

Chapter 2: International Land Acquisitions Today

A new international division of labour in agriculture is likely to emerge between countries with large tracts of arable land—and thus a likely exporter of biomass or densified derivatives—versus countries with smaller amounts of arable land (i.e. biomass importers, e.g. Holland). The biggest biomass export hubs are expected to be Brazil, Africa and North America. (World Economic Forum 2010)

Like trade, foreign direct investment (FDI) has occurred throughout history. From the merchants of Sumer around 2500 BCE to the East India Company in the 17th century, investors routinely entered new markets in foreign dominions. In 1970 global FDI totaled \$13.3 billion. By 2007 it was nearly 150 times higher, peaking at \$1.9 trillion. (WB 2010)

Importantly, the new investment strategy is more strongly driven by food, water and energy security than a notion of comparative advantage in the large scale production of indigenous crops for global markets, which has been more characteristic of foreign-owned plantations since the end of the colonial era. The current land purchase and lease arrangements are largely about shifting land and water uses from local farming to essentially long-distance farming to meet home state food and energy needs. (UN DESA 2010)

1. INTRODUCTION

Diversity of frames and perspectives characterize the contemporary debate on “land grabbing” since 2007. While the emerging empirical evidence about dynamics in host countries is growing, meaningful assessments of land-consuming FDI from a home country perspective remain limited. The more nuanced assessments that have emerged all highlight the complexity of home-country-specific political economies involved, plus the significant share of non-resource focused, yet land-consuming OFDI projects.

This chapter introduces central concerns, trends, and paradigms of the “land grab” debate since 2008. It proceeds as follows: Firstly, key factors will be discussed that might explain the unexpected surge of international interest in, and research on the topic of “land grabbing.” Secondly, the main terminological challenges will be outlined. Alongside the data challenges presented in Chapter 1, these are important in understanding the constraints and pitfalls that confront research on this topic. Thirdly, a review of major publications since 2008 will be presented, highlighting core explanations, and summarizing how the debate has evolved over time, analytically and empirically.¹ Fourthly, the three most influential framings that shape the policy debate and the research literature will be discussed. Aside from their significant role in identifying the problems of “land grabbing,” and, on that basis, recommending potential remedies, these framings also mirror core actor constellations and paradigmatic contestations that affect what is being discussed in the academic literature on the topic. Finally, the contribution made by this research project to the debate will be briefly outlined.

2. WHY “LAND GRABBING” MADE IT ONTO THE INTERNATIONAL RESEARCH AGENDA

Before going into the debate on “land grabbing” itself, it seems important to reflect upon its basic parameters on a broader scale, namely the factors that put this topic on the international research agenda in the first place as well as the terminological ambiguity that characterizes it. These prior considerations about the context and terminology of the debate will allow us to identify potential interests, dynamics, and events that might be important for a better understanding of the “land grab” phenomenon. Clearly, processes of dispossession, concentration of ownership, and other aspects of commercial pressure on land

1 | For clarification: While the “land grabbing” debate begun with the framing by GRAIN (2008) in 2008, it is important to note, that the projects that are referenced in the debate often trace back to the year 2000, or even further back.

that are discussed under the heading of “land grabbing,” “international land acquisitions,” or “FDI in land and agriculture,” are by themselves nothing new, nor do the authors who contribute to the respective literature and policy debate seem to make a particular effort to understand whether anything about the phenomenon differs from the past. What exactly does the broader context of timing, actor constellation, or terminology then tell us about the renewed popularity of land issues?

It appears that the interplay of five factors has prepared the ground for new interest in the phenomenon. These factors can be described under the headings of framing, empirical evidence, crisis, competition, and opposition.

Firstly, the “land grab” framing itself seems important. “Land grabbing” has not only become the title under which a huge body of interdisciplinary research on the topic is emerging, but it also provides international NGOs such as GRAIN² with a powerful diagnostic tool and political platform to pool and jointly articulate their discontent with the predominant policy paradigms of the national and international development institutions and agencies that initially supported these “investments” and related policy reforms in the name of “development,” “poverty reduction,” and/or “food security.”³

Secondly, in this process of paradigmatic contestation there is growing empirical evidence of the often high social, environmental, and/or economic costs of “land grabs” at the local level, which has been admitted by the WB.⁴ Together with the sheer, unheard of scale of the projects, this has lent practical credibility to the alternative framing that challenges the widely institutionalized policy paradigm of mainstream economics over its failed promises—pointing, for instance, to the poor job creation and skills transfer, limited taxation, dispossession, displacement, pollution, and ownership concentration.⁵

Thirdly, the context of the financial, energy, and food crises of 2007/2008 has increased interest in the topic. On the one hand, the rise of FDI in land and agriculture, especially at a time when investments elsewhere were declining, generated attentiveness to the phenomenon on a general level—first from a quantitative angle by UNCTAD, and increasingly from a qualitative angle.⁶ On the other hand, the crises had governments worldwide worrying about political and economic regime security in the face of food riots, high energy and food prices, unemployment, debt pressure, and lagging growth. These concerns

2 | GRAIN (2008).

