engaging different macro-actors are emerging (e.g. Uruguay28). The organization of agricultural production tends towards a strongly integrated structure, comparable to Taylorist industrial chains, in which the most risky segments are outsourced towards intermediaries who support the costs and the risks.

This dual process of – “financiarisation and corporisation” of the agricultural sector is leading to a new regime which is characterized by the dominion of a few large international food-business groups29 and could lead to the marginalization of the majority of African farmers due to biased power relations and confrontation with models of significantly higher productivity30.

* Concentration and dualisation within the sector

These evolutions tend to strengthen the dualism within the African agricultural sector. Whereas the macro-actors of the food-processing industry see their dominant positions strengthened, entire fractions of the (rural) African society are excluded from these dynamics. Indeed, the selection process operated collectively by banks and insurance companies excludes the small as well as the emerging farmers. As the selection criteria includes farm size (farms under 500ha under production are generally not considered by the financial institutions, for example), solvency and prior experience of/with the farmer, only well-established commercial producers are eligible. The entry barriers (capital, control over flows, compliance with standards, etc.) are increasingly strenuous, limiting the possibility to participate for the majority of the producers and leading to amplified concentration. The evolution of the primary production segment seems to follow downstream (fertilizers, seeds, inputs) as well as upstream (processing, marketing, etc.) activities, which are highly concentrated, characterized by a limited number of actors controlling these markets at national31 or international32 level.

28 Analysis de cadenas basadas en la produccion de granos de secano para la definicion de lineamientos de politicas especificas en Uruguay, FAO, 2009.
Two groups of actors seem to benefit in particular from the agricultural restructuring. First of all, the financial sector (financial institutions, insurance companies, investment funds) which, by directly adding primary production to their portfolio and by taking over the activities of a large proportion of their normal clients, they control an increasingly large portion of the sector, impose their selection criteria on producers and become the regulators of the sector. By integrating the entire value-chain and by centralizing the information flows, they anticipate the evolution of these markets, in particular the prices, act as arbitrators of these markets and seem to be capable of influencing the prices in their favour by speculating on the increase or decline according to the applicable forecasts. The second group to benefit from the evolution of the production structures are the agricultural intermediaries. Indeed, the financial institutions which intend investing in the agricultural sector increasingly depend on the services of agricultural engineering companies. As managers of both the field operations as well as the financial transactions, these companies are capturing an increasingly large portion of the margins generated by the agricultural activity.

* Speculation and foreign powers

The control of agricultural production by a small number of macro-actors, representing in many cases foreign capital, raises not only the problem of concentration and dualisation of the sector, it also draws attention to the need to analyse this phenomenon within the framework of the strategies of these actors. Indeed, the strong volatility of agricultural prices, strengthened by the removal of stabilization mechanisms in the context of market regulations, facilitates economic agents’ direct involvement and control over agricultural regulation mechanisms. On one hand, speculation strengthens profit-oriented strategies, to the detriment of food safety concerns in the countries where the effective production takes place. On the other hand, as foreign economic powers control an increasingly large part of the production, it also emphasizes food sovereignty issues within these countries in a context of amplified liberalization. Producing countries’ food safety and sovereignty are thus at stake.

Indeed, as noted by the special Rapporteur on the right to food, a significant part of the volatility and the rise in prices can be explained by the emergence of speculation and an essential role is attributed to the participation of powerful institutional investors (investment funds, pension funds, commercial banks, etc.). These entities are often foreign owned with limited or no interest in the objectives of stabilization, food safety and food sovereignty. While the price volatility of agricultural commodities and the strategies of speculation raise problems related to the implementation of development programs, they also emphasize questions regarding the regulation of the agricultural and financial sectors and regulatory frameworks in a large number of domains including the functioning of the futures markets and foreign trade. It also leads to considerations related to national policies, the development of sector-based and financial strategies and regional integration.

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While the emergence of these new production models generates numerous economic related uncertainties, it is the social impact which is most concerning. Indeed, one of the common characteristics of these innovations seems to be the increased marginalization of producers and farm workers.

