Large Scale Foreign Land Acquisitions: Neoliberal Opportunities or Neocolonial Challenges?

A Multiple- Case Study on Three Sub-Saharan African Countries: Ethiopia, Tanzania and Uganda.

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Abstract

Over the last decade, a dramatic rise in commercial agricultural investment has taken place the world over at a rate much higher than previous times. Some of the causes that spurred this whole business happen to be mainly the food security concerns of food poor countries as in the case of the Gulf states, a shift of focus by western based investment banks, hedge funds and sovereign wealth funds towards less volatile assets such as land in the aftermath of the 2007/08 global financial crises, drought induced food export restrictions by major food exporting countries such as India and Russia, only to mention some of them. Huge private companies, government sponsored firms and even highly reputed US universities such as Harvard and Vanderbilt, among others, then took an aggressive move in acquiring large tracts of land across Africa, Latin America, Asia and to some degree in Europe, and massively invested on them. Latest reports indicate that an amount of land well over 80 million hectares have been put up to the global market, much of which has already been effectively leased by investors. Even though this practice of large scale foreign land acquisitions is fairly a matter of global reach, a staggering 75 percent of this whole business has so far taken place in Africa alone. This simply made the continent a spotlight case and lured attention into questioning as to how these investments are taking place and what sort of ramifications may be born out in result.

Departing from neoliberal and neocolonial discourses from whose perspective the recent expansion of the practice has been analyzed, this thesis has made an attempt to analyze how the stake of Africa in the growing practice of large scale land acquisitions can be looked up on and explained. Seeking to narrow down focus and do a practical analysis, three sub-Saharan African countries that are actively engaged on leasing of land to foreign investors- Ethiopia, Tanzania and Uganda- have been selected as case studies. The entire analysis of these cases is centered on answering whether the practice leads to the social development of local populations as often claimed by proponents or if it rather leads to the detriment and impoverishment of host populations. It is observed throughout this research that to draw sheer conclusions in black and white is not an easy matter. However, the thesis argues that the number of social and environmental challenges that have been taken account of as a result of the ongoing acquisition of large tracts of land in poor countries necessitates a serious political responsibility and accountability which is currently lacking should the business amount to any win win benefits.
Acknowledgement

This work has in one way or the other received important contributions from many different people. I do not however think I will do justice if I try to list down everybody here. As many as you are, and so grateful as I am, I would just like to say Thank You ALL in one go! All of you- my acquaintances and friends- have consistently done such a great job in making me focus on my path and not otherwise.

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<tr>
<td>AGOA</td>
<td>African Growth and Opportunity Act</td>
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<td>ANS</td>
<td>Africa News Service</td>
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<td>ANSA</td>
<td>Association of Nutrition Services Agencies</td>
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<td>CCM</td>
<td>Chama Cha Mapinduzi</td>
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<td>CSA</td>
<td>Central Statistical Agency of Ethiopia</td>
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<td>DLTs</td>
<td>District Land Tribunals</td>
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<td>EPLF</td>
<td>Eritrean People's Liberation Front</td>
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<td>EU</td>
<td>The European Union</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>GOT</td>
<td>Government of Tanzania</td>
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<td>HIV</td>
<td>Human Immunodeficiency Virus</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<td>IFC</td>
<td>International Finance Corporation</td>
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<td>IFIs</td>
<td>International Financial Institutions</td>
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<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
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<td>IIED</td>
<td>International Institute for Environment and Development</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>JBIC</td>
<td>Japan Bank for International Cooperation</td>
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<td>LDPI</td>
<td>Land Deals Politics Initiative</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MRG</td>
<td>Minority Rights Groups International</td>
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<td>NEPAD</td>
<td>The New Partnership for Africa’s Development</td>
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<td>OECD</td>
<td>The Organization for Economic Cooperation and Development</td>
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<td>OI</td>
<td>The Oakland Institute</td>
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<tr>
<td>PRC</td>
<td>The People’s Republic of China</td>
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<td>PSRC</td>
<td>Presidential Parastatal Sector Reform Commission</td>
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<td>RUBADA</td>
<td>The Rufiji Basin Development Authority</td>
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<td>SAPs</td>
<td>Structural Adjustment Programs</td>
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<td>TIC</td>
<td>Tanzania Investment Centre</td>
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<tr>
<td>TPLF</td>
<td>Tigrayan People’s Liberation Front</td>
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<tr>
<td>UMLHUD</td>
<td>Ugandan Ministry of Lands, Housing and Urban Development</td>
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<tr>
<td>UN-FAO</td>
<td>The Food and Agriculture Organization of the United Nations</td>
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<td>UNCTAD</td>
<td>The United Nations Conference on Trade and Development</td>
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<td>WB</td>
<td>The World Bank</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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1. Introduction

The business of large scale land acquisition is not a new phenomenon, but an old practice with rather new features. Big corporations at least since the beginning of the twentieth century had been involved in the cultivation of cereals, cash crops and fruits on overseas lands— in Africa, Asia and Latin America, and elsewhere. While there are certain commonalities as to how the practice is taking place in recent years and the way it did a century or more ago, there also appear to be some differences underlying the practice, such as, among others, the historical context under which it takes place and the scale of the business (The Economist, May 21st 2009). For instance, back in the old days, a significant part of Africa, Asia, Latin America and Central America were under the colonial occupation of European powers, hence infusing a different definition of sovereignty and justice as far as the practice of large scale land acquisitions is considered. Though it was in fact unjust and unacceptable a practice to find American corporations shipping tones of fruit productions from their plantations in central America out for sale to North American and European markets late in the nineteenth century and in the early 1900’s (farmlandgrab.org., 2011); or under the so-called southern Tanganyika groundnut scheme Britain’s attempt in the 1940’s to turn vast tracts of southern Tanzania into peanut plantations (The Economist, May 21st 2009), it nevertheless was viewed from a different vantage point of history and justice, mainly because of the then historical context, that is the fact that colonial forces already held in control much of the world. Nevertheless, while in fact the practice to date remains to be a business driven by profit in one way or the other, an important historical turn that compels us to see the whole practice in a different light has taken place in the second half of the twentieth century, i.e. independence, at least in its conventional understanding, of most colonially held countries from European powers. Hence, perhaps we have to deal with a rather different notion of sovereignty and justice now, and so should be the way the recent trend in commercial land investments worldwide understood.

Over the last decade, vast tracts of land worldwide have been leased by formally independent states to foreign investors for commercial agricultural productions. Studies show that close to 80 million hectares have already been effectively transferred and well over seventy five percent of these happen to be in Sub Saharan Africa where issues of hunger, food insecurity and conflicts over natural resource still loom behind the already fragile agricultural sector
Such an increasingly growing practice of large scale land acquisitions has mainly been triggered especially after 2006 by certain factors which perhaps make this more recent trend rather different from the major driving forces that propelled the old forms of acquisitions under the colonial era discussed above. Rising food prices as a result of food export restrictions by some countries as India and Russia which was by itself propelled by drought and an increasing consumption of food by populations of emerging economies such as China and India; the 2007/08 financial crises that drove Investment banks, pension funds, sovereign wealth funds and even western based universities that among others sought to anchor their capitals on a more stable asset than the more volatile and unstable financial securities that caused the global financial crises; a shift of energy use by European countries from fossil to biofuels, and a goal to shortly curb their fossil fuel consumption thereof, has also contributed much to the drive of a number of European corporations into investing on biofuel productions on overseas lands, mainly in Africa (Cotula, Lorenzo et. al, 2009; GRAIN Report, Oct. 2008; The Oakland Institute, 2009; World Bank Report, Sept. 2010). As a result, countries of the Gulf States, China, India, South Korea, Japan; European companies based in the UK, Germany, Sweden; including US universities such as Harvard, Vanderbilt and many other US colleges through UK based asset management groups, including many other countries and companies have increasingly and extensively invested on farmland in Africa since.

Land in Africa happens to be a very fundamental resource and one that is strongly embedded with the livelihood and identity of people. This resource yet thrives under a continuous and increasing threat of rapid population pressure and desertification. The amount of farmland held by African farmers is constantly dwindling, putting pressure on the land already under use. According to the UN-FAO (2009), about 80 percent of the farms in Sub-Saharan Africa are smaller than two hectares. And this is even more compounded by land conflicts, disease infested and inhospitable areas, and increasingly nowadays holding of large tracts of arable land as conservation areas by governments (IFPRI Policy Brief, April 2009; Cotula, Lorenzo et. al, 2009). Despite these realities, however, the last years have shown that many African governments have resolved to put up to the market vast tracts of their land to foreign investors justifying that the farm sector that is the engine of African development has for centuries been deprived of agro-investment and modern technologies that have the potential to transform African economies. A common claim along with this that governments held to reinforce this
justification is also the belief that most of the lands that are pushed to the market are unused and virgin lands (GRAIN Report, Oct. 2008; World Bank Report, Sept. 2010). Large number of foreign investors and governments, therefore, attracted by this flocked into African farm sector, and out of close to 80 mln hectares of land transfers done so far worldwide, seventy five percent happens to have taken place in sub Saharan Africa alone. And most governments have continued to further facilitate the business by providing long term lease of up to ninety nine years with tax breaks and profit repatriation permits, among others, thrown on.

In a manner that challenges such justifications and policies, local people and communities in a number of countries have openly opposed and demonstrated against the practice from the very outset, which has by itself received significant support from research groups and civil society organizations. Such protests that have basically called on their governments to give a thought to and stop the practice have taken place in many countries throughout the world, most notably protests of the indigenous people in Colombia (c. November 2008), in Kazakhstan (c. Jan. 2010), Cambodian farmers’ protests (c. March 2010) and the Sudanese farmers’ Union (December 2010), to mention some (farmlandgrab.org, 2011). In 2009, a massive public protest in Madagascar against the lease of 1.3 million hectares of land- about a third of the country’s total arable land- to the South Korean company Daewoo logistics led not only to the cancellation of the deal but also to the oust of the government of Marc Ravalomanana (Cotula, Lorenzo et. al , 2009). The demonstration which was at par with similar popular actions in other parts of the globe clearly manifested the extent of public outrage which in this particular case was triggered by the secrecy and illegitimacy of the deal. Yet, reports on the burning down of forests, forcible relocation and displacement of local communities and indigenous peoples due to land acquisitions have become all too common ever since the practice heated up over the last years.

Nevertheless, international organizations such as the World Bank and International Financial Corporation continue to maintain that the practice presents an opportunity that if properly regulated and managed will translate into one of win win benefits to both investors and host populations (World Bank Report, Sept. 2010). Some of the most commonly held arguments are that the investments will contribute to the social development of local communities through creation of jobs to local farmers, building of social infrastructures, technological transfers, etcetera. Prospects in terms of improving the food security issues of both investing
(most notably, the Gulf States) and host countries is also strongly suggested (IFPRI April 2009, p.2).

The author of this thesis, after having gone through a rough analysis of the issues that surround the practice and looking into the business from both dimensions of neoliberalism and neocolonialism got inspired by the conundrum the practice presents and resolved to see if the win win prospects truly have an empirical basis to refute the largely observed and reported negative consequences on local populations. This study is therefore a dive into three separate case studies in Ethiopia, Tanzania and Uganda, from whose investigation the fact of whether the practice of foreign land acquisitions lead to better social developments or negative local consequences will be analyzed. In order to analyze the case studies with a broader framework, a detailed discussion of theories of neoliberalism and neocolonialism will be made at the beginning of this thesis. In an attempt to even more synchronize and provide a more coherent basis to both the discussion of the two theoretical frameworks and the case studies, a particular section will be dedicated to examine the practice of China in its politico-economic involvement in Africa, and this mainly in light of neoliberal and neocolonial practices.

1.1. Relevance and Purpose of the Study

Most of the literatures produced thus far on the growing issue of foreign land acquisitions often tend to present the practice from either neoliberal or neocolonial line of reasoning alone, i.e. the practice has rarely been approached from a sort of mid-field stand. This research is therefore relevant because it attempts to place both frames of reasoning on the same plane and thoroughly discuss the ideas they entertain in regard to the practice, seeking to filter out the substance they both may have in analyzing the practice, in conjunction with what boils down from the in-depth case studies which will eventually help us cross examine the way it has thus far been explained and establish a different way of defining it. Therefore, it is a research based on what may be called a centrist approach.

The purpose of this study is to contribute to our understanding of the practice of foreign land acquisitions by employing an accommodative approach that has so far been rare in fashion. And in this way considers both neoliberal and neocolonial explanations as having a good deal of point to analyze the practice, but with stronger apprehension and conviction that careful
undertaking of multiple case studies in Africa will help to even more understand the way the practice is analyzed.

1.2. Research questions and Aim

The aim of this thesis is to explore whether the practice through creation of a win win business opportunity, as claimed by neoliberal proponents, contributes to the social development of host populations or if it rather brings about negative consequences and disruption of their livelihoods as it is more often presented from a neocolonial tradition. To do so, a multiple case study on three African countries, i.e. Ethiopia, Tanzania and Uganda in light of their respective practice in foreign land acquisitions will be undertaken to answer the following research questions:

1. How foreign buyers have actually contributed in terms of, among others, transfer of technology, creation of job opportunities, and infrastructural development to the host population and whether there are any signs as such?

2. What negative consequences does the practice have on the lives of local people?

Sub questions:

- What truth do the neoliberal and neocolonial justifications made so far hold while weighed against these outcomes?
- What possible lessons does, in light of neoliberalism and neocolonialism, the Chinese practice in Africa generate in a way that can be borrowed to analyze new structures and processes regarding large scale foreign land acquisitions?

1.3. Delimitations

Basically, the practice of large-scale foreign land acquisitions is already a practice that countries and investors from all corners of the world are participating in and still continues to grow in extensity. However, the scope of this thesis is not enough to conduct an in-depth research that can analyze or give explanations about the practice on a worldwide basis. Therefore, it was necessary to conduct a case study- which in this case is a multiple case study with a conviction that such will give the study a delimited or more concrete basis from which
broader analyses and explanations on the practice can be drawn. Single case study method has not been considered because of the fact that drawing a conclusion from a single case on such a broad and extensive issue with multiple lines of explanations rather makes the study thinly footed and overgeneralized. Therefore, the study has been delimited to a multiple case study of the three African countries, i.e. Ethiopia, Tanzania and Uganda that are among the most active participants in the practice and are also selected because the author has a better prior knowledge of these countries than others in the practice.

An attempt to conduct a field work has not been successful because of lack of financial means. The study could have been more interesting, but still reports, articles, journals, news items, documentary videos, and the like that are based on a field research have been used to investigate whether foreign land acquisitions contribute to the social development or to the detriment of local populations of the given countries.

This study would also have been more deconstructive had gender aspects of the practice of land acquisitions been considered. Due to lack of disaggregated data in the reports, journals and articles reviewed, this has not been done. However, since women constitute as a significant contributor – often far more than men- to food production and other farm activities in the agricultural sector of most sub-Saharan African countries, it can fairly be argued that there will be a substantial impact on gender power relations in particular and on the lives of both men and women in general due to the acquisitions. And this becomes apparent when one considers the consequences of burning down forests, exhaustive usage of water sources and mass relocations that this study found out and what this means at least to the lives of women. Similarly, the importance of including accurate statistics on the export of food crops or biofuels by investors from host countries was also well considered at the inception of the study. However, yet due to lack of available data in this respect, this could not be achieved.

Moreover, it is clearly mentioned in the detailed discussion of the country cases that there exist various land rights regimes in the countries- particularly in Uganda and Tanzania- and that district or local level land governance systems at least theoretically have the power to negotiate deals with investors. Nevertheless, even if some cases where investors negotiated land deals with local groups have been mentioned, thorough investigation of how this may influence investors’ interest for particular countries has not been done in this study.
A great number of research groups and advocates have long associated the lease of vast tracts of agricultural land to foreign investors as a sale of whole countries and the fate of future generations. This has not, however, been easily swallowed by many governments, especially in Africa. Since that would have dire political consequences, some countries including the ones under consideration for this study have made undertaking of a field research and independent investigation a risky business. It would not therefore be difficult to imagine how hard earned the available materials and evidences are; even the limited stock of available data on this issue would not have been possible without a significant contribution from under cover field research and journalism, and triangulation of government papers. Moreover, a very scanty amount of information on details of agreements has been made available on government websites.

Also, it would be very important to say that this study could not have been possible without the effort made by the author to make the presentation, discussion and analysis of the practice of foreign land acquisition in a way that followed academic ethics and with value free stance. The author is not a member to any of the ruling or opposition parties of the countries under concern, nor is this study aimed at achieving a certain political cause. It is basically a study undertaken only out of academic enthusiasm and curiosity in fulfillment of Master of Arts (MA) in global studies.
2 Theoretical Framework

2.1. Processes of Globalization and Discourses of Neoliberalism

The process of globalization has been defined from different perspectives and in different ways. Both as a discursive process and as a notion, the history, ontology, extensity and intensity, among others, of globalization are major points of debate by themselves. In fact, global human interaction and interconnectedness is not just a recent phenomenon; rather it stretches back to the history of mankind itself and the way of social organization that prevailed since (Giddens, 1999). Movement of people from place to place mainly due to reasons such as, *inter alia*, imperialist conquests, long distance trade, navigation and natural shocks are evident human experiences that not only served as an impetus of connection between different people, but also equally importantly to the attainment of a form of socio-cultural organization that the world hosts today. In many societies, foot prints of past empires and their impacts on native populations still remain widely intact. For instance, the expansion of the Chinese Han dynasty sometime around 2nd century BC has left its indelible impacts on the socio-cultural configuration of the people of most of South East Asia and its environs, and this is remarkably felt today in the cultures, customs, laws and folkways of these people (Lewis, M. E., 2007). Similarly, the infamous enterprise of slave trade (roughly since the first quarter of the 15th century up until late 19th century) and the large-scale colonial occupations (roughly between the 16th century up to the second half of 20th century, albeit the fact that same old colonialist controls still effectively thrive in several parts of the world) have substantially shaken the time space dynamics of different people across wide swathes of the world and the aftereffect as visible as it is is now plainly felt in the geographies, histories, economies and social dynamics of mainly the native populations in the Americas, Africa, Asia, and elsewhere; in fact also in Europe. Many such examples in attribution to the reasons for the age old interconnectedness strongly embedded in the history of humanity exist, but since its deep discussion renders this theses out of the limit and scope, I now focus on the more recent discourses\(^1\) of globalization.