3 | WB (2007); De Schutter (2011a); Caffentzis (2002); De Angelis (2005).

4 | WB (2011).

5 | WB (2011).

6 | UNCTAD (2009).

redirected their attention towards issues of food, job, and energy security, all of which are issues linked to land-consuming investments.⁷

Fourthly, the renewed attention to “land grabs” was also fueled by the widespread concern among public and private actors in old investor countries over heightened international competition and global economic restructuring.⁸ This is evidenced by the high research output of OECD-based institutions on the rise of new economic powers as well as the officially documented fears of old economic powers over their declining international influence.⁹

Finally, the opposing interests and paradigms of dominant institutions, such the WB, the FAO, or the UN Special Rapporteur on the Right to Food, have led to a lively, global-level policy debate on the issues of “land grabbing,” food security, and the role of agriculture for development.¹⁰ In this context, a well-prepared civil society, which had pushed the FAO since 2002 to change the course of its agricultural policy stance towards smallholder farming, also played a prominent role. It made productive use of the 2007/2008 food crisis and its established institutional linkages with the Rome-based agency once the crisis hit.¹¹

In sum, these elements point to the political side of the debate, and they call attention to the fact that not everyone who engages in it does so out of an interest in “land grabbing” itself. Instead, part of the discussion taking place under the label of “land grabbing” seems to be the result of media diplomacy and the furthering of other agendas. This is highlighted by the great discrepancy between empirical facts and rhetorical claims about what is happening. This discrepancy, which this research project witnessed in many cases during process tracing, cannot be explained by the complex set of data constraints alone.

7 | Against this background, the observation by Ayoob (2005) that the securitization of an issue is preceded by its politicization seems important.

8 | See UNCTAD (2009, 124), especially regarding the rise of transnational corporations (TNCs) from Asian countries among the top 25 TNCs globally. Also see Dicken (2007), 33-69.

9 | See Chapters 6 and 7.

10 | See WB (2007); IAASTD (2008); De Schutter (2011a); WB (2011); and IIED/FAO/IFAD (2009).

11 | Personal communication, Steering Committee member of the Committee on World Food Security, November 2013.

3. ON TERMINOLOGICAL AMBIGUITY

The politics of the discourse on “land grabbing” that were discussed in the previous section are also reflected in the history of its terminology. The “land grab” terminology was brought to life by GRAIN’s publication “Seized,” which first applied it to describe an allegedly new global trend, namely the securing of large tracts of (farm)land by foreign governments and private actors. While the term “land grabbing” had previously been used to describe historical incidents of “arbitrary seizure of land either by military force or through dishonest or illegal means,”¹² GRAIN’s reframing of international investments in land as “land grabs” pointed to the similarities between contemporary events and those of the past for the affected populations in the form of “the brutal expulsion of indigenous communities” and intensifying “struggles over land.”¹³ At the same time, it put the spotlight on the prevailing economic approach’s “accumulation of anomalies,”¹⁴ such as misleading assumptions about the benefits of such investments for the social and economic development of host countries. These assumptions did not match the empirical evidence and were plagued by an analytical inability to explain these investments meaningfully: why would investors target primarily countries with particularly low governance performance?

Subsequent reports by international institutions,¹⁵ NGOs (e.g., Action Aid¹⁶ and Oxfam¹⁷), and academia followed up on the core questions raised by GRAIN’s alternative framing by assessing whether *farmland* acquisitions constituted a “land grab” or a “development opportunity.”¹⁸ Yet, these reports continued using different terminologies to describe land-consuming investments, such as “FDI in land,”¹⁹ depending on their respective framing. In addition to the resulting pluralism of terms and frames to describe foreign investments in *farmland*, academic research broadened the focus of “land grabbing” to include “radical changes in the use and ownership of land” through FDI in sectors other than agriculture, such as tourism or industry.²⁰ The resulting termino-

12 | UNCCD (2010).

13 | GRAIN (2008), 1-2.

14 | P. Hall (1990), 9.

15 | IIED/FAO/IFAD (2009); WB (2011).

16 | Action Aid has a thematic work area and several publications on “Biofuels and Land Grabs” (<http://www.actionaid.org/eu/what-we-do/biofuels-and-land-grabs>).

17 | Oxfam produces research on the political economy and outcomes of land policy (<http://oxf.am/4LX>).

18 | IIED/FAO/IFAD (2009).

19 | Weingärtner 2010; WB (2011); and WB (2010).