The incorporation process of family-based producers by macro-actors detrimentally impacts the latter. Both parties have diverse financial, social and cultural resources leading to biased relationships, which seem to extend beyond the traditional cleavages within the African agricultural sector. Land owners find themselves incorporated into production chains in which they are isolated actors with no decision-making or orientation power. Generally, the technical capital used, characterized by ever-increasing costs, does not belong to them but is made available by the management company. This situation creates a dependency for the farmers, since they become unable to withdraw from these production relations, without losing their access to the necessary financing and inputs. The granted funds are short-term, often linked to the production cycle and correspond with the amounts calculated according to the production of specific quantities. As such, allocated funds do not allow additional productive investments and seems to condemn the producer to renew his/her seasonal commitment year after year. Although they are land owners, their situation is increasingly similar to that of proletarian agricultural employees or of service providers.

These transformations not only impact the producer as economic agent, but in particular also as social actor. This "corporisation" perturbs social relationships and traditional features characterizing Africa’s agricultural and rural environments. The family unit constituted until now the basic structure around which agricultural production was organized, both in smallholder and commercial farms. The incorporation of autonomous family enterprises into entrepreneurial structures necessarily modifies the relationships with the agricultural sector. Beyond the producers and landowners, farm workers are also negatively affected. The recourse to agricultural technologies that require low, often seasonal labour, tends to exacerbate the precariousness of the working conditions.

**Conclusion – A green revolution in Africa: probably, but not by nor for Africa**

The paper contributes towards building an understanding of the range and magnitude of the risks and opportunities at stake. The evidence emerging from the empirical results presented and other existing studies confirms much of the wider evidence; models of investment that are predicated on acquiring large tracts of land will most likely not yield significant benefits locally, and, in fact, the manner in which the global rush for land is

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currently taking place is deepening underlying causes, which entrench the challenges faced by rural families to escape from poverty, hunger or marginalisation. The paper shows that the African farming sector is presently undergoing significant restructurings, characterized by the “financiarisation” and "corporisation" of agriculture. These changes are leading to the concentration of agricultural activities in the hands of a few, mainly foreign, traditionally non-agricultural actors. A further characteristic of the process of restructuring is the "agricultural proletarianization", which is taking place and transforming family farmers into rent-seekers and/or agricultural workers on their own lands. Although these transformation might lead to a green revolution in Africa, it is certainly not engaged in by Africa and it is doubtful that it will greatly benefit the continent.

This transformation of investor interest in African agriculture is on course to produce a revolution in this once-neglected sector. But the impact of renewed foreign investor interest in land acquisition and the attendant implications for questions of ownership and land tenure is only a part of the impact being felt by African communities. The changing structure of agricultural production, based on renewed production and investment models, goes beyond the issue of the land itself. On one hand, it emphasizes the renewed political economy in which these transformations take place, ranging from new investor/donor-led strategies to changing geo-political contexts (emergent countries’ strategies and the role of agriculture thereof, new North-South relationships, etc.). On the other hand, it raises broader questions about the trajectory of agricultural development on the continent with implications related to the role for African smallholders and the place of African agriculture in an emerging global production system. The latter lies at the foundation of the present agricultural development tensions: the debate between small-scale agriculture and the large mechanized operations, the opposition between speculative investment and food security and the questions related to the promotion of foreign investment and food sovereignty.

In the absence of alternative successful investment and production models, agricultural development centered around large-scale land investments have become the reigning paradigm. While this is currently being adopted by capital-poor African countries, trying to attract private, national and international, capital with the aim to overcome the lack of public interest and investment for their discarded agricultural and rural sectors, the model appears also to be indirectly promoted by the public development agencies (NEPAD\textsuperscript{36}, AFDB\textsuperscript{37}, etc.), as they support the establishment of large-scale investments funds. They particularly underline the lack of reflections and debates around the implications of these transformations regarding national and international development policies and trajectories, whether agricultural or not, for these developing countries in search of alternatives.

\textsuperscript{36} New Economic Partnership for African Development.
\textsuperscript{37} African Development Bank.