\(^1\) By discourse, I, throughout the discussions in this work, use the summary of Michel Foucault’s definition of the term by Lara Lessa (2006, pp. 283-298) as, “systems of thoughts composed of ideas, attitudes, courses of action, beliefs and practices that systematically construct the subjects and the worlds of which they speak.”
As many would argue, globalization processes in more recent times have exerted a much greater impact on the politico-economic and socio-cultural landscape of the world (Eriksen, 2007; Giddens, 1998; Scholte, 2005). It could briefly be said that much faster and accelerated flow of people, goods and services, ideas, cultures, technologies, etcetera is a rather newer phenomena that took momentum at least since the industrial revolution times and that these features best explain the discourse on globalization. It was in fact during this period that dramatic changes in modes of transportation and communication occurred, most importantly the advent of steam engine, that immensely modified human activities there on and eventually paved the way for further developments in commerce and communication, not least the disembodiment and reconfiguration of social life across many parts of the world (Ibid.). Along with rapid developments in communication and transportation (such as Air transportation, railway networks, TV set, etcetera) ensued enhanced mobility of people, say for instance, in trade and tourism. This has more recently grown to be further facilitated by the advent of the world wide web (WWW) in the beginning of the 1990s that in a trail blazing manner transformed and hastened the way of interaction, communication and life style of people across significant proportion of the globe. Many here would also allude that, while considering the impacts of globalizing processes in previous eras, the 20th century has more than any other time in the history of mankind brought people of different corners and backgrounds much closer and together across time and space, both physically and virtually (Ibid.). The global reach of influential ideas-now universal- such as democracy to such an extent is mainly due to these major developments in medium of communication, most pivotally the internet. Equally worth noting is the fact that it is during recent times that rapid increase in corporate multi-and trans-national trade and international business in terms of, among others, capital flows and business networks has taken place, mainly helped by the previously mentioned factors. In terms of culture, with its objectionable demerits in fact, it is interesting to find Japanese sushis, Bengali curries, Chinese noodles, African dresses, Latin American dance, not to mention the overwhelming reach of American wranglers and burgers, to have become so diffused in many parts of the world (at least in the major urban areas of middle income and developed countries) to the extent of becoming part and parcel of the lives of these societies. Meeting up with other ways of doing and being does not necessarily require to move oneself to different locations these days, but that the TV screen simply provides that at a touch of a button (Eriksen, 2007).
By the same token, nevertheless, while recognizing the intensity and thickness of these recent globalizing processes, it is also worth noting that yet significant proportion of the world is beyond the reach of these processes in direct contradiction to how it is often portrayed to be (Keohane and Nye, 2000; Scholte, 2005). In a world where more than 1.2 billion people still live in absolute poverty, much of them in rural areas (close to 75 percent only in Sub-Saharan Africa are rural dwellers) with very limited access to basic infrastructures, fundamental necessities such as clean water supply, minimum daily diet\(^2\), electricity, and so on (World Bank 2010), the realization of supposedly globalizing elements such as the internet and television are farfetched dreams. On the economic front, it should also be noted that in many poor economies, participation of corporate transnational companies is very negligible or even zero; such investment activities quite often take place in regions where the capital is already established and where resources are promising (Ibid.). Hence, while accepting the fact that many countries such as in south east Asia recently are increasingly integrating into the global economic system, it still ought to be remembered that whole number of countries mainly those who lack the capital, resource base, politically conducive environment, etc to allow for this activities are plainly left out and marginalized (Perrons, D., 1999). Therefore, it is important to recognize that transnational businesses are often concentrated in already established and selected circuits and not worldwide in their reach. The same applies to global political processes, whereby actions and decisions that have global implications are unevenly concentrated in the hands of few powerful western countries and that such a polarity has rather increasingly become heavily fortified than diffused over the last decades (Appadurai, 1996). Therefore, it is fair to infer from this that impacts of globalization as strongly felt as they are in most parts of the world today are also very much spatially and temporally limited as well.

Neoliberalism in much of its features is part of globalization discourses. Much like in the case of globalization, arriving at a certain definition, however, is no an easy task. As a starter, there

\(^2\)The minimum level of dietary energy requirement is derived from the FAO/WHO/UNU Expert Consultation in 2001, which established energy standards, published in 2004, for different sex and age groups performing sedentary physical activity and with a minimum acceptable body-weight for attained heights.

The average energy requirement is the amount of food energy needed to balance energy expenditure in order to maintain body-weight, body composition and a level of necessary and desirable physical activity consistent with long-term good health. See: [http://www.fao.org/docrep/007/y5686e/y5686e00.htm](http://www.fao.org/docrep/007/y5686e/y5686e00.htm)
come some basic questions that lie at the heart of discussions of neoliberalism. As the term itself implies, neoliberalism somehow sends a sense of the revival of theoretical and ideological discourses of liberal ideas. Then, which discourses of liberalism are on the revival? Is it ideas of classical liberalism that called for increased deregulation and flexibilization of the market and withdrawal of the state from market intervention that basically falls in the tradition of Adam Smith and David Ricardo? Or is it what is called modern liberalism where the state still remains an active actor in the oversight and regulation of the market and even more in the redistribution of wealth? The discussions to follow are more of further queries than answers on this.

As a powerful political and economic agenda, that mainly took momentum in the late 1970’s underpinned by, among others, ideas of economic reform, free trade and market liberalization, neoliberalism has tremendously changed the global politico economic and socio cultural order of the world. While questioning whether we live in a neoliberal world order is a debatable matter, it is but salient to recognize that it to this date remains to be the dominant political and economic discourse in the world (Clarke Simon et.al., 2005). Unlike the more mercantilist policies in the preceding decades, neoliberal policies basically pushed for the prescription that development, economic growth and poverty reduction can only be achieved when countries integrate into the global economic system. This was clearly pronounced by the policies of the United States, Britain and China in the very late 1970’s and throughout the 80’s and since. The impacts registered out of these policies, however, were not one of linear. While, as mentioned earlier, many countries as in South East Asia and Latin America (for e.g. Brazil, Chile, etc..) including western economies have indeed participated actively and registered a substantial boost in their economies - proliferation and spread of transnational corporations across many countries is a good case in point - such policies not only rarely materialized as purported to be, but rather caused immense deterioration in the socio-economic order of many other countries; For e.g. Tanzania and Mexico in the 1990s (Gould, J., 2005; Perrons, D., 1999). Moreover, coupled with the ramifications of Structural Adjustment Programs, the common domain of states in the protection of the welfare and basic social service provision of poor countries has been largely jeopardized by these policies of deregulation and market liberalization and large number of poor people have seen their lives impoverished as a result. The industrial development of several African countries has also endured heavy strain in the consequence (Ibid.).
On the whole, it can hardly be doubted that despite serious questions as in the case of the latest global financial crisis, continued trade protectionist policies by major economies, corporate policy manipulation and exploitation in developing countries, neoliberal ideas still remain to be on the overtone of dominant political discourses and economic prescriptions on the globe.

2.1.1. Win-win Partnership

One strong explanation given by international organizations concerned with the issue of large scale land acquisitions such as the World Bank (WB), Food and Agricultural organization (FAO) and International financial corporation (IFC) is the conviction that the practice well translates into one of enhanced global investment and growth. An old practice that at least dates back to the first decades of the 20th century, commercial land acquisitions have rather grown extensively and in large proportions over the last decade (Braun, J.V. et al., 2009; Cotula, L. et al, 2009; Cotula, L., 2011). Majorly driving the unprecedented scale are historical high food prices caused by rising food demand, production of biofuels, the 2007/08 global financial crises, water scarcity, etcetera that have all rendered major food-importing countries of the Gulf region, Japan, South Korea, China, India and others to immediately look for ways to address local food supplies of their populations. Added to these is export restrictions imposed by countries such as India and Russia due to drought, which then made looking out to potential land markets inevitable options on the part of food importing countries. Important to stress here is also the fact that greenhouse gas emission reduction targets3 set by EU member countries in propelling large scale biofuel productions on overseas lands and the shifting of interest by giant western investment banks and institutions as US universities in a need to anchor their capitals on relatively stable assets as land in Africa than corporate volatile assets have significantly contributed to the massive land investments that transpired to such a scale (Ibid.; Oakland Institute 2011).

3In December 2008, EU leaders agreed on a package to reduce greenhouse gas emissions by 20% by 2020. See: http://www.guardian.co.uk/environment/2008/dec/09/climatechange-energy
On the other side of the picture lie a largely undercapitalized and sluggish agricultural sector which lacks advanced production technologies to sustain the ever growing food demand fuelled by, among others, the rapidly growing population, and the threat of climate change (World Bank Report, 2010). In sub Saharan Africa, for instance, while only a miniscule of farmers use mechanized farming technologies, food production beyond household subsistence consumption remains to be very limited; well more than 80 percent of food in sub Saharan Africa is grown under rain fed agriculture. Commercial agriculture that can create opportunities for large number of people and that can through sustainable surplus production contribute to consumer demand liquidation while also establishing linkages with, say, food processing industries is in dire shortage (Ibid.).

Majorly due to these reasons, private investors, investment banks, hedge funds, pension funds and alike flocked to places where these opportunities are present and not in few cases have also been directly lobbied by governments. A study commissioned by the Organization for Economic Cooperation and Development (OECD 2010) estimated that global private sector investment in agriculture hit $14 billion in 2010 alone. This figure could triple in the next five years according to the OECD. Most notable active participants in the land deals are governments of the Gulf region despite the fact that others such as European countries driven by biofuel targets are also directly involved on an increasing scale. Besides the common media reports on the large participation of Gulf investors in this practice, western based giant corporate funds, governments (as in the case of Saudi Arabia, for instance, in Sudan and Ethiopia), and European companies also have an equally significant stake in the scale of the practice of land acquisitions (GRAIN Briefing, 2008).

International organizations such as the World Bank (WB) and Food and Agricultural Organization (FAO) have so far considered the practice of foreign large scale land acquisitions as an opportunity that can, if properly handled, optimally benefit all actors involved, than one of further exploitation, expropriation and corporate violence on poor local populations as is often held by opponents of the practice. Transparent contracts that can be publicly scrutinized, legally binding social and environmental commitments, consultation with local people throughout all processes, taking consideration of food security concerns in host countries and alike are, according to these organizations, factors that determine the results of the practice and from which any conclusions can be drawn.
Following this logic, International Financial corporation (IFC), member of the WB institutions, is spurring the business on its part by lobbying for and providing loans to companies keen in overseas land investment. Many companies backed by this thrust have already signed deals with a number of African governments and are still seeking out potential land opportunities in the continent. International Food Policy Research Institute (IFPRI) that is currently seriously heeding the practice on its part puts forth a couple of suggestions if the commercial land deals are to result in mutually beneficial outcomes, despite the fact that it strongly condemns the current trend of the practice. Out grower schemes and contract farming that potentially entail much lesser negative impacts on local people’s lives and that even create a much more tangible employment opportunities and technological transfers, instead of long term lease of lands for as long as ninety-nine years, according to IFPRI, are one of the key ways of making a true win-win situation happen (2009). Legally binding rules and regulations and government oversight of implementation, among others, are also suggested towards making the practice a robust and sustainable one (Ibid.).

Much of the win win discourse thus far holds at its heart the good promises: creation of employment opportunities to the locals, development of infrastructures in the vicinities, utilization of resources (water sources, forests and so on) in an environmentally sustainable way, transfer of skills and production technologies, etcetera (Cotula, 2011). While in fact substantive outcomes of the acquisition are yet to be seen⁴, recent developments of many of the deals, however, especially those that have taken place in Sub-Saharan Africa bring in to light another aspect of the practice. For one thing, strong and articulate legal terms and land governance laws rarely exist and are not effective even when they do exist. Letting alone the specifics, cases of inking contracts with not more than memorandum of understanding (MoU) papers has become a common experience in many places (Ibid.). Part of the reason is to do with issues of accountability and transparency, the latter of which is the other aspect in concern here. Many cases abound where details of signed contracts such as the length of the lease, financial details, responsibilities and similar terms are often executed behind closed doors and not publicized, making it hard for locals to get a clear picture as to how to approach the practices of investors. And equally creating an insecure environment for the investors

⁴It is also the concern of this study to illuminate these outcomes in the forthcoming discussions.
filled with local distrust that can fall into jeopardy at any uncertain point in time (Ibid.). Moreover, local people whose lands will be affected are in many cases not consulted about the acquisitions and are largely disenfranchised from all processes that the signatories purport to be partly for the benefit of local communities. Such a priori calls into question the very practicality of the win-win discourse, despite the fact that definite conclusions cannot as such be drawn and this is one of the themes this study aims to delve in to in the forthcoming discussions.

2.2. Discourses of Neocolonialism

Different perspectives exist to explain the discourse of neocolonialism. But perhaps the most common way of explanation emphasizes on the wide range of politico-economic practices and policies that continue to effect the exploitation and domination of not only former colonies but also generally countries with weaker political and economic power without direct control of their territorial integrity and sovereignty (Renner, M., 2004, Sutcliffe, 1999). This, however, does not exclude former colonial powers that still upkeep overseas control of territories. While commonly the notion depicts the continuation of asymmetric and dictating power play of the global north over the south in the exploitation of political and economic resources, equally salient to recognize and what a number of scholars allude is also the socio-cultural and ideological aspect of it. Barely dubious to note the more obvious political twist and economic exploitation- typical, unfair trade arrangements and economic policies and also following from this, manipulation and violation of local laws by the practice of huge transnational corporations in the south- cultural and ideological elements that are inculcated in the hearts and minds of people through western discourses is equally an immense one (Escobar, A., 1995).

2.2.1. Large Scale Foreign Land Acquisitions As a System of Neocolonialism

One of the major ways the practice of large scale land acquisitions continue to be explained is in terms of a neocolonialist trajectory; that is, as a situation where a system of colonialization is literally taking place in a new face. The view of this practice as perpetuating the disenfranchisement and exploitation of poor and powerless people of the south by those with capital and political power has recently grown to be a major explanation in relation to the
commercial land acquisitions that at least since 2006 have dramatically transpired to such historical proportions (Matondi, P. B. et al., 2011 p.10ff). Mass of local people being dislocated from their lands coupled with involuntary resettlement, environmental damage, maneuver of weak local land governance policies and leasing of millions of hectares\(^5\) of land up to ninety-nine years and shipping of food crops out of hunger struck African countries to rich and powerful ones once again fairly reinforces this view (Cotula, L. et al., 2009; Land Deal Politics Initiative 2011).

While in fact notable that almost all of the investors involved in the deals are primarily interested in profit making while at the same time aiming (at least on paper) to feed their populations, equally worth noting and one that clearly leaves the scene as a playground for irresponsible capitalist interests is the involvement of western and Gulf based investment banks, financiers and equity houses such as Sanlam Private Equity, the Saudi Kingdom Zephyr fund, the UK's CDC and sovereign wealth funds whose only aim is to make massive profits by speculating on overseas lands and turning it into some kind of fluid financial asset. This move can hardly bear in mind the livelihood consequences on the local small holding farmers and as such leaves no room for moral justification whatsoever. This typically leads to what is called ‘commodification of food’ and an alarming drive towards controlling the world’s food system by powerful and rich corporate investors and not the actual small holding farmer who toils year in and year out on the farm. Shipping out of food from hunger struck and food insecure populations is nothing but a serious inhuman business there can be and as such comes in direct contravention to the fundamental right to food that people as humans must enjoy (GRAIN, 2010; Friends of the Earth, 2010).

Another element that calls into question the practice is the scale of the acquisitions. Millions of hectares of land up for lease or sale in the very face of rapid population pressure and accelerating desertification makes one skeptical about the legitimacy and sustainability of the business at a time when the lease hold of the local farmer continuously shrinks and does not even exceed 2 hectares (Matondi, P. B. et al. 2011); The UN- FAO says that about 80 percent of the farms in Sub-Saharan Africa are smaller than two hectares (2009). A good case in point

\(^5\) About 80 million hectares of land worldwide up until April 2011, i.e. roughly about the total area of Pakistan (Land Deal Politics Initiative 2011).
here could be the sale of a third of the arable land (c. 1.3 million hectares) in 2009 by the former Madagascan government to South Korean investors (Daewoo), but which incited massive public riot and eventually led both to the oust of the president and cancellation of the deal (FAO, IFAD & IIED 2009). Little surprise for the scale, much alarming to note is the fact that this whole swath of land put forth was a fertile arable land, a basic resource locals die to get hold of. Many in this line of argument, as now has become more common, call the business ‘land grabbing’.

In addition, the tendency of the business in reinforcing dictatorial governments is a matter of serious concern as well. For instance, apart from the already corrupt and opaque practice of leasing the lands for as little as a Dollar per hectare, the practice might also be used by governments as a means of masquerading economic growth numbers by the incorporation of these investments into national accounts (GRAIN 2009; International Rivers 2011).

Many evidences also suggest that local people whose lands are being affected by these acquisitions are often not consulted about the processes and consequences of the deals⁶, apart from stripping them of water sources and forest areas that have long become part and parcel of their livelihood (Matondi, P.B. et al., 2011). By opposing these developments, local communities in many countries today, esp. in Africa and Asia, have continued to take their cases into the streets in what is commonly called ‘food riots’ urging their respective governments and other stakeholder groups that their livelihood is under threat as a result of the practice.

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⁶See detailed discussion in the case studies.
3. Background Research Themes

Drawing from the discursive frameworks of globalization, neoliberalism and neocolonialism, some concepts and practices that in different ways fairly fall within these frameworks and that help shed a background light on the practice of large scale land acquisitions will be discussed in the following sections: food security, development and violence, and Chinese involvement in Africa. These topics are selected only as illustrative themes and because of the author’s apprehension that these concepts and practices will help to further elaborate and practically emphasize on what we mean by neoliberalism and neocolonialism.