20 | Zoomers (2010).

logical ambiguity led Borras and Franco to conclude that “the ‘global land grab’ has become a catch-all to describe and analyze the current explosion of large scale (trans)national commercial land transactions.”²¹

At the same time, the analytical value of the concept came under increased scrutiny: as not all “land grabs” are the same, R. Hall argued that the concept’s primary value was for activist rather than analytical purposes, because it ignored the context-specific dynamics and processes at play in the host countries.²² Moreover, an increasing number of case studies began to question certain presumptions at the core of the “land grab” framing that were related to its peasant activist origin.²³ Studies on international farmland acquisitions in Russia and Ukraine challenged, for instance, the common supposition that peasants are inherently opposed to large-scale investments and farming models.²⁴ Instead, large-scale investments in farming can encounter a relatively positive expectation of production and expansion in country contexts where uncultivated land has a negative connotation as a further retreat of the state. This clearly highlights that research on “land grabbing” must account for the host country’s specific development practice and history, rather than assuming a unitary peasant culture. Moreover, D. Hall’s research on South East Asian crop booms advises “that we need to pay attention to smallholders as potential *agents* of land grabbing,”²⁵ instead of assuming (*a priori*) that they are all necessarily victims in the process. At the same time, the shortcomings of the “land grabbing” frame’s narrow focus on smallholder farming and food sovereignty in particular institutional contexts and in view of de-peasantization have been highlighted.²⁶

As of 2016, this struggle over the adequacy of the terms and frames used to describe what seems to be happening in the context of “land grabs” continues. How significant this struggle is for the assessment of “land grabbing” becomes obvious when considering that under the existing terms and frames, it is impossible to clearly identify whether a “land deal” is a “land grab” or not.²⁷ While GRAIN used the term to refer to any *foreign* investment in *agriculture*, over time research has challenged this definition, which only captures a minor

21 | Borras and Franco (2010), 2.

22 | R. Hall (2011), 193.

23 | Borras et al. (2011).

24 | Steggerda and Visser (2012); Mamonova (2012). Also see special journal editions on “Global Land Grabs” by *Third World Quarterly* 2013 (Volume 34, Issue 9) (see Edelman et al. (2013)); and “Land Grabbing and Global Governance” by *Globalizations* 2013 (Volume 10, Issue 1) (see Margulis et al. (2013)).

25 | D. Hall (2011), 838.

26 | De Master (2013).

27 | See also D. Hall (2013), 1592.

share of the total dynamic, ignoring, for instance, the significant dynamics of land dispossession and ownership concentration attributed to domestic investors of the respective host countries. The importance of the latter has resulted in case studies assessing “land grabbing” through a focus on the political economies of the host countries. Similarly, attempts to update the “land grab” terminology in line with the empirical evidence, such as the Tirana Declaration,²⁸ tend to forget that even under democratic methods, compensation and deliberation procedures might not solve the underpinning conflicts of land use and land struggles. Again, the definition is not precise enough to differentiate what is *not* a “land grab.” Yet, such a definition would be needed to discuss “land grabbing” in the broader development context, especially in view of the fact that it is both part of and symptomatic of pressure on land in the form of economic upscaling, growth, and/or economic liberalization.

For the purpose of this research project, it is important to remember that it largely uses the term land-consuming FDI. This term best captures a common feature of many “land grab” projects that matters when assessing them from a home country perspective—namely, that their primary purpose is neither the acquisition of land nor the investment in agricultural production. Instead, what is characteristic of these investments is that they consume large areas of land in their operations.

4. THE “LAND GRAB” DEBATE SINCE 2008

In spite of the widespread and growing academic criticism of “false precision,” it is important to note that in the ongoing debate, as well as the public perception about the topic, a set of empirical facts continue to form a sort of “empirical fiction”²⁹ about the phenomenon.³⁰ Borras and Franco argue that the predominant empirical storyline about “land grabbing,” which runs through

28 | The Tirana Declaration (ILC (2011), 8-10) was the outcome document of an international multi-stakeholder conference organized by the National Federation of Communal Forests and Pastures of Albania (NFCFPA), the Government of Albania, and the ILC on the theme “Securing land access for the poor in times of intensified natural resources competition” (24-26 May 2011).

29 | This term does not mean to argue that the empirical observation of a concentration of land ownership, access, and control is false. Instead, it wants to highlight that available reports and databases often pretend to provide precise figures in view of land “grabbed” by project or in aggregate (e.g., Land Matrix), even though these figures might frequently be incorrect for various reasons.

30 | For a detailed critique of the data foundation of the “land grab” debate, also see Rulli and D’Odorico (2013a) and (2013b); Scoones et al. (2013b); and Oya (2013b).

many scholarly, as well as para-scholarly, publications from the beginning, basically consists of five hypotheses: (1) land used for domestic consumption changes into land used for export production; (2) the main investor countries are “the Gulf states, Chinese and South Korean governments and companies;” (3) land deals also “involve finance capital, partly leading to speculative deals;” (4) they “are often shady in character, being non-transparent, non-consultative, and fraught with corruption involving national and local governments;” and (5) “land grabs” necessitate better regulation to prevent negative, and generate positive, outcomes.³¹ In light of the growing and increasingly differentiated research on land-consuming FDI since 2008, this simplified empirical narrative is predominantly an ossification of the original theme of 2008, when the topic attracted international attention. The remainder of this section will provide an overview of the main themes, publications, and perspectives that have been characteristic of the evolving debate on land-consuming FDI over time.