3.1. Food Security

At the very heart of the practice of large-scale land acquisitions lie the critical question of food security. In the midst of climate change, ever rising population pressure, roller coaster of food prices, water scarcity and so on, the concern of food security stands out to be among the major drivers of recent developments in land acquisitions. According to the World Food Summit organized in Rome in 1996, food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life (FAO 2001). It has already become a common experience that many countries in the developing world still grapple to feed their populations a proper minimum daily diet. Close to a billion people throughout the world today live in hunger, continuously depending on food handouts or remain trapped with diseases resulting from undernourishment or rather end up dying without receiving any heed whatsoever. Tragically, children and women constitute a very significant proportion among these and are mostly the ones to face the worst consequences of diseases and famines that come along (Ibid.). In due conviction of this fact and also for the sake of enhancement of human development, countries of the world joined together in year 2000, convened by the United Nations, in a need to tackle major development problems of the world through what are called Millenium Development Goals (MDGs), among which the first most importance is given to halve (against 1990 levels) extreme poverty and hunger by 2015. This simply shows the degree of seriousness the issue of hunger commands and at least how much greater international attention has been given to it.
However, despite optimistic intentions (not only in terms of the MDGs but also in most other development interventions at different national and international levels working on the issue) and small improvements (where according to ERS annual report (2010), for instance, the number of food-insecure people in 2010 decreased an estimated 7.5 percent from 2009 levels to 882 million worldwide), several other evidences and the same ERS projections point to a rather deteriorating food security situation over the next 10 years, especially in Sub-Saharan Africa. By the year 2008, for instance, more than a decade after the World Food Summit in Rome, the number of undernourished people has not decreased significantly; about 850 million people, including 170 million children, remain undernourished, according to the United Nations (UN) Food and Agriculture Organization (FAO). Shocks such as drought and desertification still largely continue to plague regions that are already hunger-prone and that have previously faced such shocks; in addition to some areas with an even more extended scale. For instance, the decade-high number of drought struck people - 27 million- who had just fallen at the mercy of international food assistance in the horn of Africa in 2009/10 (IFPRI 2010) is worth noting. Also important to mention is the large-scale drought driven food shortage that has just been witnessed mainly in India and neighboring countries in Asia towards the end of 2010 (Ibid.); equally important to note is also the flooding in Pakistan of late July 2010. Nevertheless, while the reach of the problems of hunger and famine as such covers many countries in the developing world and hence remaining to be at the very center of the political economy of all poor economies, sub-Saharan Africa yet continues to be the hardest hit of such crises. This is a region where well over 70 percent of globally food insecure populations and more than a quarter of chronically hungry people worldwide live (ANSA 2010).

Therefore, it is at such complex a context that the question of food insecurity and the practice of land acquisitions intersect. To put things in perspective, a couple of food insecurity scenarios can be drawn here. On one flank come such countries with large populations and food security concerns as China, South Korea, and India who due to their obvious circumstances are seeking opportunities for the production of food on overseas lands. Not infrequently, millions of people in China and India, for instance, face severe periodic crop failures and food shortages that rendered them nothing but desperate receivers of food assistance, despite the fact that over the last decades these countries have considerably proven to push off the question of food self-sufficiency from their tables (Moyo, D., 2009). Capital
rich, but food-deficit countries of the Gulf and Maghreb region such as Saudi Arabia, United Arab Emirates, Egypt and Libya appear on the other side of the spectrum. Having a very limited potential to produce food crops on their lands, food security almost naturally remains to be a matter of serious national priority for these countries and as a result continue to desperately and permanently hunt opportunities overseas to feed their populations (World Bank 2010; IFPRI 2010). This also certainly casts the question of food security of these countries at the whims of other nations, and of course to the vagaries of market forces as well. While in fact not totally exclusive and entirely different from the aforementioned circumstances, the food security situation of Sub-Saharan African countries presents a largely different picture. Spurred by climate change-subsequently accelerating expansive desertification and frequent droughts in much of the region, ever rising population pressure, lack of basic social facilities that can allow hastened flow of surplus food production, lack of advanced production technologies, an already fragile socio-political climate continuously breeding poverty, corruption, conflict and the like, the issue of food security in the region is an issue that merits serious attention. One study conducted by IFPRI (2006) in 12 sub-Saharan African countries based on diet quantity and diet quality indicators of food insecurity (the share of people consuming insufficient dietary energy, or the prevalence of “food energy deficiency” and the share of households with low diet diversity) found out that the prevalence of food energy deficiency among the study countries on average hit 56.5 percent (ranging from Uganda [37 percent] to Ethiopia [76 percent]), which means that well over half of the population in the area are food insecure. According to FAO, furthermore, the number of undernourished people in sub-Saharan Africa has increased from about 170 million in the period of 1990 to 1992 to over 200 million in the period of 2001 to 2003 alone. Again, ‘Over the past two decades, the number of food emergencies [worldwide] has risen from an average of 15 per year in the 1980s to more than 30 per year since 2000 [and] much of the increase has occurred in Sub-Saharan Africa, where the average number of annual food emergencies has tripled’ (FAO 2006). Recent experience also simply tells that countries such as Chad, Eritrea, Ethiopia and Niger, among others, still continue to feed tens of millions of their populations with emergency food assistance procured from outside, year in and year out. Notwithstanding the reasons mentioned elsewhere that perpetuate the recurrence of the problem, still several other key drivers remain intact: sluggish rural development, low agricultural productivity, government policy disincentives and also the impact of poor health on the agricultural workforce (mainly, HIV/AIDs).
It is therefore under such a cloud that the practice of commercial land acquisitions are extensively taking place, esp. since 2006 with an even more increased scale where more than 70 percent of the deals so far actually happened in Sub-Saharan African countries (GRAIN 2010). And the promises thus far communicated in many of the deals and in fact in the win-win discourse are clear: ensuring food security in both the investing and host countries (in this particular case, quite many promises are made for the sale of proportion of surplus food production in the host economies), introduction of advanced agricultural technologies that can enhance increased food production in the host economies, construction of infrastructures such as roads, health centers and schools in local areas as incentives that can potentially help increase food accessibility and increased productive and vibrant workforce, and so on (Oakland Institute, 2011). On this same tone, however, a couple of questions inevitably arise: will profit-driven investors be willing to sale their produce in the poor countries at a reasonable price, and if any, how much will this translate into increased food security for local populations? How will recent acquisitions be any different from old experiences where in the form of evictions and dislocations the livelihoods of locals rather faced further deterioration, leading to both social and food insecurity? Forthcoming discussions aim to focus on this.

3.2. Development and violence

As a major socio-economic and political discourse, development still remains to be an area of continued academic contestation and extensive scrutiny. While recognizing its dominance as a discourse and influence in today’s world, its very assumptions and explanations are yet subject not only to fierce criticisms, but also the very legitimacy of it by itself is a matter of fundamental inquiry as well. Many also on this tone go to such an extent in arguing that the very foundations and moral nurseries of mainstream development have their roots in the raison d’etre of the colonial projects of the last centuries (For e.g. Escobar, A., 1995). Bearing in mind the gross violence, oppression and exploitation committed by the colonial west for over a century in the name of civilization as the most historical and remarkable one, the discourse of development that mainly took its bureaucratic shape in the post WWII world order is also at the center of a wide ranging criticisms, mainly directed against the
marginalization and oppression, among others, of poor local people that development in its good name produced (Crush, J., 1995). In fact, there are multiple of good reasons to maintain that the practice of planned development has hardly been a clean business.

Leaving alone the more physical and obvious colonial exploitation and control of the older era, development as a dominant discourse since at least the 1960’s has similarly had a direct link with the disenfranchisement and marginalization of poor people of the global south. One such point is the fact that development since its introduction as a major global discourse and bureaucratic motif, mainly modernization theory, has all too often capitalized and specialized on social progress solely in a unilateral direction, i.e. economic growth, technological advancement, industrialization, etc. as a prime *sine qua non* of human betterment. This has nothing but been in an outright neglect of the existence of other ways of being and doing, and an attempt to prescribe, define and appear to be a care taker for people’s lives in a one-size fits for all fashion. As such, through the continuous construction of its discourse, development posits itself as the sole knowledge system and frame of reference and, by so doing establishes deliberate need creation and image formation which totally perceives the ‘other’ as though a subject to be guided and monitored (Escobar, A., 1995; Crush, J., 1995; Li, T. M., 2007).

In direct link with this are the Structural Adjustment Programs (SAPs) of the 1970s whereby prescriptions of market deregulation, flexibilization and privatization have similarly been pushed to be remedies for poverty and bring economic growth and human development in the poorest of countries. And only to eventually cause a rather more socio-economic deterioration in many places they are applied and be called into question later on as inappropriate anachronisms (Perrons, D., 1999). Many would argue that such comes as a result of the older ‘civilizational’ perception of looking at all kinds of social conditions through the same lens and out of ignorance of particular socio cultural and politico economic contexts of different societies.

Another point, moreover, that ought to be discussed as far as the violent nature of development is to also see how the practice of development has all too often been
implemented with direct physical violence on poor people. John Perkins (2004) provides a very good account of how the west (particularly the US) has for long been extensively looting, exploiting and killing the people of poor countries in the name of development, at least over the last 50 or so years.

According to Perkins, this has particularly been done by deploying ‘economic hit men’ (economic recruits) on behalf of multinational corporations to falsely convince, bully or even blackmail government officials of poor countries in order to fix so-called development projects—such as in the energy and communication sector—by overestimation of their cost, and soon to be taken over by American companies. The underlining intention is to amass billions of dollars beyond what projects actually require and also to handcuff these poor countries with heavy debts of the International Financial Institutions (IFIs), the effect of which bears generational consequences. At times when officials tend to refuse, what are called the ‘jackals’ (i.e. CIA assassins) would be deployed to execute killings just as in the case of El Salvador, Chile, Ecuador, etcetera. If the resort to the ‘jackals’ is not otherwise working out, then an all-out waging of war as in the case of Panama would ensue. The fundamental point Perkins makes is that, through continuous modus operandi of exploitation, oppression and violence of such sorts, the United States has throughout the years been toiling to embroil poor people into a vicious circle of poverty and misery (Perkins, J., 2004).

Additional point that ought to be mentioned as far as violence in the practice of development concerned is the oft-criticized notion of participation. It is very important to note the fact that the notion of local participation has hardly existed in the vocabularies of development at the very inception of the discourse, albeit later on-in the 1990s-infused to heal mainstream development and bring about so-called broad based and grass roots development. Development has often been a rather top-down vertical exercise than one that is down to earth, empirically engaging and inclusive (Tucker, V., 1999; Bodley, J., 1998). From the start, the problematic notion of trickle-down process has not only reserved the practical maneuver of development in the hands of bureaucrats, but the profits that should purportedly have come down also in most cases floated on the power planes of the already powerful. While it is in fact important to recognize the usefulness of the coming into fora of the approach of local participation in actually trying to benefit and render local people have a say
over their lives, it has also often been argued that the fruits of such an approach have hardly been reaped by local people. More often, the practice of participatory development if it has not merely remained in the corridors of development organizations has commonly shown its tendency to become hijacked by an elitist research approach. This, nothing but clogging resources that could easily be channeled so that there would be a much more open interface between development interventions and local communities who should decide about and if need be benefit from it (Ibid.). Only to eventually maintain the distance that already exists between the rhetoric of development and its so-called beneficiaries. Rather worse is its effect in widening the gap between those with power and the powerless in local communities because of the fact that where the so-called people centered development is applied, it is implemented in such a way that only those already with voice and influence will exercise their power and be engaged, letting behind the men and women of disadvantaged social positions (Cooke, B. & Kothari, U., 2001). Therefore, even though an easier said than done and challenging a process by its nature, participatory development, if it has to be fruitful and beneficial for locals as it claims, needs to venture into the realm of practice by putting the voices, concerns and experiences of local people from all stratum at the center of its focus.

Not simply to cling on some kind of conspiracy theories, the discussion above rather presents very important lessons not only for analyzing large scale land acquisitions, but also to understand the background logic of all other businesses and development interventions that take place in poor countries. And in fact this compels us to seriously question the very legitimacy of the practice of land acquisitions with a new light and more deeply and squarely: How do we make sure that such similar violence and neglect of local people will not surface on this practice, and how are, if any, the loopholes dealt with and justified? And above all what possibilities that allow for the inclusion, engagement and representation rather than exploitation and disenfranchisement of local people exist in this whole deal? The forthcoming discussions try to inquire into this.

3.3. **Illustration: Chinese involvement in Africa**
China, with all the debates in concern, is another power that has extensively and aggressively involved itself in the political economy of African nations. The following discussion briefly focuses on the involvement of China in Africa, particularly from the perspective of neoliberalism and neocolonialism. I will look at the Chinese case here as an example mainly because of an interest to explore into the oft-held argument that China abuses the neoliberal economic arrangements as a stage or as an opportunity to exercise its neocolonial economic interests. The strength of this argument perhaps emanates from the fact that China as an increasingly rising power is not burdened by a colonial heritage when it comes to its relations with African countries and the resulting catalytic function this plays out in its current purely economic (neoliberal) and political (neocolonial) practices.

The political and economic history of Africa for much of the past centuries has nothing but been an appalling, complex and tragic experience for all who heed it; and yet while the development of the continent as such remains to be a challenging puzzle and is still mired in the worst socio-economic and political miseries there can be, rather more challenges have continued to emerge. A vast continent, culturally diverse and above all endowed with numerous mineral resources, Africa, instead of utilizing these resources for its own betterment, rather ended up subject to, among others, the worst colonialist violence, protracted tribal conflict and continuous political scandal that is perhaps incomparable to other regions. Important and worth noting is in fact the seeds sown deep by the west during its more apparent and physical colonial presence for over a century in the continent. As is strongly supported by many evidences, it is known that western colonial powers during this period have in a literal fashion of daylight robbery shipped out massive amount of resources and profits out of the continent, not to mention the century long oppression, violence, divisive practices and cultural destruction that among others majorly tribute to the manifold problems the continent is currently infested in (Mattavous, B. V. 1985) . Many on the same tone also argue that postcolonial period has not seen former colonial practices coming into halt, but that practices of dictation and exploitation have rather continued in a different version. It is suggested that a number of political and economic arrangements currently at work such as in the case of NEEPAD and AGOA are in one way or the other mechanisms of maintaining
western geo-political and economic interests\textsuperscript{7}, not to mention, for instance, the huge aid industry that continues to be at the center of such a debate, CSO’s (Civil Society Organizations) so-called double edge political practices and of course even the light credibility of continental organizations such as the AU, whose resource base is majorly western (Hairong, Y. & Stautman, B. 2007; Moyo, D. 2009). It is also very important to make note of such wider despite more global trade arrangements as the ones recognized by WTO, and also bilateral arrangements, to have somehow put African countries at the receiving end of practices and reinforced exploitative trade relationships as well, for e.g. the commonplace practice of trade protectionism that is killing small-scale African businesses. Notwithstanding these as only a few of the many instances whereby such a relationship continues to function, there are also more recent and newer developments on the scene. And this is where the Sino-African relations becomes a good case in point.

While in fact relations between China and African nations have existed for centuries, the last twenty years or so have, however, seen a tremendous increase in the areas and intensity of these relationships (Hairong, Y. & Stautman, B. 2007). Over these few decades, China has grown to be a major economic partner to many African nations surpassing most other western nations, perhaps only next to United States (Ibid.). Many would argue that the highly celebrated Chinese economic performance in the last decades presents a very good learning experience for African countries, and in strengthening the relationships as well. The work areas that were initially limited to diplomatic and minor trade have expansively continued to include most other areas that are believed to contribute to the development of the countries, such as, among others, infrastructural development, oil exploration and refinery, mining, communications, education, health, banking, and even aid, and more recently into the Agricultural sector. It is also argued that the Sino-African relations, most pivotally the Chinese economic success itself, has also brought onto the global scene a considerable paradigm shift in development thinking by providing an alternative route of development and poverty reduction for many poor countries that have for long been receiving roadmaps and

\textsuperscript{7}Hairong, Y. & Stautman, B. ,for instance, hold that ‘The U. S. African Growth and Opportunity Act (AGOA) of 2000 provides that states may receive trade preferences if they marketize, liberalize, privatize, desubsidize, deregulate, and do not undermine U. S. foreign policy interests…[And] since 2001, neoliberal principles also have been embodied in the New Partnership for African Development (NEPAD)…But there is no doubt that NEPAD is mostly identified with western interests. U.S. firms in Africa act as a link between AGOA and NEPAD, and EU endorsements of NEPAD link it to the Cotonou Agreement’ (PP. 82ff).
conditionalities from the west and that hardly worked out (Moyo, D. 2009). Today, Africa hosts thousands of Chinese companies most of them involved in the aforementioned areas, and due to this there has been registered, among others, an unprecedented increase in fundamental infrastructural development- esp. in road and communication sector (for e.g. Ethiopia, Tanzania and Nigeria)- and mobilization of local man power. Notwithstanding this, nevertheless, equally noteworthy is the fact that China’s involvement in the continent also thrives with huge costs on African nations (The Telegraph 2007; Asia Times Online 2006).

At times, portrayal of Chinese operation in Africa in terms of neo-colonialism does not pass without a point. While in fact it can aptly be considered that African countries benefit from their partnership with China in terms of, say, the development of local natural resources that otherwise could remain untapped, transfer of technology, foreign direct investment (FDI), creation of job opportunities, its importance as a major destination for African export commodities, etcetera, such a relationship has in many ways equally proven to jeopardize the socio-economic and political sustainability of African countries as well (Ibid.). Most fundamentally, the fact that both Chinese companies and the government of Peoples Republic of China (PRC) on many occasions have not spared to dare to work with the most extreme dictators and brutal governments such as Zimbabwe and Sudan is nothing but rather exasperating the conditions of an already suffering people in those countries and endorsement of these governments. In this respect, it can, for instance, be alluded that the Chinese have not only been closely working but even supporting President AL-Bashir when one of the worst human atrocities was being inflicted on the people of Darfur region in the years between 2003 and 2006 (Taylor, I., 2007; International Crises Group, 2007). Some have suggested that such a business of supporting dictators in terms of billions of dollars and military armament is a same old continuous practice by the west, in an attempt to give vent to comparative Chinese excuse. For many, however, such a perception basically underwrites the very conviction that Africans should be able to get hold of matters in their own hands (Moyo, D. 2009). Added to this is also the oft-cited problem of corrupt practices being further fuelled by Chinese businesses; unlawful outbidding and bribing of officials to win projects has already become a common practice (Berger, S., & Moore, M., 2009). In line with this, most of the concessional loans that China offers to African countries have in most cases proven to be a sort of preliminary signal that Chinese companies will most likely take over projects that soon will come afloat. Such an offer nevertheless is by far different from the so-called tied-aid whereby
western countries make donations to countries, in return with a stricter demand and commitment to be fulfilled geopolitically or economically by these countries (Hairong, Y. & Stautman, B. 2007). Yet, this does in no way mean that Sino-African relation thrives ‘with no strings attached’.

Looking closer into the practice of Chinese businesses in the continent, a more interesting picture comes out. The first thing is that in many African countries today, Chinese businesses do not only operate in those sectors and areas that they as foreign investors are legally permitted to do, but have even dived into businesses that are only limited to citizens. It is not uncommon these days to find Chinese nationals peddling and hawking such commodities as cigarettes and gums, working as watch smiths, doing electronic repairs, and the like in the streets and villages of some African cities (For e.g. Addis Ababa, Lusaka, etc.). Moreover, Chinese companies continue to import thousands of Chinese laborers for projects and businesses where they are by law required to hire citizens. A recent study shows that over a million Chinese live or work in Africa today, a picture which is drastically different from the number of Chinese just before the turn of the millennium, and in a way not proportional even to the scale and extent of Chinese businesses (The Guardian, Feb. 2011). Even more, due to the latest and more aggressive involvement in the agricultural sector, yet again over a million Chinese farmers are to arrive in the continent (Farmlandgrab.org, 2010), where the influx has already started. This makes one seriously wonder about where the relationship is going.

Furthermore, Chinese companies in Africa are also associated with abuse of local labor and disproportionate wages to employees. In a continent where strong laws and trade unions are almost absent, instances of miserable working conditions and sheer recklessness towards local citizens is a matter that has become so rife in practice (Hairong, Y. & Stautman, B. 2007; Moyo, D. 2009). Studies are showing that instances of violent beatings and killing of local laborers in blunt fashion of slavery has become very frequent. For instance, late the year 2010, at the Collum Coal Mine in Sinazongwe district in Zambia, eleven miners have been shot by the Chinese management only for presenting their grievances against the poor working conditions prevalent on the site (Lusaka Times, Oct. 2010). Such has these days become a matter of business as usual in many places, particularly in oil refineries and mining areas, letting alone poor sanitary conditions that not infrequently are leading to the outbreak of diseases, and of course the reckless pollution of the atmosphere, threatening biodiversity
and water resources all along with it. All these practices compel us to critically examine the very nature, extent and sustainability of Chinese involvement in Africa, and even ask how neocolonial its presence is transpiring into.

Having said that, nevertheless, it is also important to note that such practices that take place under the guise of neoliberal policies, i.e. free trade and economic integration, are not only peculiar to China alone. India is, for instance, another country that is similarly gaining a growing presence in the continent, yet through trade and investment activities. On the economic front, for instance, India’s trade with Africa (excluding oil) has increased from $914 million in 1991 to between $25 billion and $30 billion in 2008 (Cheru, F. & Obi, C., 2011). India’s trade with Africa expanded by 500 per cent, from $5.2 billion in 2003 to an estimated $26 billion in 2008 (Ibid.). The most recent statistics for 2009 indicate that India’s trade with Africa has grown to an estimated ‘US$39 billion, compared to China–Africa trade of US$109 billion’, showing a continuous growth in Indo-African trade, but also indicating the gap between India and China’s trade with Africa (Ibid.). While the central purpose of discussing the practice of China in Africa here is mainly to emphasize and problematize how neoliberal approaches open up and can be exploited for neocolonial interests, it should nevertheless be noted that such is not only a case for China alone and that other powerful countries such as India are also increasingly on the same scene and should receive no less treatment and scrutiny. Due to limitations on the scope of this study, however, they are not part of any detailed discussion in this study.
4. Methodology

This chapter discusses the research methodology used to conduct this study. A qualitative study, i.e. a multiple study of the three cases –Ethiopia, Tanzania and Uganda– is undertaken to collect data and analyze the practices, policies and issues related to foreign land acquisitions, and by way of this to find out whether the practice leads to a win win situation or rather works to the detriment of the lives of local populations in the given countries. An in-depth research into the three separate cases is first conducted before moving on to interpretation and analyses of them.

4.1. A Case Study Design

Basically, the common feature of a case study approach is the researcher’s ability to go in-depth at one specific theme (Torrance 2005, p.33). According to Torrance, “a case study seeks to engage with and report the complexity of social activity in order to represent the meanings that individual social actors bring to those settings and manufacture in them”. In addition, “the scientific benefit of the case study method lies in its ability to open the way for discoveries. It can easily serve as the breeding ground for insights and even hypotheses that may be pursued in subsequent studies” (Berg 2009, p.330). A further advantage of the use of a case study is the potential of applying it to other studies or – at least to understand them better:

> There is clearly a scientific value to gain from investigating some single category of individual, group or event simply to gain an understanding of that individual, group, or event. When case studies are properly undertaken, they should not only fit the specific individual, group, or event studied but also generally provide understanding about similar individuals, groups, and events. (Ibid.)

The case study method, on the other hand, is also criticized for being somewhat of a ‘weak sister’ of social science methods (Swanson & Holton 2005 in Berg 2009, p.137). Flyvbjerg (2001, p.66) maintains that this is because of some misunderstandings about the nature of the case study as a research method. There are among others two important misunderstandings which situate the case study method in a ‘weak’ position in the eyes of some scholars. One is that “general, theoretical (context-independent) knowledge is more valuable than concrete,
practical (context-dependent) knowledge”, and the other one is that “one cannot generalize on the basis of an individual case; therefore, the case study cannot contribute to scientific development” (Ibid., p.66). I would however argue that these misunderstandings derive from looking at case studies from a wrong epistemological vantage point. It is important to take into consideration that “case studies can provide a kind of deep understanding of phenomenon, events, people, or organizations” (Berg 2009, p.319), and therefore generate a more multi layered and nuanced analysis. In this sense, case studies would not produce generalizable results for populations or universes such as “statistical generalizations” but it would produce contextual and analytical generalizations (Uhlin 1995 in Bedford 2009, p.60) through providing a full and purposeful account of the context, participants and research design so that the reader can determine if the work is transferable to their context” (Jensen 2008, p.886). Case studies are not inimical to but can also provide theoretical and conceptual generalizations (Yin 1994, p. 30f and Snow &Trom 2004, p.166).

This study employs a case study method for the three separate cases primarily in order to ‘provide a deeper understanding’ of and ‘report the complexity of issues’ that underlie the practice of foreign land acquisitions. For a better understanding and presentation of the cases, the information that is generated through the case studies are categorized in terms of policies, issues and underlining practices in land acquisitions. The three country cases, i.e. Ethiopia, Tanzania and Uganda are chosen for two main reasons: The most important one is that these countries stand out to be among the most actively involved ones in the growing practice of large-scale foreign land acquisitions in the continent and have already leased vast tracts of land to foreign investors over the last few years and yet have put up millions of hectares of land to the market⁸. The second reason is due to the fact that different land ownership regimes happen to be at work in the three countries. A third reason that can be mentioned here and considered least important among the rest in selection of the cases is the author’s prior better understanding and knowledge about these countries.

4.2. Multiple case studies

⁸ According to a World Bank report released in 2011, the Population density (people per sq. km) of Uganda, Tanzania and Ethiopia was last reported in 2010 at 171.47, 50.85 and 84.98 respectively (Trading Economics, October 2011).
Basically, a multiple case study occurs whenever the number of cases examined exceeds one (Bryman, A., 2004). A number of writers in recent years have argued for a greater use of case study research that entails the investigation of more than one case (ibid.). The main argument in favor of the multiple-case study is that it improves theory building. By studying multiple cases, Bryman argues that ‘the researcher is in a better position to establish the circumstances in which a theory will or will not hold’ (Yin 1984; Eisenhardt 1989 cited in Bryman 2004). The three country cases of this study- Ethiopia, Tanzania and Uganda- are selected on this very basis; i.e. with the prediction that undertaking of multiple in-depth case studies on the practice of large-scale land acquisitions would help to broadly explain existing processes and outcomes of the practice.

Moreover, multiple case studies follow a replication logic (Yin 1994). According to Yin, ‘multiple cases strengthen the results by replicating the pattern-matching, thus increasing confidence in the robustness of the theory’ (Ibid.). Attempt has therefore been made in this study to establish similar structures while investigating the three cases such as a parallel look into government policies, existing land issues and practices in relation to large-scale foreign land acquisitions. In order to enhance the replicability of the cases, selection of the three countries from a restricted geographical area has been made after initial scanning of the available information, i.e. with a promising supply of information.

4.3. Data collection

The information required for this study is collected through one data gathering technique: Document analysis. Therefore, this study mainly collects relevant data by using books, articles, journals, reports, policy papers, video files, news items and similar materials so as to get as much in-depth data as possible. With these sources, it is highly expected that adequate amount of periodic assessment reports and statistics, among others, will be obtained in a way that help this study fetch the necessary information and deeply look in to the country cases vis-à-vis the practice of foreign land acquisitions.

4.3.1. Document analysis
When it comes to undertaking case studies, “the most commonly employed research methods are interviews, documentary analysis and observation, with the balance between them being largely determined by the resources available and the disciplinary and professional tradition in which the case study is being conducted” (Stark & Torrance 2005, p.34). As a method of data collection, document analysis has many benefits: first, it “enables a researcher to obtain the language and words of participants”; second, it represents “an unobtrusive source of information” since the information is made available anytime; the third factor is of relevance since the document collection “represents data which are thoughtful in that participants have given attention to compiling them”; fourth and last, “as written evidence, it saves a researcher the time and expense of transcribing” (Creswell 2009, p.180).

Nevertheless, using documents as a tool for analysis may also highlight some limitations: firstly, “not all people are equally articulate and perceptive”, which is why a broad mix of sources here is selected; secondly, there may exist some “protected information unavailable to public”, which is actually a problem encountered in the three country cases of this study and that is why this study mad an attempt to generate data from various sources, including under cover research and reports by activists; thirdly, “materials may be incomplete”; fourth and lastly, “the documents may not be authentic or accurate”, even though the sources used in the analysis of this study have been double-checked (Ibid.).

4.4. Validity, Reliability and Generalizability of the study

To be able to evaluate this qualitative research and check for its scientific requirements, it is necessary to take in to analysis some criteria like validity, reliability and generalizability which are very important elements of any research. The development of this research has, therefore, received substantial guidance from these criteria.

In qualitative research, validity means that the researcher checks for the accuracy of the findings by employing certain procedures (Creswell 2009). Or according to Bailey, validity refers to studying and measuring what was intended to be studied and measured (2007, p.179). By anchoring my findings on several sources of data such as, among others, reports by governments, international organizations, activists, scholarly analyses and triangulation of information generated through different sources against similar practices and illustrative cases
such as Chinese practice in Africa, the issue of internal validity is hoped to be addressed within this study.

The issue of reliability concerns whether the researcher’s approach is consistent across different researchers and different projects (Creswell 2009). More to the point, the reliability of the study is concerned with the question of ending up at the same research conclusions if someone else would repeat the same research with the same tools (Yin 2009, p.45). Attempt has, therefore, been made to avoid biased information both on part of the author and in reviewing documents, and hence to maintain a value free stance in a way that makes it possible for others to repeat the study in the future.

Generalizability is another important research parameter which emphasizes concern on whether it is possible to apply research results on other contexts on the basis of a particular case study. It is important to make note of that the issue of large scale foreign land acquisitions is a highly sensitive political issue at the moment, at least in Africa. Because of this, a limited amount of research has been conducted under conducive research environment, i.e. where researchers gained the recognition and consent of governments. Therefore, much of the publications produced on the issue come from human right groups, activists, investigative journalists and similar think tanks whose primary interest appears to be exposing the practice than problematizing it following research procedures even though it is also fair and important to say that a great deal of substantive content has been acquired from these sources; yet a limited amount of publications that received government cooperation and initiative have also been produced by host governments and international organizations and are also used for this study. Therefore, in an attempt to make the findings of this study as generalizable as possible, double checking and cross examining of the sources based on this apprehension is done.
5. Case Studies

This section looks into the three case studies of the research: land acquisitions in Uganda, Tanzania and Ethiopia. These countries are selected for the study because of the fact that they stand out to be among those countries who are actively participating in the commercial land investment deals over the last years, and more clearly because they are hosts to foreign investors who have bought up/leased large tracts of land in these countries. The cases will be separately studied and such fundamental points as government policy on land, major land issues in the countries and recent practices in relation to foreign investment in land will be particularly investigated in all cases so as to be able to answer the research questions and arrive at the final analyses. It is also believed that the discussion of the cases, especially in relation to the practice of land acquisitions, will be looked at from the vantage point of neoliberalism and neocolonialism.

5.1. Case 1: Foreign Land Acquisitions in Uganda

5.1.1. Overall Introduction of Uganda

The republic of Uganda is a country located in East Africa, bordered by Kenya on the East, Sudan on the North, Democratic Republic of Congo (DRC) on the west, Rwanda on South west and Tanzania on the South. It is a land locked country whose land area is about 241,038 sq.km, out of which 197,100 sq.km and 43,938 sq.km respectively comprise its land and water area (CIA World Factbook 2011). The population of Uganda, that currently grows by about 3.5 percent every year, is estimated to be 34,612,250 as of July 2011 estimates (Ibid.; UNdata 2011). The country is home to many ethnically and linguistically diverse populations, whose diversity is among others indicated by the fact that around forty different languages are currently in use (CIA World Factbook 2011). In spite of this, however, English, Luganda and Swahili stand out to be the three largely spoken languages in the country, whereby English is the official language of the nation (Ibid.). Moreover, Uganda is endowed with many natural resources, such as fertile soil, regular rainfall and also mineral deposits of copper, cobalt, gold and others; again, the many rivers and lakes that flow in the country have also made Uganda one of a handful of countries in sub-Saharan Africa rich in water resource and the development prospect this endowment promises (World Bank 2011). Recently, the country
has also discovered oil in the western parts of the country where refinery and production is yet to begin in the coming years (IOL News, Oct 2006; The Sunday Times, Jan 2009). Yet, agriculture continues to be the backbone of the country’s economy employing more than 80 percent of the work force whilst coffee constitutes the lion’s share of export earnings. Even if significant improvement has been made over the last decade (For e.g. finance, communications and the health sector), well more than 35 percent of the population is still mired in abject poverty (World Bank 2011).

When it comes to government and political conditions, albeit contentious, as compared to previous governments of Milton Obote and Idi Amin, who ruled the country since the British colonial regime ended in 1962, the current Museveni administration is applauded to be by far much better in terms of good governance, political space and human rights (World Bank 2011; BBC Country profile 2011). But still, on similar records, the incumbent is also oftentimes called into question, among others, for wide spread nepotism, oppression of the press, persecution of opposition parties, tampering with the constitution to stay long in power, inefficiency to control the violence and terror that has to do with the guerillas of Lords Resistance Army (LRA) in the north and also over Uganda’s involvement in the DRC for rather exacerbating the situation there (Ibid.).

5.1.2. Government Policy on Land

In Uganda, Land tenure systems are crucial aspects of social, political and economic structures. They are multi-dimensional, bringing into play social, technical, economic, institutional, legal and political aspects that are often ignored but must be taken into account. Land tenure relationships could be defined and enforced properly in formal courts of law or through customary structures in a community (US AID Land tenure and property rights portal 2011).

Uganda is relatively a vast country with a huge amount of arable land\footnote{Uganda’s total arable land is estimated to be 5,500,000 hectares (Trading Economics, October 2011).}. Uganda’s land to a larger extent is fertile and very good for commercial agriculture and industrialization. Land in
Uganda is in various tenure systems under which citizens and foreigners can access it, own and utilize it.

The 1975 Land Reform Decree sought to improve upon tenurial arrangements for land. The Decree substantially changed the legal basis of land tenure in Uganda by declaring all land in Uganda as public land administered by the Uganda Land Commission. Freehold and mailo lands were converted into leases of 99 and 199 years for individual and public/religious bodies, respectively. The provision which required consent of the customary tenant before grant of freehold (or lease) on public land was abolished (Ibid.)

Therefore the 1995 Constitution sought to introduce a better land tenure system for Uganda. After prolonged debate by the Constituent Assembly (CA), it was resolved that the four tenure systems that existed before the Land Reform Decree 1975 be recognized once again (Uganda Ministry of Lands, Housing & Urban Development [UMLHUD], 2011).

The following are the land tenure systems as enshrined in the 1995 Ugandan constitution according to Ministry of Lands, Housing & Urban Development (2011) and US AID Land tenure and property rights portal (2011):

| 1. Mailo Land system          |
| 2. Leasehold system           |
| 3. Freehold system            |
| 4. Customary land system      |

1. Mailo Land system:

Land held under mailo tenure system is mainly found in the kingdom of Buganda (Central region) and some parts of Western Uganda. The system confers freehold granted by the colonial government in exchange for political co-operation under the 1900 Buganda Agreement. Essentially feudal in character, the mailo tenure system recognizes occupancy by tenants (locally known as bibanja holders), whose relationship with their overlords is governed and guided by the provisions of the 1998 Land Act. Mailo land, like freehold is registered under the Registration of Titles Act. All transactions must therefore be entered in a register guaranteed by the state. Under this tenure, the holder of a mailo land title has
absolute ownership of that land. One only loses such ownership when such land is needed for national interests but still amicable compensations have to be done for a peaceful relocation.

2. Leasehold-system:
This is a system of owning land for a particular period of time. In Uganda, one can get a lease from an individual, local authority or government for a period usually 49 or 99 years with agreed terms and conditions. The leasehold transactions, being essentially contractual allow parties to define the terms and conditions of access in such a manner that suits their reciprocal land use needs. A grant of land would be made by the owner of freehold, customary or Mailo or by the Crown or Uganda Land Commission to another person for an agreed period of time. The grantee of a lease for an agreed time is entitled to a certificate of title.

3. Freehold-Land Tenure:
It’s a system of owning land in perpetuity and was set up by agreement between the Kingdoms and the British Government. Grants of land in freehold were made by the Crown and later by the Uganda Land Commission. The grantee of land in freehold was and is entitled to a certificate of title. Most of this land was issued to church missionaries and academic Institutions and some individuals. Freehold is the premier mode of private land ownership under English law. The Land Act recognizes it as one of the four regimes through which access to land rights may be obtained. Its incidents are defined to include registration of title in perpetuity and conferment of full powers of ownership that is the power of use, abuse and disposition. Transactions involving freehold land are governed by the Registration of Titles Act. Very little land is held under freehold tenure in Uganda.