The key milestones in the literature are reports by NGOs³² and international institutions;³³ research papers submitted to conferences on “Land Grabbing” and “Food Sovereignty;”³⁴ and articles in particular journals, such as the “Global Land Grabs” issue of the journal *Development*;³⁵ the *Journal of Peasant Studies*, which not only published selected papers on the topic,³⁶ but also special issues covering specific aspects of international land acquisitions (e.g., green grabbing; the peasant in relation to the state and class; biofuels, land, and agrarian change);³⁷ the *Globalizations* journal (e.g., land grabbing and global governance);³⁸ or *Third World Quarterly* (e.g., agrarian reform).³⁹ In addition to this increasingly multi-faceted body of literature, numerous books on the topic have been written.⁴⁰

31 | Borras and Franco (2012), 38. ILC (2012), 4.

32 | GRAIN (2008); and ILC (2012).

33 | IIED/FAO/IFAD (2009); WB (2011).

34 | See the conference documentation of the international conferences on Land Grabbing I (6-8 April 2011 at University of Sussex) and II (17-19 October 2012 at Cornell University), and the conferences on Food Sovereignty: A Critical Dialogue (14-15 September 2013 at Yale University; and 24 January 2014 at the International Institute of Social Studies (ISS), The Hague).

35 | Harcourt (2011).

36 | E.g., Zoomers (2010).

37 | Fairhead et al. (2012); *JPS* (Vol. 34, Nr. 3-4, 2007); McMichael and Scoones (2010).

38 | Margulis et al. (2013).

39 | Edelman et al. (2013).

40 | Fritz (2010); Pearce (2012); and Liberti (2012),

When starting off in 2008, the discussion of “land grabbing” focused largely on investments in *farmland* made by *foreign* agribusiness or financial investors in the context of the global food and financial crises.⁴¹ Based on over 100 cases of “offshore food production,” GRAIN argued that the governments of food importing countries, namely China, Saudi Arabia, Japan, China, India, Korea, Libya, and Egypt, were “snatching up vast areas of farmland abroad for their own offshore food production” and food security, as the food price crisis and food export bans in 2008 indicated the market’s failure to provide for cheap and secure food commodities. Foreign agribusiness and private investors were also identified as acquirers of farmland, but for different reasons, namely the search for profitable investment opportunities at a time of financial crisis.⁴²

The empirical description of investments in farmland has become more detailed and complex. Institutional and academic publications largely followed the original description of what seems to be happening,⁴³ but added the energy alias “peak oil”⁴⁴ crisis and the climate crisis to the range of “land grab” triggers—with the argument that these had resulted in domestic legislation with land-intensive (trans)national consequences.⁴⁵ Under the header of “green grabbing,” a growing number of publications study the implications of biofuel policies, the REDD scheme,⁴⁶ and/or other policy regimes and cases “where ‘green’ credentials are called upon to justify appropriations of land for food or fuel—as where large tracts of land are acquired not just for ‘more efficient farming’ or ‘food security’, but also to ‘alleviate pressure on forests’.”⁴⁷

At the same time, the 2009 report by FAO/IIED/IFAD emphasized the importance of domestic investors. It suggested that government-backed deals could be more about investing profitably than securing food, and stressed that the terminology of land acquisition might be misleading overall, as many land

41 | See more about the interrelation of food prices and financial sector speculation in the joint report by UNCTAD and Arbeiterkammer Wien (2011).

42 | GRAIN (2008); also see Table 1-1.

43 | Shepard and Mittal (2009); Smaller and Mann (2009); IIED/FAO/IFAD (2009); WB (2011).

44 | International Energy Agency (2013).

45 | Seiwald and Zeller (2011), Matondi et al. (2011).

46 | See the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (UN-REDD) website (<http://www.un-redd.org/>).

47 | See the introduction of the special issue of *JPS* 2012 (Vol. 39, No. 2) on Green Grabbing: a new appropriation of nature?, written by the editors Fairhead et al. (2012), 237. For an overview of relevant green grabbing publications, also see Steps Centre (25 April 2012).

deals—depending on the regulatory context of the host country—were in effect land leases rather than purchases.⁴⁸