4. Customary Land:
Under customary tenure, land is communally owned by a particular group of people in a particular area. Its utilization is usually controlled by elders, clan heads or a group in its own well-defined administrative structures. In Uganda, this land tenure is usually in the north, eastern, north east, North West and some parts of western Uganda. Over 70% of land in Uganda is held under customary tenure system. In such cases, people own their land, have their rights to it, but don't have land titles. Some tenants on such land allocate specific areas to themselves with known and defined boundaries usually marked by ridges, trenches, trees etc.

The Constitution (1995, amended in 2005) vests land in the citizens of Uganda: “Every person has a right to own property either individually or in association with others” (Section
Some scholars and advocates have argued that the principle of public trust applies to all national resources and public land. Under the public trust doctrine, the government has an obligation to manage national lands and resources in a manner that does not prejudice the interests of all Ugandans (Tumushabe 2003).

The Land Act (1998) recognizes the four historic forms of land tenure in Uganda (customary, leasehold, freehold, and mailo); grants all lawful and *bona fide* occupiers property rights; decentralizes land administration; and establishes land tribunals (The National Land Policy, 2009).

In 2007, the government prepared a Land (Amendment) Bill designed to curb rampant, often forced, land evictions of occupiers lacking full ownership rights especially problematic in urban/peri-urban areas. (US AID Land tenure and property rights portal, 2011). The Land (Amendment) Bill enhances the security of *bona fide* and lawful occupants. Under the proposed bill, a person claiming an interest in land held under customary tenure can only be evicted by a court order; and tenants on registered land can only be evicted for non-payment of rent. The Bill has generated strong opposition from landlords, some parliamentarians, the Buganda, Acholi and other ethnic groups, bankers, many churches, NGOs, and citizens who argue that it will weaken property rights and jeopardize the ability of landowner to use lands as collateral for loans. The bill was passed in November 2009.

According to US Aid and UMLHUD documents, most rural people in Uganda have security in their land through customary tenure. All citizens owning land under customary tenure may acquire certificates of ownership, and all customary land may be converted to freehold land by registration. More than 90% of land owners would like to receive a certificate of customary ownership, but few have been issued such certificates (US AID Land tenure and property rights portal, 2011). Only 15%–20% of the land in Uganda is registered. According to US AID Land tenure and property rights portal, there are 13 steps to registering property which take 227 days to complete and cost several million Uganda Shillings (Ush). Most unregistered land is undocumented customary land. The majority of poor people do not hold granted rights of occupancy, often because they lack the knowledge, capacity, and resources needed to navigate the application process and meet the title conditions. Unregistered land is vulnerable to expropriation by the government and grabbing by political and economic elites—an increasingly common occurrence (Ibid., Uganda country profile, pp.5).
5.1.3. Land Issues in Uganda

As a fundamental natural resource, land happens to be a very sensitive social, cultural, political, economic, and even psychological issue and one that is strongly tied to the livelihood of people. While in fact the importance people attribute to land greatly varies across societies, it can nevertheless be said that land takes the center stage of almost all human activities in Sub-Saharan Africa—especially the rural part of it—where Uganda stands out to be one. In Uganda, land is a very important resource whose value is deeply ingrained in people’s minds and greatly dictates inter-personal and communal relationships. As in most other African countries, it is also a very contentious subject surrounded by a complex of debates and political questions (Espeland 2006).

As land conflicts are common throughout the country, land cases are the most common disputes brought to local courts or legal assistance in many parts of the country (Levine and Adoko 2006). There is an increasing conflict between tenants and landlords. The 2007 Land (Amendment) Bill was designed to protect tenants from illegal evictions, which but incited a considerable opposition by landlords, the Buganda, Acholi and other ethnic groups, churches, NGOs, bankers and other stakeholders. Land grabbing and land speculation are also on the rise in some parts of the country, including in the oil regions in western Uganda. There is a reassertion of interest in land by some ethnic groups, ‘initially through struggles for restoration of properties to traditional authorities deprived of them by previous governments’ (Espeland 2006). While traditional authorities have always sought to keep control over land and resources, and tribe and clan-based claims to land remaining strong throughout Uganda, there are yet renewed and stronger claims being made in many areas such as by the Acholi and Buganda very recently (Ibid.).

During the armed conflict in northern Uganda, the government had ordered civilians into camps. With improved security, these people later on started to move away from the camps. The traditional lands of many of these displaced peoples were, however, occupied by others (Locke 2006; ANS 2004). These occupiers now claim the land and to make the situation more complicated, many of the old boundaries have been lost or forgotten. Others are rather making fraudulent claims to land; landowners in these areas say they face a growing threat from
attempts to grab land illegally. Also, the Uganda People’s Defense Forces have also been implicated in extensive land grabbing in the same region. Moreover, while conflict-resolution institutions are weak and formal dispute-resolution mechanisms are lacking, traditional institutions continue to resolve conflicts in most of the rural areas (US AID Land tenure and property rights portal 2011).

And pastoralists and tenure issues related to grazing continue to receive growing attention under this cloud (Ibid.). There have been conflicts over pasture and water access in central Uganda (where mailo regime mainly exists), as land owners have fenced their holdings, excluding pastoralists who had access rights under customary agreements. Another area of serious conflict involving nomadic and semi-sedentary herders is Karamoja where ‘36 percent of the area is designated game and forest reserves, and the remainder is a controlled hunting area’ (MRG 2004). And ‘[x]propiation by the state of customary grazing areas [here] is also a continuing point of contention and conflict with pastoralist communities’. (Ibid.). Expropriation of land from pastoralists usually emanates from the assumption that pastoral land often found uncultivated and ‘unoccupied’ is regarded as underutilized or free.

Over the last years, the incumbent Ugandan government has been trying a number of policy and legislative reform efforts, including the development of a new National Land Policy and a Land (Amendment) Bill. District land boards have also accordingly been established and appointed, albeit with a limited experience and resources to function effectively (Ultimate Media 2009). In order for facilitation of implementation in regard to land cases and decentralize management to district levels, the government has also undertaken construction of land offices in each district.

Also, it is noted that all land tribunals were suspended in December 2007 due to fiscal constraints and a long backlog of cases. All land related disputes were then directed to be handled by the Magistrate courts just like any other disputes. Thus,

Given that judicial offices are financially constrained, the two parties [i.e. the plaintiff and the defendant] were made to raise the transport cost required for the court officials to go to the site of dispute as well as pay allowance for the security personnel. In cases where neither of the parties is unable to raise the transportation and security fees, the magistrate cannot
write the judgment which rather finally stalled the resolution process (Economic Policy Research Center 2007: pp.18).

As to solving the logging of unresolved cases, opening up of new cases in the magistrate courts at a rate much higher than those closed or resolved ones rather overloaded the courts which finally made the whole reform to show no success as compared to the former district local tribunals (DLTs). Resulting from this, there have been calls by communities to reinstate the tribunals later on with the view of DLTs to be much more effective than the magistrate courts (Ibid.).

Furthermore,

Registry offices [have become] outdated and ill-equipped; most registration actions and measures must go to Kampala or Entebbe for approval. The Registry is inefficient and operates with little transparency; there is rampant land title forgery. Records are in a fragile/illegible condition, ambiguous, accessible only at a high cost, and insufficiently protected. This generates insecurity of property rights and makes it difficult to use land as collateral\(^\text{10}\) (UNCTAD and JBIC 2005).

5.1.4. Foreign land Acquisitions in Practice

Uganda is one of several African countries that over the last years has opened up its agricultural sector to foreign investors. In what has been claimed to be a good opportunity to enhance African agriculture, foreign investment in land has received considerable support by a number of international institutions and research organizations as one that contributes to easing the food-insecurities of food importing countries while at the same time bringing needed capital to investment-hungry African agricultural sector. Uganda, endowed with one of the most fertile arable land on the continent but which lacks advanced and sustainable agricultural production, opted to welcome investors in consideration of this. Attracted by the

\(^\text{10}\)This also informs one of the reasons why poor people lose their lands in Uganda.
country’s fertile resources, a number of foreign governments/sovereign wealth funds accordingly have shown interest in the opportunity despite the fact that as compared to other host countries, only a handful of investors have so far effectively executed the investment deals and started work. But still, it ought to be noted that many investors are eying Uganda as a potential overseas opportunity (Global Land Project report, 2010a). Uganda’s active involvement in the practice took momentum in 2008 at least two years after a dramatic surge in the global practice of large-scale land acquisitions has already taken place in 2006 and reached extensive proportions worldwide.

There are a certain number of countries or investors that to this date approached Uganda for large-scale acquisitions: Egypt, India, Bangladesh and South Africa being the main ones. Among these the Egyptian government has been by far the most actively engaged in pushing its interest in Agricultural investment in Uganda. In September 2008, that later on provoked prolonged debate over the truthfulness of the deal in the parliaments of both countries and still remaining undisclosed, the Egyptian Ministry of Agriculture had nevertheless revealed by the time that the Ugandan government had allocated to Egypt 2 million acres (equivalent to 2.2 percent of Uganda’s total area) of land to grow corn and wheat (Daily Monitor [Uganda] 2008; farmlandgrab.org, 2008). This took place just after the former president Hosni Mubarak visited Uganda at the end of July for the first time in his 27 years in power. It is also noted that identifying whether the deal is a lease or sale is yet unclear. In May 2009, nevertheless, a more open deal has been signed between the two countries. This time, an arrangement where large scale joint farm for the production of wheat is agreed, and as part of this 200 Hectares of model wheat farms have been set up and identified in Labora, koro sub-county in Gulu district after conducting a series of feasibility studies in several parts of the country. According to the agreement, the business takes a form of out-grower farming, where the farm will be worked by Ugandan farmers and production to be shared between the two countries. Already in 2009, the Egyptian International Center for Agriculture in Cairo had already started providing training programs for Ugandan agricultural workers (Farmlandgrab.org, 2009). This agreement became firmly established in January 2010 when Uganda has officially allowed Egypt to cultivate wheat on Ugandan soil. The official announcement was made by the prime ministers of both countries, Apollo Nsibambi of Uganda and Ahmed Nazif of Egypt.
Another country that is received with a red carpet for agricultural investment in Uganda is Bangladesh. In May 2011, Uganda disclosed its interest to allocate up to 60,000 Hectares of land to Bangladesh, after earlier on a Bangladeshi business firm-Nitol-Niloy Group- received a go-ahead for a commercial farming on 10,000 Hectares of land to grow rice in the country. As per this previous arrangement, ‘out of the total produce, 20 percent [was agreed] to go to the government of Uganda, and the remaining [to] be sent to Bangladesh with a profit of 10 percent plus production cost’ (Daily Star, May 2011). Yet there is a considerable opacity in regard to the details of the deals. For one thing, the government of Uganda is not so keen in publicly communicating the details of ongoing deals, and under what clear arrangements the Bangladeshi deal particularly benefits Ugandans (Asia Times, June 2011). As a matter of fact, Bangladesh itself, with all its effort to ensure food sufficiency for its growing population, is not much better and affluent a nation to contribute say in terms of technological transfer and infrastructural development to Ugandans as such when they do have similar economic deprivations to be fulfilled back home. This is not to argue that Bangladesh does in no way have the resource to contribute in those terms, but the reality invites rather more scrutiny and discussion. Hence, openness on the part of the Ugandan government in regard to the deal is a fundamental aspect to consider. Even with a similar deal, the chief of Nitol-Niloy Group, Abdul Matlub Ahmed, has said, "[i]f the government approves the proposal, we plan on taking 2,500 Bangladeshi farmers to work on 10,000 hectares in Uganda…BABO [Bangladesh Africa Business Organization] will provide them with living expenses for the first two years before harvest occurs. Primarily 20% of the produce will be provided to the farmers there, and BABO will bring back 80% of the produce’’ (Asian Times, June 2011).

Considering prevailing local realities of persistent land disputes and conflicts in Uganda, at least such a sensitive issue of bringing foreign laborers should essentially have received extensive attention and open communication by the government.

The stance of Uganda in relation to commercial land investment can be clearly understood from the words of the Ugandan Minister for agriculture, Animal husbandry and fisheries, Hope Mwesigye, when she spoke plainly that, ‘Uganda has huge tracts of farmland that could be leased or bought by foreign companies. The government gives land on lease, which are usually long leases ranging from 49-99 years. These can be extended’ (Farmlandgrab.org, August 2010). Noting this fact, such countries as India and South Africa have also shown interest in Agro-investment in Uganda. As for India, the governments of both countries are
closely negotiating how to implement land investment deals in the country in consideration of meeting the needs of both countries, mainly according to the pact the two countries had signed in 2007 to cooperate in the farm sector. Tea plantations owned by Indian investors already operate in Uganda and Indian coffee producing companies are also considering to invest in the sector (Ibid.). Similarly, in yet another unspecified deal, an association of South African farmers-Agri SA- in October 2009 announced that it had been offered 124.3 square kilometers of land in Angola and Uganda for commercial agriculture. The details of the deal, particularly the exact proportion offered by Uganda, yet remains to be undisclosed.

5.2. Case 2: Foreign Land Acquisitions in Tanzania

5.2.1. Overall Introduction of Tanzania

The United Republic of Tanzania is a country located in east Africa bordered by Kenya and Uganda to the North, Rwanda, Burundi and Democratic Republic of Congo to the west, and Zambia, Malawi and Mozambique to the south. The year 1964 has seen the merger of mainland Tanganyika and the island of Zanzibar as the United Republic of Tanzania, while yet the political constitution of of the union is based on a unique relationship; for instance, Zanzibar has its own parliament and president. Since 1967 up until the mid-eighties under the leadership of President Julius Nyerere, Tanzania had followed a socialist political and economic system, according to which large scale nationalization of companies took place, including many banks and industries. Tanzania, with a total land area of 945,000 sq. km², is relatively a vast country, its size quite comparable to Venezuela or about twice the size of Sweden (UNDP 2011; CIA world factbook 2011).

Tanzania is home to 42,746,620 people, according to CIA world factbook July 2011 estimates, and currently growing by about 2.93 percent (World Bank, April 2011). It also hosts more than 120 ethnic groups with their own diverse languages and cultures. Swahili and English are the two largely spoken languages in Tanzania. While Swahili is the official language of the country, English, despite its diminishing usage since independence, remains to be, albeit de facto, the language of courts, higher education and universities (Ibid.).
Tanzania is also a country endowed with numerous natural resources, including gold, diamonds, coal, iron, uranium, nickel, chrome, tin, platinum, coltan, niobium, natural gas and other minerals. It is the third-largest producer of gold in Africa following South Africa and Ghana. Forest reserves, woodlands, wild animals, rivers, lakes, and wetlands are also resources that Tanzania happens to be rich with. The country has many attractive and internationally reputed national parks such as Serengeti and the Ngorongoro conservation area which not only stand out to be sources of huge earning to the tourism sector, but also constitute a vital part in the general economy as well (Ibid.).

Tanzania also has an economy which heavily depends on Agriculture that constitutes well more than 40 percent of the GDP, 85 percent of export earnings and employing about 80 percent of the work force. Unlike the more sluggish economic situation of the 1970’s and 80’s, the country has over the last decade (at least up until the latest global financial crises) registered a respectable 7 percent economic growth which still thrives moderately despite the recent recession (UNDP 2011). Increased gold production and a vibrantly thriving tourism sector among others greatly account for the recent economic growth.

When it comes to the political sphere, Tanzania is often considered to be a beacon of peace and stability in the troubled region of eastern Africa (Ibid.). Despite continued challenges in regard to the political space and democratic practice, multi-party politics, however, still continues to improve since its inception in the mid-nineties. Nevertheless, Tanzania is a one party dominated state with the Chama Cha Mapinduzi (CCM) in power. The ruling CCM currently holds 93 percent of the seats in the national assembly. Many different political opposition groups also thrive under the current political climate, though gaining power for most does not seem to be a realistic prospect. On 31st October 2010, Tanzania held its fourth and peaceful multi-party general election against a backdrop of a slowly but continually deepening democratic culture and a process of strengthening democratic institutions (UNDP 2011; World Bank 2011). Amidst continued efforts and measures undertaken to open up the political space and root out corruption, problems of bad governance and opaque practices yet lurk behind the political system in Tanzania (Ibid.).

5.2.2. Land issues in Tanzania
Tanzania embraced what is called ‘African socialism’ after gaining its independence from Britain in 1961. As promoted by Tanzania’s first President, Julius Nyerere, this approach completely redefined the Tanzanian property-rights regime. The approach largely abolished family and individual rights held under customary law, instituting in their place a system that nationalized the country’s land and moved a good portion of the rural population from scattered settlements and small individualized holdings into communal (ujamaa) villages and promoted large-scale collective farming (US AID Land Tenure and Property rights Portal, Tanzania country profile 2011). A change of government in 1985 led to a reversal of this policy and a gradual transition to the property-rights and resource-governance systems still being put in place today’ (Ibid.).

Tanzania is also a vast country with diverse terrain. In addition to Mount Kilimanjaro, Tanzania has large expanses of savanna that provide habitat to large populations of wildlife and livestock, as well as significant areas that are conducive to intensive agriculture. According to USAID land tenure and property rights portal and UNDP Tanzania (2011), the country also has extensive coastal and aquatic resources on the archipelago of Zanzibar, along the coastal area of the mainland, and in Lake Victoria. Seventy-five percent of Tanzania’s population lives in rural areas; most engaged in the agricultural sector. Most rural residents are smallholders cultivating cereal crops on rain fed land and raising livestock. Use of inputs is limited and productivity generally low. Pastoralists and agro-pastoralists raise cattle, goats, and sheep, and Tanzania is the third-largest producer of livestock in Africa. While Tanzania was also the site of many large-scale commercial plantations in the colonial era, many were abandoned in the ujamaa period. However, investment in Tanzania’s land has increased since the early 2000s, and, to a limited degree, an influx of capital is supporting the reestablishment and new development of large-scale commercial plantations and livestock enterprises (Ibid).