With time, more sub-themes emerged. For instance, the definition of “land grabbing” was broadened by some authors to include a wide range of land-consuming investments, such as tourism, infrastructure, and mining.⁴⁹ This broader definition illuminates the land-use competition dynamics at play. Additionally, the notion of “grabbing” was taken up by (often environmental) researchers and applied to other resources whose “grabbing” seemed to be part of the “land grab” package, particularly water and forests. The briefing by Skinner and Cotula, titled “Are land deals driving ‘water grabs’?” is an example of this discursive shift from a focus on peasant struggles and food security to the topic of comprehensive and integrated resource management.⁵⁰ The publication highlighted that the Malian government transferred water (use) rights together with land (use) rights to large investors, “with little regard for how this will impact the millions of other users—from fisherman to pastoralists.”⁵¹ It also warned about the potential consequences of such transfers, namely the corresponding inflexibility and exclusiveness that would hamper future attempts to implement comprehensive resource management in the affected countries.⁵² The latter aspect has been underlined by research on the relation of population, land use, and land ownership; for example, a study on the UK concludes that private land ownership at a time of rising eco-scarcity and climate change is unsustainable and might necessitate a public intervention in the medium term in order to regain the land planning capacity needed “for the successful management and security” of key social needs, namely “housing, food, energy, water, waste, ecosystems, transport and utilities.”⁵³

Simultaneous to the build-up of empirical case studies and the diversification of the debate, there has also been a rising number of distinct analytical approaches observable in the academic “land grab” debate. The phenomenon has been investigated using (multiple) theoretical frames and related concepts of political ecology,⁵⁴ Marxism,⁵⁵ world system theory,⁵⁶ mainstream econom-

48 | IIED/ FAO/IFAD (2009); D. Hall (2013).

49 | See GLP (2010) and ILC (2012).

50 | Skinner and Cotula (2011).

51 | Skinner and Cotula (2011), 1. Also see Smaller and Mann (2009) and Bizikova et al. (2013), 1.

52 | Skinner and Cotula (2011).

53 | Home (2009), 107.

54 | White et al. (2012).

55 | Oya (2013a).

56 | Baumann (2013).

ics,⁵⁷ human rights,⁵⁸ peasant studies,⁵⁹ gender studies,⁶⁰ political economy,⁶¹ discourse analysis,⁶² and/or (global) governance.⁶³ This varied body of analytical approaches has contributed to a more comprehensive understanding of what seems to be happening by studying the object from multiple angles.

However, these assessments largely focus on the host country and IFDI-side of “land grabbing.” Moreover, the existing explanations of what is happening, and why, remain divided between two analytical trends. On the one hand, fairly structuralist approaches address transnational zero-sum dynamics, but neglect to account for more complex or less clear dynamics on a case by case basis. Take, for example, the Marxist or political ecology delineations, which often limit their focus to instances of, and pre-assumed ideas about “accumulation through dispossession”⁶⁴ and/or the transnational, socioeconomic, and environmental consequences of land-intensive policies, such as the renewable energy policies.⁶⁵ On the other hand, when examining more case-based analyses in the area of human geography⁶⁶ that do examine the details of local politics and the concrete business models of particular investors, they lack a structural outlook that would place the findings in the broader context of (trans)national developments and home country dynamics that they are part of—including economic restructuring and/or geopolitical strategizing.⁶⁷

Overall, the debate about “land grabbing” still suffers from being “both wide and narrow,” not only with regard to analytical explanations, as highlighted above, but also in terms of focus on investments in farmland.⁶⁸ FAO case studies, for instance, account merely for “broad processes of rural land and capital concentration in the context of neoliberal globalization,”⁶⁹ and confine the assessment to themes of food security, foreign government involvement,

57 | WB (2011).

58 | Bernstorff (2013); and Golay and Biglino (2013).

59 | Jansen (2014).

60 | Zetterlund (2013).

61 | Chasukwa (2013).

62 | Li (2012).

63 | Margulis et al. (2013).

64 | Harvey (2003), 137-182; also see the critical commentary on this framing by D. Hall (2013).

65 | Ariza-Montobbio et al. (2010); Borras et al. (2010); and Fairhead, et al. (2012).

66 | Boamah (2011).

67 | The special issue “Governing the Global Land Grab: The Role of the State in the Rush for Land” in *Development and Change* 44:2 (Wolford et al. (2013a)) tries to address this problem.

68 | Borras et al. (2012), 847. Amanor (2012), 731-49.

69 | Borras et al. (2012), 847.

and the significance of scale. Environmental groups⁷⁰ primarily focus on the problem of resource security, often without consideration for social implications, while land governance research⁷¹ tends to leave out the ecological implications of “land grabs.”

Moreover, studies generally do not account sufficiently for the differences and commonalities between and within regions, while the emphasis on conflictive land deals in Africa has yielded a particular understanding of the “land grabbing” dynamics that does not seem to be applicable to other parts of the world.⁷² Take, for instance, “land grabbing” in Latin America, where empirical evidence shows that land acquisitions are largely made by regional or domestic actors rather than extra-regional actors as in Africa, and that they mostly occurred prior to the year 2000. Due to the narrow focus on foreign investors, these trends often remain invisible in many of the aggregate accounts on the phenomenon which center on foreign investments since 2008.⁷³

Finally, a large share of the research output concentrates on host countries and the implications of capital imports, whereas the depiction of investor countries relies strongly on preconceived notions of their motivations.⁷⁴ Home country governments and corporations, so goes the narrative, acquire (farm) land overseas to produce food and other primary resources for export back home; or speculate on rising land values and commodity prices. The few (yet rising number of) studies that do provide a detailed assessment all call to question related stereotypes.⁷⁵

70 | Bizikova et al. (2013).

71 | ILC (2012).

72 | See the interview with Saturnino Jr. Borras on *The Water Channel* (<http://www.thewaterchannel.tv/en/videos/categories/viewvideo/1387/food-security/5-ways-to-re-think-land-grabs>).

73 | Borras et al. (2012), 847.

74 | Again, these preconceived notions about investor country’s rationales largely reflect on the predominance of themes of the first “land grab” publication by GRAIN (2008).

75 | See, for instance, D. Hall (2012) on Japan; and Alden (2007); Brautigam (2009); Ekman (2010); Rosen and Hanemann (2009); Smaller et al. (2012); Cotula (2012) on China.

5. WHAT ABOUT POLICY? INFLUENTIAL FRAMES AND PARADIGMS IN THE DEBATE

The range of analytical approaches to study the “land grabbing” phenomenon has diversified with time, particularly regarding the dynamics in the host countries. At the same time, standard narratives that framed the debate in the beginning remain influential concerning investor and home country perspectives.⁷⁶ It is in this context that the policy debate comes into view: not only is the policy debate a major component of the overall body of research on “land grabbing;” it also is one of the factors explaining the normative outlook of the debate.

Specifically, the policy debate is characterized by a competition of different framings regarding the problem definition of “land grabbing.” The focus remains largely limited to investments in agricultural production, in spite of the empirical evidence that emphasizes the importance of other land-consuming activities in the global “land grab,”⁷⁷ such as tourism, infrastructure, manufacturing, and mining. In addition, most documents have a reductionist explanation of why international land acquisitions are occurring at this moment in time, based on economic notions of supply, demand, and international crises/resource scarcities that are also a core part of many academic explanations.⁷⁸

In practice, the academic and policy debates overlap in view of framings and persons, making it often impossible to clearly differentiate between scholarly and policy-related research outputs. For instance, the NGO publication by GRAIN set the tone and focus of the debate on “(farm)land grabbing,” and the original assessment and problem definition continues to inform a significant share of academic research or media output.⁷⁹ Moreover, the work of certain actors, such as Deininger from the WB, is published and widely cited in academic as well as policy channels. Deininger’s publications are referenced in the “land grab” literature as a source of empirical evidence, and/or

76 | Borras and Franco (2012), 38. ILC (2012), 4.

77 | See, for instance, Skinner and Cotula (2011).

78 | Accordingly, the increasing food commodity demand (e.g., population growth and rising middle class), declining food supply (e.g., climate change and biofuel production), and the financial crisis (e.g., search for new speculative assets and biofuel production reducing food production) have led to a rise in food prices. As a result, there has been a surge in “FDI in land, agriculture, forestry” motivated by the profit rationales of private investors, and a strategy by investor countries to engage in “offshore” production to increase global supply and/or secure resources for import back home. Time-wise, the international food and financial crisis in 2007/2008 has become the marker to explain the occurrence of “land grabbing” in time. See ILC (2012), 4. Also, see Weingärtner (2010), 13.

79 | Simantke (12 August 2013).

discussed regarding their conceptual validity.⁸⁰ In particular, the World Bank report⁸¹ on large-scale land acquisitions,—produced under the lead authorship of Deininger and Byerlee—has stirred a conceptual and highly normative debate in the “land grab” literature. In this context, Starr writes that Deininger and Byerlee “are among a handful of authors who have built typologies of land deals.”⁸²

This section will present key framings of the policy debate and their respective actor constellations. The debate has at its core a process of contestation or defense of the prevailing operative paradigm of (inter)national economic governance; and is shaped by (the interests behind) the three predominant analytical approaches. The next paragraphs will discuss these approaches under the labels of peasant activism, mainstream economics, and Right to Food.

Peasant Activism

Central to the policy debate on “land grabs” is the corresponding framing by GRAIN that is a function of a peasant activist worldview and shared by other civil society organizations, such as the international NGO, La Via Campesina. Its recommendations are closely aligned with the policy advice of the final report of the International Assessment of Agricultural Science and Technology for Development, an intergovernmental panel under the co-sponsorship of the FAO, Global Environmental Fund (GEF), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Educational, Scientific and Cultural Organization (UNESCO), the WB, and the World Health Organization (WHO) (2005–2007) which was entrusted to assess how agriculture, science, and technology could contribute to a rural development process that was socially, economically, and environmentally sustainable.⁸³ This peasant activist framing challenges the predominant frame of mainstream economics (see below).