The land legislation enacted since the mid-1990s recognizes long-term occupancy rights to land and allows for land inheritance and transfer. However, “all of Tanzania’s land is still held by the President as trustee for the people of Tanzania, and any property rights granted are land use rights. While most Tanzanians believe that rights gained through the prior regime or through customary systems are secure, all of the country’s land, including land held under occupancy rights, is vulnerable to expropriation by the government for uses deemed to be in
the public interest” (Ibid.). Pertinent to this, the process of transferring customary land rights is also cumbersome, confusing, and lacking in transparency (Ibid.).

Types of Land Tenure

All land in Tanzania is considered public land, which the President holds as trustee for the people. The following tenure types are recognized:\[11\]:

<table>
<thead>
<tr>
<th>Village land:</th>
<th>The Village Land Act recognizes the rights of villages to land held collectively by village residents under customary law. Village land can include communal land and land that has been individualized. Villages have rights to the land that their residents have traditionally used and that are considered within the ambit of village land under customary principles, including grazing land, fallow land and unoccupied land. Villages can demarcate their land, register their rights and obtain certificates evidencing their rights. As of 2009, 10,397 villages were registered, and 753 had obtained certificates (GOT Village Land Act 1999b; World Bank 2010a; Dondeyne, et al. 2003; Lange 2008).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customary right of occupancy:</td>
<td>Villagers have a customary right of occupancy for village land that they hold under customary law or have received as an allocation from the village council. Customary rights of occupancy can be held individually or jointly, are perpetual and heritable, and may be transferred within the village or to outsiders with permission of the village council. Village land allocations can include rights to grazing land, which are generally shared. The village council may charge annual rent for village land (GOT Village Land Act 1999b; Sendalo 2009; Baha et al. 2008; Alden Wily 2003).</td>
</tr>
<tr>
<td>Granted right of occupancy:</td>
<td>Granted rights of occupancy are available for general and reserved land, subject to any statutory restrictions and the terms of the grant. Grants are available for periods up to 99 years and can be made in periodic grants of fixed terms. Granted land must be surveyed and registered under the Land Registration Ordinance and is subject to annual rent. Squatters and others without granted rights may have customary rights to occupy general land, which may be formalized with a residential license or remain unformalized and insecure (GOT Land Act 1999a; Maoulidi 2006).</td>
</tr>
<tr>
<td>Leasehold:</td>
<td>Leaseholds are derivative rights granted by holders of granted or customary rights of occupancy. Holders of registered granted rights of occupancy may lease that right of occupancy or part of it to any person for a definite or indefinite period, provided that the maximum term must be at least ten days less than the term of the granted right of occupancy. Leases shall be in writing and</td>
</tr>
</tbody>
</table>

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\[11\] The Land tenure classification made here is fully taken from USAID Land Tenure and Property Rights Portal.
registered. Short-term leases are defined as leases for one year or less; they may be written or oral and need not be registered. Holders of customary rights of occupancy may lease and rent their land, subject to any restrictions imposed by the village council (GOT Land Act 1999a).

**Residential license:** A residential license is a derivative right granted by the state (or its agent) on general or reserved land. Residential licenses may be granted for urban and peri-urban non-hazardous land, including land reserved for public utilities and for development. Residents of urban and peri-urban areas who had occupied their land for at least three years at the time the Land Act was enacted had the right to receive a residential license from the relevant municipality, provided they applied within six years of the enactment of the Land Act (i.e., by 2005) (GOT Land Act 1999a).

Insecurity related to land tenure is a very common problem in Tanzania, particularly in the rural areas. Tenure security is most threatened in areas of urban growth, peri-urban expansion and commercial development. Mining exploration and extraction operations and land acquisition for infrastructure development also create a sense of tenure insecurity (US AID Land Tenure and Property rights portal 2011). Other causes of insecurity include migrations of people in search of land for livelihoods, and changes in land use that encroach on existing residents. The sense of tenure security in urban areas is reported to be somewhat higher than elsewhere. Although most urban land residents live in informal settlements without land certificates or registered land rights, the limited studies available report that residents believe their rights are secure, a sentiment supported by evidence that they invest in improving their plots and housing (Ibid.).

Only a small percentage of land in Tanzania is registered, and most of what is registered is in urban areas. Most land transactions occur on the informal market, and these tend to be leases. In rural areas, land sales were historically conducted between members of families or clans; landholders tended not to sell rights to buyers from outside the village. Since the end of the villagization project, and in keeping with the growing commoditization of land, the informal market has expanded; there is increasing demand for land in productive areas and areas with high potential for commercial development (Ibid.).

The 1997 Tanzania Investment Act allows non-citizens to own land for the purpose of investment. The 2004 Land (Amendment) Act permits the sale of bare land and allows mortgage financing as a means of encouraging domestic and foreign investment. The
Tanzania Land Bank Scheme was created under the Investment Act. Land is therefore identified as suitable for investment and brokered by the Tanzania Investment Centre.

**Disputes and Conflicts over Land**

The number of lingering land disputes stemming from the villagization program of the 1970s was one of the drivers of the reform of the legal framework governing land rights in the 1990s. Under the villagization program, an estimated 75% of the population moved; when they returned to their land in the 1980s, they often discovered it had been settled by other people or found that the process of dislocation had revealed latent disputes regarding boundaries and rights. Following a failed effort to address the problem by extinguishing all customary rights to village land under the Regulation of Land Tenure (Established Villages) Act 1992, the 1999 land legislation legitimized customary law and validated land rights allocated through Operation Vijiji\(^\text{12}\). Nonetheless, some disputes have remained unresolved (US AID Land Tenure and Property rights portal 2011).

More recently, land disputes in rural areas of Tanzania reflect the competition for natural resources, promotion of commercial development and tenure insecurity. All types of interests are involved in disputes: farmers and pastoralists vie for land for cultivation and grazing; small-scale miners try to protect their rights to minerals in areas allocated to large-scale mining concessions; commercial farms dominate water resources relied on by smallholders and pastoralists; and conservationists seek to preserve habitats from encroachment and development. Land investors circumventing government procedures and negotiating directly with villages have created ambiguity in land rights, leading to disputes (Ibid.).

**5.2.3. Foreign Land Acquisitions in Practice**

As is already discussed in the preceding sections, the same driving forces that over the last years contributed to an increase in foreign investment in land are also at stake in Tanzania, that is food insecurity situations of countries of the Gulf states and Asia due mainly to rising

\(^{12}\) “operation Vijiji” means and includes the settlement and re-settlement of people in villages during and at any time between the years 1970 and 1977, for the purpose of implementing the policy of villagization (Lawi, Y. Q., 2007).
food prices and food export restrictions, increased trend in biofuel productions, a shift of attention among western based investment banks and funds in African agriculture and speculation on land, etcetera. The government of Tanzania has expressly disclosed its interest in having foreign investors in land and that the country is virgin and untouched in that regard, saying, for instance, ‘Tanzania is blessed with millions of hectares of [44 mln hectares] fertile land most of which has been largely underutilized for a long time - only 10.8 mln is in use’, Director general of Tanzania’s state run Rufiji Basin Development Authority [RUBADA] (Farmlandgrab.org, Nov. 2010). In addition to the vastness of the country which comparatively draws greater interest than other countries, important to note is also the fact that the country has put in place the necessary facilitation arrangements conducive for foreign investors such as the special coordinating office intended for this purpose called the Tanzania Investment Center (TIC).

While the government of Tanzania claims that the recent rise in foreign investment in the Agricultural sector in the country is driven by the necessary infrastructural provisions made by the government, potential opportunities the sector promises and an uncomplicated bureaucratic process to start work, a recent draft world Bank report that leaked to the Financial Times of London, nevertheless, discloses that investors in farmland are targeting countries such as Tanzania because of ‘weak laws and are buying arable land at cheap prices while failing to deliver on promises of jobs and investments’ (Farmlandgrab.org, Jan 2009). Regarding the investments, while most investors are in most cases targeting food production, equally significant and even more growing is the interest to acquire land for the production of biofuels. As of October 2009 alone, over four million hectares of land have been requested for biofuel investments, particularly for Jatropha, sugar cane and oil palm. Out of this, some 640,000 hectares have been allocated while only around 100,000 hectares have been granted formal rights of occupancy. For instance, at this same period, according to IFPRI (Oct 2009), 45,000 and and 8,000 hectares of land for biofuels have been respectively secured by CAMS group and Sun biofuels, which are both UK companies. Around the same time, five regions had come out to be at the very center of foreign investments in land- Dar es Salaam, Coast, Tanga, Mbeya and Arusha- though since then investments have reached out to other parts of the country as well.
As far as the sort of investors are concerned, evidences show that investors from different countries have made Tanzania the foci point of their investments, including China, India, Saudi Arabia, Singapore, South Korea, Sweden, the UAE, the UK and the US (Cotula, L., S. Vermeulen, et al., 2009). To better understand how the business is taking place in the country, it is important to look into the land deals in some specifics.

As of October 2009 alone, three major deals had been executed, i.e. 45,000 ha purchased by CAMS group for sweet sorghum production, 8,000 ha secured by Sun Biofuels in Mkuranga district for jatropha and 300 ha secured by the Chinese firm Chongqing Seed Corp for rice, including a 500,000 ha request by Saudi Arabia for a leasehold and SEKAB (a Swedish Biofuels company) seeking to acquire 2 mln hectares of land for the cultivation of biofuel plants and production of bio energy (Ibid.). In November 2010, a Memorandum Of Understanding (MOU) has been signed between the government of Tanzania and the South Korean state-run Korea Rural Community Corp (KRC) for a lease of 15,000 ha of land intended for food production and processing, in a place 160 kilometers south of Dar es Salaam. Moreover, although detailed confirmations are lacking, *The Guardian* newspaper reported on the 12th of July that Dr. Jes Tarp, president of Asian Global Management, a firm based in the US said, ‘…we have made agreements to acquire 100,000 acres of land for cash crop production in Morogoro region’, also indicating that operation will start on the plot soon. On many occasions, the government of Tanzania announced that the deals are made in keeping with the land laws and legal frameworks of the country and the consent of local communities. There is, however, a very scanty amount of information on how exactly the processes up to the acquisition and implementation have been going, largely due to the fact that, as recent studies note, governments are not willing to make such deals public while it is also the case that some deals even take place behind the doors. In spite of this, however, there are informations about some of the deals. For instance, one Asian investor controls more than 7,500 ha of fertile paddy fields in the Kapunga area where he cultivates rice. He purchased the once government owned paddy fields from the Presidential Parastatal Sector Reform Commission (PSRC) in 2006 promising the authorities that he would engage in large scale farming. What the government expected was creation of jobs and increase in food production for both local market and export. However, while on the one hand production rather entirely remained to be for the export market, the investor to make things worse started leasing part of the land for a fee in a way similar to feudalism leave alone employ local labor. In general, two
major problems have been observed from most deals in Tanzania: (1) inadequate implementation of the laws and procedures, including a functioning monitoring system. (2) circumvention of laws by different stakeholders, including investors and government officials (Cotula, L., S. Vermeulen, et al., 2009; Brekke, B. and Theting, H., 2010).

**The Case of Sun Biofuels in Kisarawe**

On top of this, one particularly detailed study has been carried out by Hans Theting and Brita Brekke (2010) on the operation of Sun Biofuels in Kisarawe district which due to its in-depth observation will perhaps serve as a good reflection here of what is resulting from the recent practice in land investments. The study has generated important findings that help us understand whether the investment promises such as job opportunities and local infrastructural development have yielded any results and what repercussions the investment has brought on the livelihood of the local people.

Basically, prior to the actual takeover of the investment, the study found out that there existed no rule of consultation with local resource users when acquiring general land. The whole process happens at government level, from introduction of business idea to the TIC, finding of appropriate general land, approving of land by the Ministry of Agriculture and finally for derivative right of occupancy from the TIC. Studies made by Action Aid Tanzania support the findings in this study: consultations with the respective villages are often reduced to one meeting, where agreements are made either with or without contracts. And allegations of corruption have also been frequent before and during investment agreements. The findings furthermore show that the villagers are not given the possibility to make a free, prior and informed consent despite being invited to a consultation. In all the examined cases throughout the study, ‘there was a tendency that the consultation processes had little real participation from the local communities: A meeting was held, where the investor presents the project to the local community on its premises. Villagers are left to make a decision based on the information the investor highlights, but are rarely informed about possible negative consequences’ (Ibid.: p.13).

When it comes to implementation of promises by Sun Biofuels such as job creation and infrastructural development, a similar picture emerges. Until the publication of the study,
promises of building social infrastructures such as, for instance, schools and health centers have not been fulfilled in any of the villages (Ibid.). Leaving alone such a contribution, the company is accused of not even paying enough compensation for the villagers, that is less than $1 million, who gave up their arable land for the project (Farmlandgrab.org, Jan 2009). According to Elias Mtinda of Action Aid Tanzania, in an observation on the employment situation in Kisarawe district where the company operates, although the salary level was above minimum wage, the working conditions however are not up to standard; employees often work overtime without additional payment and do not have access to benefits such as health services and other social security (Brekke, B. and Theting, H., 2010).

Pertinent to this, another issue that was observed is the changing social dynamics in the community. Many of the villagers had experienced a substantial change in livelihood after the investors’ arrival (Ibid.). The community of Kisarawe had no longer access to common land areas. For the majority of the informants, according to the study, the main incentive for giving away ownership for the investor was the promise of job opportunities and a stable income. Many of the informants had lost their land, including access to commons, while not receiving employment; as such amounting to an obviously difficult livelihood shock for the locals.

5.3. Case 3: Foreign Land Acquisitions in Ethiopia

5.3.1. Overall Introduction of Ethiopia

Ethiopia is a country located in the horn of Africa, bordered by Eritrea to the North, Sudan and South Sudan to the west, Djibouti and Somalia to the East and Kenya to the south. It is one of the only two African countries that was never colonized and remained independent during the colonization of the continent and to this date, except a brief Italian occupation between 1936 and 1941. It is also one of the oldest civilizations in the world, where in great civilizations such as the Aksumite Empire throve and not only dominated the present day region but also influenced large swathes of areas across the red sea (Encyclopedia Britannica, 2011; CIA The World Factbook, 2011).
The second most populous country in sub-Saharan Africa, Ethiopia is home to about 90.88 mln people according to CIA world factbook 2011 estimates and it grows by about 3.19 percent each year. It is also a multi ethnic, multi lingual and culturally diverse country hosting well more than 80 ethnic groups with their own distinct languages. Amharic is the official language, and English is the most widely spoken foreign language and is taught in all secondary schools (US Department of State, 2011). The country, emanating from the fact of being one of the first Christian countries in the world, is a Christian majority nation (62.8 percent, including orthodox, protestant and other denominations of Christianity) while a little more than a third of the population (33.9 percent) is Muslim (Central Statistical Agency of Ethiopia [CSA], 2010); Ethiopia is also a country where the oldest Muslim settlement in Africa is found- Al-Negash (US Department of State, 2011).

Quite a vast country, the total land area of Ethiopia is about 1,104,300 sq km (roughly about 2.25 times the size of Sweden or the size of Oklahoma, New Mexico and Texas combined). It has a variety of topographic features such as the world’s lowest point below sea level (125 meter-Danakil depression), the Great rift valleys, high plateaus and some of the highest mountains in Africa (for e.g. mount Ras dejen 4,533 meters), according to CIA The World Factbook (2011) and US Department of state (2011). Ethiopia is also endowed with a number of natural resources such as gold, copper, platinum, potash, natural gas and hydro power. Having a large number of rivers and being the source of over 85 percent of the total Nile water flow, the country has a huge hydro power potential to harness for its economic development. Since the secession of Eritrea in 1993, Ethiopia with such a large population remains to be a landlocked country with no coastlines (Ibid.).

Up until the 1974 revolution, much of the political history of Ethiopia had been dominated by monarchical rule. Year 1974 brought an end to the more than half a century long rule of Emperor Haileselasie (or what is largely believed to be the rule of the Solomonic dynasty) and saw the coming in to office of a military rule (the Dergue) led by Mengistu Hailemariam. This period of military rule, unlike wide expectations at the inception to introduce fundamental transformations, was rather largely a period of war, instability and economic stagnation. One of the major changes that came with the socialist regime happened to be nationalization of all land in the country in 1975-an act which answered one of the key questions of the revolution, but due to lack of wise leadership, appropriate policy focus and
political stability, it never as such brought significant change to the development of the country (Admassie, Y., 2000).

In May 1991, the seventeen year old military regime was deposed from power by a coalition of rebel fighters (mainly TPLF and EPLF) and it became an end to the government of Mengistu Hailemariam. The rule that ensued led by the current Prime Minister Meles Zenawi introduced a mixed economic system, instead of the old command economy, including a land tenure reform that made all land in the country under government control (US Department of State, 2011; Encyclopedia Britannica, 2011).

When it comes to the economy, Ethiopia is predominantly dependent on rain fed agriculture. Agriculture accounts for about 85 percent of total employment and almost 45 percent of GDP (CSA 2011; CIA the World Factbook 2011; World Bank, 2011). Coffee is the largest export commodity that earns the lion’s share of the country’s foreign exchange, along with other commodities such as khat, gold, live animals, oil seeds, cut flowers, etcetera. Agricultural produce nevertheless is very much prone to frequent droughts due to which about millions of people almost every year receive international food assistance. In addition to the frequent droughts, international price shocks also have significant bearing on the economy by inducing more fragility as in the case of 2007/08 global financial crises when Foreign Direct Investment (FDI), remittances and the export market among others have all been significantly affected until later on slowly recovered (Ibid.). While the incumbent government believes that the country’s economy has been growing by more than ten percent for the last seven years and maintains that such GDP growth will continue in the coming years including a 2010/11 estimate of 11 percent, the International Monetary Fund, despite recognizing the economy to be one of the fastest growing in Africa, however, forecasts a lower 8.5 growth rate and a rather decreasing trend in the future (World Bank, 2011).