According to the peasant activist worldview, the fundamental complex of problems identified with regard to international land acquisitions relates to the fact that “fertile agricultural land is becoming increasingly privatized and concentrated,” a tendency that “could spell the end of small-scale farming, and rural

80 | Voget-Kleschin and Stephan (2013) referencing Deininger’s work as empirical input. Also, see critical discussion of Deininger’s work in view of concepts and norms in Li (2011); Wolford et al. (2013a); McMichael (2014).

81 | WB (2011).

82 | Starr (2013), 6.

83 | IAASTD (2008). See more under the internal NGO website on the International Assessment of Agricultural Knowledge, Science, and Technology for Development, IAASTD (<http://www.agassessment.org/>).

livelihoods, in numerous places around the world”—“[i]f left unchecked.”⁸⁴ In particular, four problems stand out as worrisome: firstly, the securing of food supplies overseas by state-capitalist countries that have lost faith in the market and are bypassing existing market structures to reduce food import costs, thereby aggravating the world food crisis. The second problem is the loss of access to, and control over land by local communities and governments, and the prioritizing of “large industrial estates” that are connected to world markets – all of which will undermine the future ability of countries and communities to implement the concept of food sovereignty. The third issue is the lack of sustainable investment planning by host governments in two areas: a long-term vision of economic activity and agricultural development, both of which are necessary to ensure that agricultural investment contributes to rural development. Then fourthly and finally, there is the difficulty of food insecurity in host countries that are themselves net food importers, which might be growing as a result of these investments, particularly as the policy leaning in these countries heads towards an industrial model of export-oriented agriculture with a track record of “creating poverty and environmental destruction, and exacerbating loss of biodiversity, pollution from farm chemicals and crop contamination from modified organisms.”⁸⁵

Food sovereignty is a central concept in this framing, and it takes on multiple functions as analytical tool, as well as vision, depending on who is promoting it.⁸⁶ Going against the descriptive concept of food security which remains silent about how and by whom such security should be achieved, the concept of food sovereignty deliberately “puts the aspirations and needs of those who produce, distribute and consume food at the heart of food systems and policies rather than the demands of markets and corporations”—to use the words of the Declaration of the Forum for Food Sovereignty.⁸⁷ It provides an antithetic frame to the mainstream economic paradigm and the related “corporate trade and food regime,”⁸⁸ and it also represents part of a mobilizing rhetoric that passes the “revolutionary agency [...] from the proletariat to the

84 | GRAIN (2008), 1.

85 | GRAIN (2008), 7-8.

86 | See, for instance, the papers presented at the Agrarian Studies Conference “Food Sovereignty: A Critical Dialogue” at Yale University, 14-15 September 2013 (<http://www.yale.edu/agrarianstudies/foodsovereignty/>) and at the ISS in The Hague, Erasmus University Rotterdam, 24 January 2014 (http://www.iss.nl/news_events/iss_news/detail/article/57242-food-sovereignty-a-critical-dialogue/).

87 | At the first multi-stakeholder Forum for Food Sovereignty in Mali in 2007, participants endorsed the Declaration of Nyéléni, which sets out the core principles of food sovereignty. See Nyéléni (2007); Rosset (2011); and Clapp (2015).

88 | Nyéléni (2007).

peasantry.”⁸⁹ The latter aspect differentiates it from Marxist framings,⁹⁰ and it re-politicizes the questions of resource management in view of use, access, control, distribution, and location.⁹¹

In practice, the actors that use this food sovereignty perspective, such as FIAN and GRAIN, have cooperated with the FAO in an initiative to develop guidelines for the governance of land tenure and natural resources which are supposed to ensure “adequate and secure access to land and natural resources by the rural and urban poor” and *serve as* “an instrument for social movements, marginalized groups and civil society at large democratizing land and natural resources tenure for the well-being of the whole society.”⁹² In May 2012, after three years of negotiations between multiple stakeholders (governments and civil society organizations) the FAO’s Committee on World Food Security recognized suitable principles and practices under the “Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests.”⁹³

Overall, the peasant activist framing has questioned the notion, widespread in mainstream economics, that the location of capital ownership is irrelevant to assessing its potential impact or related implications for the host country. It has also mobilized widespread political support. However, from a methodological and analytical point of view, the framing has several shortcomings. For instance, it reflects a certain degree of peasant essentialism.⁹⁴ This is necessary for ascribing “revolutionary agency”⁹⁵ to the peasantry, but it also poses a methodological challenge. According to Bernstein and Byres, this challenge lies in the “argument (or assumption) that the core elements of peasant ‘society’—household, kin, community, locale—produce (or express) a distinctive internal logic or dynamic, whether cultural, sociological, economic, or in some combination,”⁹⁶ which is oppressed by external actors and factors.⁹⁷ This assumption does not match empirical evidence on “land grabbing,” which calls into question the unitary (essentialist) peasantry presumption, as highlighted before.⁹⁸ So far, the food sovereignty concept does not sufficiently explain how it can be gradually realized and implemented in countries where corporations

89 | Brass (1997).