5.3.2. Land issues in Ethiopia

A complex of overlapping issues prevail in the land tenure system in Ethiopia. And most of the existing land issues have their roots in the imperial days. Some of the key land related questions that led to the oust of the imperial regime still remain to be fundamental questions to this date. During the imperial regime, three main forms of tenure systems, along with
several overlapping systems, had existed: *Rist*, *Gult* and *semone* (landholding for the Ethiopian orthodox church) (Bogale, A. et al 2008; Ofcansky and Berry 1991; US AID Land Tenure and Property rights Portal, 2011). The whole land tenure system during that period extremely marginalized and neglected the small holding farmers and pastoralists; it hardly took into account the consent and the very livelihood of the small holding producer (Ibid.). The *Rist* system was basically a system where members of a certain family or kinship group get access to a land use right through referencing their family decent or lineage, while such a system also simultaneously provided an arrangement where communitarian access to a land holding was customarily allowed. *Rist* rights were ‘conditional upon payment of taxes or fulfillment of obligations to the family or community, who retained secondary rights to an individual’s holdings, such as access to use or gather water, trees, or fodder’ (US AID Land Tenure and Property rights Portal, 2011). The *Gult* system was a rather different arrangement where imperial appointees or government officials would be able to own large tracts of land, mostly provided in the form of salary or privilege by the emperor (until 1966, when they were abolished in principle) and ‘were entitled to collect taxes or labor service from tenant farmers, some of whom had been cultivating the same land under customary or community-property rights’ (Ibid.). According to Ayalneh Bogale et al (2008), there were two types of *Gult* provisions: land given for the aristocrats and elites of the top imperial administration and land that is given to war veterans, beaurecratic retirees and so on. Furthermore, the *Gult* system was characterized by highly concentrated landholdings and absentee ownership, political patronage, and widespread share-cropping under penurious terms. Owners could lease, sell, or mortgage land while tenants were subject to numerous restrictions, steep taxes, mandatory labor services and arbitrary eviction. The third form of tenure is a grant to the Ethiopian Orthodox church (or *Semone*) by the Emperor, where in this case also tenant farmers paid tributes and taxes in exchange for the use rights (Ofcansky and Berry 1991). Other overlapping tenure systems had also existed such as what was called *mengist* (land that was under government ownership, i.e. state land) and *maderia* (a form of offer to imperial officers, war veterans or soldiers in lieu of pension or salary, which is more like the *Gult* system) [ibid.] Having said that, pastoral communities such as the Afar, Issa, Borana and Kereyu, who have for long lived in the arid areas of mainly North eastern, South Eastern and southern parts of the country, however, thrived unaffected and undisturbed by these tenure regimes at least until the 50’s when commercial state farms and outside investors arrived and started to
work on some of these areas; while also keeping in mind that most of the lands under the Gult system had long been located in the southern part of the country.

The coming of the Derg in 1974 on the morrow of the revolution one of whose key questions was a land reform totally changed the land tenure system of the country. On March 4, 1975, the Derg announced its land reform program. The government nationalized rural land without compensation, abolished tenancy, forbade the hiring of wage labor on private farms, ordered all commercial farms to remain under state control, and granted each peasant family so-called "possessing rights" to a plot of land not to exceed ten hectares (Bogale, A. et al 2008; Ofcansky and Berry 1991). While the reform actually gave the long awaited answer to the 'land to the tiller' question, it however hardly yielded so much a success when it comes to implementation and gearing of the program to development and bringing the poor peasantry out of poverty and insecurity. One reason was the continuous fragmentation of land holdings from the peasants, i.e. from what was initially planned to be ten hectares. As new families and households come, the peasant associations would be forced to give out a plot of land from existing holdings so that the new arrivals get their share. By doing so, in the course of time-well before the 80’s- the amount of land peasants held started to shrink from time to time, much lower than what was initially stipulated during the introduction of the reform. This caused insecurity of tenure on the part of farmers, and as a result most farmers ended up to be reluctant to improve their plots fearing that it will soon be taken away to make up new arriving families. This whole situation therefore produced two serious problems of continuous land fragmentation and tenure insecurity, especially the latter one was rather nothing less than resurfacing the old feudal sentiment. The third problem with the collective tenure and one that particularly numbed agricultural development was lack of provision to the farmers basic items such as fertilizers, seeds, oxen, etcetera which would have helped production to grow (US AID Land Tenure and Property rights Portal, 2011; Ofcansky and Berry 1991).

Year 1991 saw the removal of the socialist military regime of Mengistu Hailemariam and the taking of power by the rebel forces led by the current Prime Minister Meles Zenawi. The new administration established a transitional government and soon announced in 1991 that the proclamation of land administration and regulation of 1975 would remain intact. In 1995, up on drafting of a new constitution, the government as stipulated in article 40 of the constitution announced that ‘the right to ownership of rural land and urban land, as well as of all natural
resources is exclusively vested in the state and the peoples of Ethiopia. Land is a common property of the nations, nationalities and peoples of Ethiopia’ (Federal Democratic Republic of Ethiopia 1995, Article 40). Under this arrangement, all land in the country once again ended up to be under government ownership, where land holders are only entitled to usufructuary right and not allowed to sell, lease or rent their holdings to another party. This meant too little a difference from the land proclamation of the old regime, except for cases such as compulsory membership into peasant associations and cooperatives, the provision of ‘possessing rights’ of up to ten hectares per household and arguably the more frequent redistribution of land during the old regime. Although tenure security is often argued to be much better compared to the old regime, yet concerns that have to do with expropriation of land from farmers for public purpose projects and investments both by foreign and domestic investors have become common under the current government. Another serious issue also concerns practice related to provision of productivity enhancing materials such as fertilizers and seeds which is a matter not infrequently strongly embedded with political adherence of farmers (Desalegn Rahmeto and Assefa 2006).

Moreover, the vast majority of rural holdings are small (less than 2 hectares) and fragmented (average holdings of 2.3 plots), many farms are less than one hectare and a not-insignificant number of households are landless (Ibid.). The size of a holding a given farmer can have is yet threatened by the increasingly alarming pressure posed by the population that continues to grow by over 3 percent each year. In addition, the role of women and their involvement in decision making regarding allocation and use of landholdings at the local level remains to be very limited (Stein and Tefera, 2008; US AID Land Tenure and Property rights Portal, 2011).

Gebreselassie (2006) and Crewett et.al.(2008) generally argue thus:

The legal framework clearly prohibits private ownership of land, although certification of use- and inheritance rights carried out by regional authorities is believed to convey some of the benefits of ownership to landholders. However, an ongoing and sometimes suppressed debate continues in Ethiopia over the question of private ownership of land and resulting risks and opportunities. The government maintains that state ownership of all land is essential to ensure equitable distribution of land to all rural people who may need it and to ensure the continued redress of historical injustices under the feudal tenure system. Critics
contend that the continuation of this policy stifles agricultural investment and has led to fragmentation and excessively small and unproductive parcel sizes. (Cited in US AID Land Tenure and Property rights portal, Ethiopia country profile, p.5).

5.3.3. Foreign Land Acquisitions in Practice

Over the last decade, Ethiopia has demonstrated to be one of the most active participants in the business of offering agricultural land for commercial investment. This is spearheaded by the current government- EPRDF- that has long insisted that primary attention and increased investment on the agricultural sector will essentially lead to overall economic development and industrialization. It is among others based up on the rationale that the agricultural sector in general and the small holding farmers in particular have been deprived of government support and focus in the previous regimes and that this is the main factor for the abject poverty that the nation’s peasants are mired in. Pertinent to this, another claim held by the government is that lack of agricultural investment and advanced farming techniques contributed as much to the underdevelopment of both the sector and the consequences it manifests in the poor economy (World Bank, 2010). If the situation has to change, according to the incumbent, the mode of agricultural production, i.e. mainly increased commercial than subsistence agriculture, productivity enhancing materials such as fertilizers and improved seeds and so on should as well change. Therefore, particularly since the mid 90’s onwards the government has fairly intensively worked on improving agricultural production (in what critics widely believe to be a lopsided policy focus and politicization of agriculture for giving too much attention for the primary sector and rendering the industrial sector of secondary significance) through agricultural extension programs, fertilizer and hybrid seeds supplies and in conjunction with this extensive construction of roads linking rural areas with major towns, etcetera (World Bank, 2010). Even more recently, the government as part of its agricultural stimulation strategy introduced a platform where best achieving farmers throughout the country will be shortlisted and given state reward; proponents of the platform say that a number of millionaire farmers have so far been created as a result of the Agricultural Development led Industrialization strategy (ADLI) that the country pursues as a policy drive.

Meanwhile, according to the IMF and a number of other international organizations, well more than 10 million Ethiopians, a number that the government strongly denies, continue to
depend on international food assistance each year -700,000 tons of food aid only in 2010- (The Guardian, March 2011). Moreover, similar sources also show that due to drought and grinding rural poverty, urban areas have continued to receive hundreds of thousands of rural people fleeing their homes every year (Gebremariam, A., 2011; Tolossa, F., 2011). The Ethiopian government hardly accepts these, and does so for two main reasons. One lies in the objection with regard to population pressure. Meles Zenawi’s administration argues that the size of the population was not so large (about ninety million now) as compared to two decades ago (fifty two million people) when the incumbent took power, i.e. if it was not for the rapidly growing population, development efforts so far achieved have been more than enough to feed each mouth in the country. The other reason is that of an accusation of opposition groups for multiplication of any development challenge the country faces for political reasons. The Ethiopian government rather has kept on arguing that the economy has been consecutively registering double digit growth for the last seven years and that this will be maintained for the coming years; yet according to the government, such a fast growth, which is attributed to the agricultural sector, has brought whole peasants out of the quagmires of poverty and insecurity in these years (Growth and Transformation Plan, 2010). Looking through this trajectory, it is such an agricultural development approach that the whole idea and practice of selling and leasing vast tracts of farmland to investors over the last years sprang from, and such a conviction seems to be strongly upheld by the recently (Sept 2010) introduced grand national development strategy- Growth and Transformation Plan (GTP)- set out to guide the direction of the country into the coming years, at the center of which is to float to the market millions of hectares of farmland for foreign investors.

Ethiopia is now among the many sub-Saharan African countries that is actively inviting investors to its agricultural sector. Following this, investors from different countries attracted by the offer have already signed agreements with the government, some of whom have long stationed and already started production. The kind of investors range from small-scale investment by the Ethiopian diaspora community to high profile international companies like Karuturi Global leasing hundreds of thousands of hectares of land; notwithstanding the fact that if the term ‘investor’ is used alone, we learn that much of (well over 90 percent) the agricultural investment in the country comes from small-scale domestic investors despite that its share in terms of capital when weighed against foreign investors is very minimal. The government of Ethiopia says that all land that is let for these investments is unused virgin land
(Farmlandgrab.org, 2011). And most of the lands that are made available (and also already acquired) are located in the North Eastern, Southern and South Western parts of the country (Ibid.). The government in March 2011 also said that 36 countries including India, China, Pakistan and Saudi Arabia have leased farm land in the country.

Practice tells that the Ethiopian government, as of January 2011, has so far offered more than 3.6 mln hectares of land throughout the country, a certain proportion of which is not yet leased or bought by investors (Ethiopian Ministry of Agriculture and Rural Development, 2011). Some of the major acquisitions so far include: 311,000 hectares-located in Gambella and Bako area- to Karuturi Global ltd of India ; 100,000 ha (hectares) of land located in Gambella region to Saudi Star Agricultural Development Plc.(owned by Sheikh Mohammed Al-amoudi); 13,000 hectares to Flora Ecopower of Germany in Oromia region; 10,000 hectare of land located in Oromia region to Djibouti first lady and president, and 500 hectares to a group of Egyptian investors (Dhugaasaa, H., Feb. 2011). On top of this, the National Bank of Egypt has leased (February 2011) 49,400 acres of land to grow cereals and export to Egypt (AfricaNewsNet.com, March 2011). The plot is located in the Afar region of North eastern part of the country. Olusegun Obasanjo, a former president of Nigeria, around the same time, leased about 5 acres of land in DebreZeit (45 kms east of Addis Ababa) to develop a hotel and tourist destination (AllAfrica News, 2011). A joint report by IIED, FAO and IFAD (2009) shows that the leases extend for several decades (mostly from 50 up to 99 years) and the maximum price amounts to US $ 10 per hectare. Nevertheless, the deals mentioned above are only the ones that are publicly communicated by the government and that available studies have so far been able to access. Due to lack of coordination and questions of transparency, different offices in both the federal and regional administration at various times communicate quite different numbers regarding, for instance, the size of leases, the duration of the deal and the number of investors who have actually acquired land in a given area. Thus opening the door for corruption and malpractices in a business that is already mired in opacity and suspicion.

According to the Oakland Institute (OI), the vast majority of investors are private companies, and most of them happen to be Indians. There was evidence of only one or two countries directly investing in farmland- Djibouti and Egypt (2011). The OI study also shows that while much media attention has focused on large scale foreign acquisitions, the contribution of
small scale domestic investors to the land deal trend is of critical importance as well. Most of the investors (by some accounts, 95 percent) are domestic and account for more than half of the land area leased to all investors; domestic investors, however, use more basic technologies, have smaller farm sizes, are quicker to begin their operations, and are likely to employ more workers per hectare of land (Ibid.). It is also shown in the study that substantial amount of the investment comes from the Gulf states while investment in terms of higher individual land holdings come from India.

**The case of Karuturi Global ltd in Ethiopia**

Karuturi Global limited is a huge Bangalore-based company that is largely engaged in the production of cut roses with its operations spread across Ethiopia, Kenya and India. The company claims to be a world leader in the production of cut roses for annually producing around 555 million stems of cut roses grown on an area of 292 hectares under greenhouse cultivation and exporting to high value markets. Karuturi has also over the last years been involved in large scale agricultural investments, Ethiopia being the first target in the company’s venture into this whole business.

In May 2008, the company has for the first time in Ethiopia completed its acquisition in concession of 100,000 hectares of agricultural land for cultivation of rice, vegetables, palm oil and sugarcane in Gambella region while there onwards acquired 200,000 hectares of additional land in the country. On top of the 300,000 hectare land in Gambella, Karuturi has also leased 11,000 hectares in Bako area, South western part of Ethiopia. The company is already developing 117,000 hectares of agricultural land out of these as part of its first phase plan. The total amount of land leased by Karuturi to date, however, happens to be unclear as different figures continue to be presented by the government of Ethiopia, research groups and by the company itself. The company on its website for instance claims that, including the aforementioned concessions, it has acquired 3,11,700 hectares of land in Ethiopia for the cultivation of cereal crops, palm oil plants, sugar cane and vegetables, making Karuturi the largest agricultural land bank owner in the world. The government of Ethiopia on its part had some months ago announced that it slashed the land concession from 300,000 down to 100,000 hectares due to claims of sluggish process in the development of the acquired land, while yet around the same time Ethiopian agriculture minister Tefera Derbew visited India to
announce a 1.8 million hectares of land - equivalent to 40 percent of the major grain growing Indian state of Punjab- in offer to Indian investors, including Karuturi Global. Some research groups also claim that such a confusion on the size of an acquired land happens due particularly to the fact that companies such as Karuturi want to boost their shares in the stock exchange by introducing bigger numbers, as it exactly occurred when Karuturi announced the 300,000 figure in 2009. Notwithstanding, both government and company sources however make evident that the price for the land transfer in Gambella turns out to be $ 1.25 per hectare per year for 50 years; as for the land in Bako, it has a little more pay- about $ 10.25 per hectare per year-while the duration remains to be the same (Farmlandgrab.org, 2011).

More than happy about the deal, Karuturi men who have said that they had not even seen the land when it was offered by the Ethiopian government with six years tax breaks on top of it, still continued blessing the investment opportunity and have now fully started working on 117,000 hectares of the total plot. Since day one of this deal, a lot abounds on the floor to be discussed about the practical aspect. Considered to be one of the biggest deals on the continent ever since large scale land acquisitions have grown to this proportions, both the government of Ethiopia and the company admire it to be one of win-win deals-with promises to provide jobs to the locals, building of schools, clinics and roads, etcetera (Documentary video: Planet for sale, May 2011). When it comes to employment, for instance, despite the fact that statistics on the precise number of agricultural workers hired is lacking, sources however indicate that the company since the start of its operations has continued hiring local people and still promises to create 25,000 more jobs in the coming two to four years and as part of this plans to build a small township of 50,000 for farm workers, establishment of processing mills and so on in a neighboring locality in Gambella (Ibid.). The company nevertheless considers all promises with regard to local infrastructural development and even employment of locals to be an off-contract commitment. The founder and CEO of the company, Sai Ramakrishna Karuturi, when asked if they are going to build infrastructures to the local communities said, “[t]here is no contract or protocol whatsoever that stipulates that we should necessarily build schools, clinics…jobs here and so on. But we will still do it only because that is our philosophy” (ibid.).

Nevertheless, complaints and grievances on the practice of Karaturi are already great in number. Fundamental is the one that has to do with the contract that, as mentioned above,
Karuturi claims that certain basic claims such as creation of jobs, infrastructural development and domestic sale of certain amount of production are nothing more than moral obligations than legally binding provisions. The company claims that nothing in the contract requires Karuturi to grow food for Ethiopia, but which it, out of disposition and due to supposed high transportation cost between Africa and other continents, will inevitably sale much of its cereal productions (Noteworthy, 12,000 hectares of maize plantation close to have been harvested and estimated to be worth $ 15 million have unfortunately been devastated by flash floods in Gambella at this point in time [October 2011]) in East Africa, including Ethiopia. The same is true when it comes to local employment; workers’ complaint such as low pay (8-10 Ethiopian birr a day [very close to half a Dollar according to current exchange rates]) and job insecurity happens to be something that only has to do with the interest of the company and not a legitimate legal claim.

Moreover, complaints over natural resource damage also abound. In the documentary report of John Vidal to The Guardian (March, 2011), he argues that, “forests across hundreds of square kilometers are being clear-felled and burned to the dismay of locals and environmentalists concerned about the fate of the region’s rich wildlife”. Such were forests that pastoralists upon preparing good pasture had their own traditional techniques to burn the grass and bushes. And they did so without attacking the forest that is now being burned in vast proportions by Karuturi. In conjunction with this, endangerment of thousands of antelopes in the surrounding grassland areas and effects on their migratory pattern following the burning of forests have become already visible in the area (Fred Pearce, 2011). In addition, access to water has also become as serious a concern as land access for local people. The company continues to exhaustively use Gibe river and this has led to the exclusion and out flanking of local villagers from the use of the water for their farms, livestock, etcetera (Documentary: Planet for sale, May 2011).

Consequences on the livelihood of the locals appear to be quite immense. Displacement of people is one issue. Under the government’s program of relocation and “villagization” for better provision of social amenities- and what research groups such as the Oakland Institute (OI) rather consider to be a way of making room for the land investors- three or four villages at a time are moved closer to roads and services, but no compensation yet paid (March 2011). Udul Ujulu, chief of Karami village, a new village of 250 people nine miles outside Gambella
town said, “we were promised a school, a health clinic and fresh water eight months ago. We only have one water pump so far” (The Guardian, 21 March 2011). The moving of people away from their traditional lands has serious socio-cultural and psycho-emotional consequences on the lives of local communities, especially if proper redress mechanisms of consultation, compensation and rehabilitative efforts are not in place. In its branch plantations in Bako area, Karuturi took hold of a hill that used to serve as a place of worship and which had a very high spiritual value for the residents of the village, the locals then complained but only to soon find that the company men came with the police force and put fences all round it. Only in Bako area, 200 households are regular receivers of food assistance every year (Documentary: Planet for sale, May 2011).
6. Lessons Learned

6.1. Uganda

The Ugandan case as such generates quite a mixed picture as to the practice of foreign land acquisitions in the country. Roughly, nevertheless, three different scenarios can be drawn. The first one relates to transparency. The case of Egypt claiming 2 million acres of land has not been met with serious attention and communication by Ugandan politicians. While the delegates of both countries have indeed negotiated issues concerning land investment and commercial agriculture before the claim, at least a considerable clarification on the issues actually discussed, leaving alone the Egypt’s claim over the acquisition was necessary. This was, however, never done until it was time to denounce the claim which by itself has not helped to clear the matter. A similar observation can be found from the Bangladeshi offer. When it is noted that Nitol-Niloy group with an earlier agreement already plans to bring 2500 Bangladeshi farmers to work on its farms, this was not publicly communicated; rather emphasis was only given on how capital and new farming techniques will be reaped from the deal.

The second scenario that can be observed is making misguided deals. An offer of 60,000 hectares of land to Bangladesh, as argued above, while the investors with an earlier deal already plan to bring thousands of farmers from outside and to assume that this will result into a win-win situation does in no way make it an informed deal. Here again, it is not, for instance, clear how Bangladeshi contribution in terms of improved techniques in rain fed agriculture can be considered to make it a smart deal when Ugandan farmers know all too well how to make use of rain fed agriculture. Considering this, a claim of landing a win win investment opportunity does not hold water as such, if not otherwise an almost zero sum deal.

Yet, foreign land acquisitions in Uganda also hold some potential opportunities as well, which here counts as the third scenario. The large-scale joint farm agreed with the government of Egypt can be a good example here. The arrangement involves hiring of Ugandan farmers on the wheat farms, sharing produce between the two countries and providing training and research assistance to agricultural workers, the latter of which has already started. A largely wheat consuming country, Egypt in the face of rising food prices which will mean a threat to
its largely bread eating populace will greatly benefit out of this in securing the wheat it badly needs. Similarly, employment opportunity will be created for Ugandan farmers, new farming skills will be acquired and equally importantly a certain share of production will be locally sold. As such, the out-grower scheme will present a potential to make the commercial investments in land one of mutual benefit and growth, which this particular deal with Egypt typically holds.

6.2. Tanzania

The case of Tanzania has generated some important findings. One is the fact that local people are found to have a negligible say in deciding over the projects, which have a direct bearing on their lives. The case study undertaken by Hans Theting and Brita Brekke (2010) on Sun biofuels in Kisarawe has very well demonstrated that, quite often, people from local government offices and company representatives engage locals not for actual consultation but for a platform where project missions and purposes will be communicated; residents of Kisarawe never had the chance to discuss over possible negative impacts the investment could have, let alone to meaningfully influence project decisions. Such processes apparently will create sentiments of disenfranchisement and neglect among the locals who actually see their resources in the hands of new arrivals, and finding that they are not considered part of it. This potentially incites a feeling of animosity and even holds serious consequences on the progress and prospect of the investment. Another observation concerns weak monitoring system over investments, as is observed both in the case of the paddy producer in Kapunga and in Kisarawe. For instance, the Asian investor (no mention of his identity or country of origin is yet found in any of the articles and reports) who works 7,500 ha of paddy fields in Kapunga district, upon takeover of the land in 2006, had promised to the PSRC that he would build local infrastructures and to even sell a certain percentage of the rice production to the domestic market. None of these promises have so far been practically implemented; no local infrastructures built and production continues to be shipped for exports. In the absence of strong legal frameworks and monitoring mechanisms, such promises, therefore, will not pass from being mere words on the paper.

In general terms, the case of Sun biofuels serves as an example to analyze how the practice in foreign land acquisitions is somehow taking place throughout the country: in terms of seeing how much the investments contribute to the social development of communities through job
creation and infrastructural development; to what extent and how it affects the livelihood of local communities; and also to see if there are strong monitoring and regulatory mechanisms that can make possible sustainable investment actually exist as well. To infuse one argument here helps us sum up the observed unsustainability of the practice in general. In 2009, an initiative called ‘agriculture first’ (Kilimo Kwanza) was launched by the government as a strategy to modernize and improve the agricultural sector in Tanzania. One aspect of the plan is to make land more available to investors in order to increase capital flows to the sector, through increasing FDI. Achieving these goals, however, seems to be questionable. With a soft tax regime, generous regulations on profit repatriation and no export restrictions, the government hardly has the possibility to control the amount of reinvestment into the local economy and make room where the business turns into one of a win-win and local communities become beneficiaries.

Therefore, from what is observed so far, there is no sign that the commercial land deals that take place in the country are in any tangible way leading to a sustainable win-win situation. The Sun Biofuels case study has made clear some fundamental points: local communities are disenfranchised from much of the decisive processes, promises in infrastructural development are in most cases not lived up to and job opportunities already created are below standard and highly unmonitored, for instance, poor working conditions and irregular terms of employment; and the arrival of the investors has introduced a significant impact on the livelihood of the locals, not least an impediment in the way they use common resources such as land and water. In line with this, furthermore, two fundamental problems also prevail: inadequate implementation of the laws and procedures, including a functioning monitoring system; and circumvention of laws by different stakeholders, including investors and government officials. On top of this, keeping in mind the already prevalent disputes and conflicts over natural resources taking place in the country, the prospect for this whole business to translate into one of sustainability and development becomes a mere optimism.

6.3. Ethiopia

Although too early to tell whether these whole investments hold much benefits to local populations, studies but show that the signs in site are not promising. When it comes to technological transfer, as a starter, many small holders continue to use very low-tech farming techniques, plowing either by hand or by oxen. It is not clear how large-scale operations
which rely on large scale farm machinery, extensive irrigation and use of herbicides and pesticides that require massive amount of capital investment can result in a transfer of technology and know-how that would be accessible to the average farmer (Oakland Institute, 2011). There is no evidence yet suggesting the availability of some kind of farmers’ training seminars, nor any mention of local personnel hired to operate advanced farming machines and the like, at least learning from those investors who have already started work.

When it comes to creation of employment opportunities to the locals, evidences suggest that most of the deals have at their heart provision of employment to local farmers as a promise, and companies like Karuturi and Saudi Star have already hired local farmers on their plantations (Ibid.). While some farmers are satisfied by the opportunity and the extra income they are able to earn, many others yet complained of the low wage (Karuturi, for example pays between 8 to 10 Ethiopian Birr a day (close to half USD at the current exchange rate) to its workers) and temporal nature of the job which does not give them security. Moreover, it is also noted that many deals that are already signed and that contain the promise of providing employment have simply leased the land but without any operation for a long time, and as such leaving fulfillment of this provision in vacuum (Deininger et al., 2011); FAO, IIED and IFAD, 2009). Along with transfer of technology and employment opportunity, contribution in terms of infrastructural development is one aspect that both governments and land leasing investors continue to claim as one benefit that this practice brings to communities. As in the other provisions, most investors similarly promise of building schools, clinics, water supplies etcetera to host communities, and practice in this regard so far does not seem to be in good path. A positive development might be that Karuturi Global is building a small township of 50,000 for farm workers, establishment of processing mills and constructing basic social facilities in a neighboring locality in Gambella (Documentary video: Planet for sale, May 2011). On top of this, Ol’s study found out that only in one Gambella village some community members said that investors delivered supplies of water and provided school uniforms in their villages. In fact, many investors have shown interest to contribute to the social development of their areas despite the fact that it is, after all, strong enforcement mechanisms, that are very weak at the moment, that determine the results on the ground. The critical importance of strong legal frameworks may have to be taken to heart when, for instance, a foreign investor is quoted as saying “our agreement with the government is purely commercial. Government is charging us a rent….what we choose to do on the land for our
own commercial intent is our own business. There are no governance, no constraints, no contracts, none of that…” (Oakland Institute, 2011)

Evidences also show that the practice of large scale land investments in Ethiopia is already demonstrating its downsides. In the first place, the impact assessment processes are weak and the level of enforcement of laws and regulations is almost non-existent. Nevertheless, the social impacts in many cases will be felt immediately, due especially to the loss of lands, as the issue of land is very sensitive, and to many Ethiopians, land is not merely a commodity but happens to be a critical component of their identity. In a World Bank report titled, “Rising Global Interest in Farmland (2010)”, research concluded that “[t]he risks associated with such investments are immense…Land acquisitions often deprived local people, in particular the vulnerable, of their rights…Consultations, if conducted at all, were superficial…and environmental and social safeguards were widely neglected.” (Ibid., p. 141). Villagization and displacement of people (which has already taken place in Gambella as a result of the arrival of Karaturi), the loss of farmland, the degradation and destruction of natural resources and the reduction of water supplies are expected to result in the loss of livelihoods of affected communities (The Guardian, March 2011; Oakland Institute 2011). In Gambella and Benishangul, respectively, 45,000 and 90,000 households are affected due to “villagization” and land investment displacements (Oakland institute 2011). In addition, massive influxes of laborers, usually men from other highland areas of the country, bear significant adverse effects on local communities. According to OI study, there is concern among many people in both Gambella and Benishangul that laborers will stay after their employment, acquire land, eventually bring their families and further exacerbate pressures on the land resources. An indigenous elder in Benishangul speaking about the influx of laborers from highland regions said, “we have no conflict with the new comers now, but it is coming. Conflict will be about land issues, and about lack of respect” (Ibid., p.38). Local communities as such have always maintained a strong connection with their lands in such a way that encroachment of such sorts is considered to carry far reaching moral consequences.

13 The word ‘villagization’ here is meant to indicate not the sort of large scale relocation of people to certain villages as it was the case during the socialist military regime or as in the case of the Ujama period in Tanzania. Though it is still about the scale, the word is used here only to refer to the controversial (voluntary or compulsory) relocation of the residents from where karuturi now operates to a new nearby village.
The case of Karuturi discussed in the previous section can be a good sample to see the nature of the practice. The company, despite the fact that statistics on the precise number of agricultural workers hired is lacking, since the start of its operations has continued hiring local people and still promises to create 25,000 more jobs in the coming two to four years and as part of this has started building a small township of 50,000 for farm workers, establishment of processing mills and the like in a neighboring locality in Gambella. In spite of this, however, three to four villages have been dislocated, vast areas of forests are burned to fell (due to which, for instance, thousands of antelopes are fleeing their habitat), and water sources such as the Gibe river is being heavily used by the company thus posing serious threat on access to water for the locals. Even more, the influx of laborers from highland areas is not welcome by local population as it poses pressure among others on resources and opportunities. Equally worrying is also the fact that highly valued spiritual sites, as in the case of the plantations in Bako, are being demolished to make way for the investment, but to the dismay of locals. All these practices have very serious and long lasting socio-cultural and psycho-emotional consequences on the lives of local communities, especially if proper redress mechanisms of consultation, compensation and rehabilitative efforts are not in place. And the claim of a win win situation rather remains an empty claim if people as such are forced to pay high moral and livelihood costs on their own resources.
7. Final Analyses and Concluding Discussions

This thesis made an attempt to investigate the growing practice of large scale foreign land acquisitions by application of a multiple-case study in three East African countries: Ethiopia, Tanzania and Uganda. The study has respectively taken a close look into these cases to find out whether the business of foreign land investments accrue to the benefit of local populations in terms of, \textit{inter alia}, creating job opportunities, infrastructural development or technological transfer as often claimed by proponents of the practice, or if it rather leads to marginalization, livelihood disruption and disenfranchisement of local communities as those who resolved to call the practice ‘land grabbing’ have more often insisted it to be. The practice has been discussed mainly through the theoretical frameworks of neoliberalism and neocolonialism, each of which has a diametrically opposite view and presentation of the business of acquiring vast areas of agricultural land by foreign investors.

Those who saw promising prospects regarding the practice, or in other words, those who hold a neoliberal viewpoint argued that countries involved in the practice will benefit from the opportunities of free trade –needed investment in the agricultural sector, increased food security in both host and investing populations, technological transfer, and etcetera. It could be said that one of the reasons why much of these investments take place in Africa-well over seventy percent- might be due to the fact that there is a widely held assumption among government and academic circles that Africa still has a good proportion of unused land areas (Reader, J., 1998). Therefore, there is enough ground to argue that the way the World Bank and IMF who along neoliberal lines have so far considered the practice in terms of a ‘win-win opportunity’ must have somehow sprang from this presumption. In fact, at par with this count the financial crises and food price increases of 2007/08, food export restrictions by some countries, and subsequent reaction by food poor countries, notably the Gulf States. Equally significant is also the wide open arm reception of these investments, predicated on the neoliberal prospects, by many African countries.

This study has identified some positive developments that may well fall within neoliberal trajectories. For instance, an out grower scheme to produce wheat on a large scale joint farm has been established in Gulu district in Uganda where the Egyptian International Center for Agriculture has already started providing training for Ugandan farmers; employment
opportunities for local farmers have been created as is demonstrated in the case of Sun biofuels in Kisarawe and Karuturi in Gambella; and development of a neighborhood where farm workers and villagers get access to water supply, clinic, processing mills, a school and the like is taking place next to Karuturi’s plantations in Gambella. Such facilities in fact make important contributions both for the lives of host communities and in the establishment of trust and in the smooth exchange and progress of the agricultural investments.

However, considering the negative consequences of the investments that the case studies have generated, these contributions turn out to be rather both too little in volume and insignificant in substance. And this is where the neocolonialist practices by far outweigh neoliberal prospects. In a manner that put the practice of large scale land acquisitions at par with the old forms of colonialism where local African populations remained powerless on their own resources for centuries and endured extensive exploitation by colonial forces, this practice presents an equally appalling danger on the local people of these countries. Displacement of whole three to four villages from their ancestral lands as what happened in Gambella by Karuturi; Shipping of food for export as in the case of the Asian investor in Kapunga area in Tanzania; inflicting of serious damage on local environment by burning down vast tracts of forests which gives life both for local communities and the wild life as in the case of the now fleeing thousands of antelopes in Gambella as a result of the ongoing activities, including heavy use of water sources that local people depend on as the Karuturi case illustrates; expropriation of sites that serve as worshipping places and that have high spiritual value for local people; and equally important, the way the consultation processes marginalize, disengage, and make local people decision takers than active participants on their own resources exactly as the cases of sun biofuels in Kisarawe and Karuturi in Gambella have clearly shown.

Therefore, the cases have generated results that lead this study to conclude that the practices that have been investigated with regard to large scale foreign land acquisitions bear more of negative consequences on the lives of host populations than making contributions to the development of their social, economic and environmental situations. The few promising instances and a win win sustainable investment can be achieved only if certain necessary conditions are strengthened and fulfilled. One fundamental aspect is to make sure that transparency exists right from district governmental offices through to regional and national
levels of administration concerning commercial land investments. It has been found out that there is a great deal of opacity and obscurity concerning the investments so much so that regional and national offices sometimes present quite discrepant figures and details concerning deals, and also that whole deals might in some cases even be withheld and not publicly communicated as is observed especially in the Tanzanian and Ethiopian cases. Moreover, strong regulatory and monitoring mechanisms that oversee proper and adequate consultation with local communities, social and environmental impact assessments and periodic monitoring on project practices, including follow up of project promises are very fundamental.

According to the case studies, the win win results that are very much hoped and purported by giant organizations such as the World Bank and IMF have not been observed and even the signals do not point towards that in the absence of the aforementioned elements that would have made it possible. In addition, the fruits of these investments rather sound farfetched when one considers the current political, economic and environmental situation of not only the region under consideration but also the continent as a whole. Two serious issues which have direct bearing on the outcome of this practice are at stake: popular revolutions and droughts. The popular uprisings that are particularly shaking governments of North Africa and the Middle east at this moment have already ousted governments that were already actively participating in a number of large scale land acquisitions, for e.g. Egypt and Libya. The most important question here would be to ask how contagious and how far these revolutions may go? Leasing of large tracts of land for 50 up to 99 years without proper public knowledge and consultation would mean that not only on such abrupt popular revolutions but even on conditions of sober government transfers, it cannot be guaranteed that the coming administration in office recognizes such deals that lacked popular base, and hence are very prone to fail. The other open ended question might be, in those cases where governments have directly involved in agro investment as in the case of the former Mubarak administration leasing land in Ethiopia, the kind of power shift that may follow becomes very interesting; but how will these affect the stability and progress of previously executed deals?

Another serious issue is of course drought, which has almost periodically hit the horn of Africa for decades is already occurring right about this time. Countries of the region such as Somalia, Ethiopia, Kenya and Sudan have already faced drought caused food crisis in their
populations. Leasing of large tracts of arable land for up to ninety-nine years in a region that thrives under a cloud of drought and frequent food crises is not therefore a wise policy decision and may even have serious economic, political and security consequences both for the project owners and the lives of the local population.

Therefore, this study concludes that neoliberalism rather leads to neocolonialism as far as large-scale foreign land acquisitions in Africa are concerned. In addition to the findings of the case studies, the neocolonial practice becomes more apparent when one considers the fact that new powers such as China and India through neoliberal corridors continue to acquire vast tracts of agricultural land in the continent in far greater proportions than old western colonial powers. Hence, there appears to be a great deal of difference between assuming such investments to lead to mutual growth, security and sustainability and, what actually practice thus far shows, existing local situations and attendant weak governance structures. And the bottom line is that the latter do greatly determine the outcome of this whole business and therefore policy makers and governments should meticulously give consideration to these realities while advocating on the issue of commercial land investments.
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