90 | For a comparison of Marxism and peasant populism, see Brass (1997).

91 | Nyéleléni (2007).

92 | Suárez et al. (2009), 1.

93 | See PANAP (2013) (<http://www.panap.net/en/fs/page/food-sovereignty/77>); and FAO (2012b).

94 | Bernstein and Byres (2001).

95 | Brass (1997), 27.

96 | Bernstein and Byres (2001), 6-7.

97 | Bernstein (1977), 73.

98 | D. Hall (2011); Steggerda and Visser (2012); and Boamah (2014).

are already important actors in food production and trade activities; in countries where peasants are integrated in the corporate food and trade system through outgrower schemes and/or processes of de-peasantization are at work; or against the background of a global setting in which the prevalence of private governance schemes (i.e. transnational supermarket chains) has led to the systemic marginalization of local voice and/or representation, while agriculture has become part of the food business within the global governance structures.⁹⁹ From a systemic point of view, the primary focus on the Global South underestimates equal processes in the Global North, while perhaps overemphasizing the role of foreign investors in the “land grab” dynamics.

Mainstream Economics

The second worldview, the one challenged by the peasant activist framing of “land grabbing,” is composed of the models and assumptions of mainstream economics. It refers to “land grabs” as “international land acquisitions” or “investment projects,” and it applies a supply/demand market lens to the phenomenon. Compared to the activist peasant framing, which supports an agro-ecological model, the mainstream economics framing promotes a productionist agricultural model with life science elements.¹⁰⁰ It associates the transition from small- to large-scale farming with economic development, often constricts the analysis of poverty to an evaluation of income levels, and supports the coexistence of genetically modified and organic, peasant and industrial farming. In the policy debate, the mainstream economic frame is applied by key policy entrepreneurs and policy makers, such as the WB,¹⁰¹ bilateral development agencies,¹⁰² many host governments’ national development plans, and/or private actors.

The most influential framing in (inter)national economic governance since the 1980s, this mainstream economic worldview does not identify “rising global interest in farmland” by corporate investors or government companies as itself problematic.¹⁰³ Instead, international land acquisitions are proof of the underpinning assumption that the “market” is driven by supply and demand and that it has a natural “tendency toward convergence, toward equilibrium”¹⁰⁴

99 | Konefal et al. (2005).

100 | Classification taken from Lang and Heasman (2004), 126-167.

101 | WB (2007); WB (2011).

102 | Weingärtner (2010).

103 | WB (2011), xxv.

104 | This argument rests on Harvey’s Marxist reflection on conventional economics: “So conventional economics is always talking about the tendency toward convergence, toward equilibrium, and that equilibrium is possible provided the right mix of policies

of the factors of production. International land acquisitions are seen as part of a market process in which land-scarce but capital-rich countries (or their corporations) invest in land-abundant but capital-poor countries, creating a “win-win” scenario and development opportunity. Importantly, this assessment is a core component of the standard explanations of investor motives.

According to the theoretical appraisal of FDI under the liberal paradigm, benefits for host countries come from multiple factors. FDI projects make domestic capital available for other uses of public benefit; transfer and diffuse technology; create new employment; build capacity (new job profiles); transfer skills (labor); and build necessary public infrastructure.¹⁰⁵ Against the background of decreasing aid flows and tight public budgets, such capital imports allow the host countries to increase productivity and efficiency levels in the agricultural sector and to improve food (supply) security both domestically (due to corresponding increases in food supply and income levels) and globally.¹⁰⁶ This narrative is supported by a technical discussion that identifies “yield gaps” (i.e., the difference between the potential and the actual amount of crops grown in a country) as problem that these investments help to close.¹⁰⁷

The problem then is empirical. Emerging evidence about “large-scale land acquisitions” highlights that in practice, many investment projects do not live up to their theoretical promise. In its 2011 report, the WB admits that in addition to low job creation, many projects turn out to be economically unviable, do not improve food security or productivity levels significantly, and have a negative impact on rural livelihoods.¹⁰⁸ Consequently, good governance mechanisms are suggested as the solution to the negative side effects of the commercial pressure on land. These take the form of a voluntary set of “Principles for Responsible Agro-Investment” that corporate investors should abide by; the establishment of “effective consultation” that comprises representation, administration, and monitoring; the development and improvement of transparent land transfer mechanisms; the introduction of an open land market; and the negotiation of terms of investment that distribute the benefits more equitably in the recipient context.¹⁰⁹ Moreover, Deininger, lead economist in the rural development

and as long as there isn't anything external that disrupts the whole system. External problems would be so-called natural disasters, wars, geopolitical conflicts, and protectionism. Crisis would then arise because of these external interventions, which take us away from the path to equilibrium, which is always possible.” See Harvey, D., & Rivera, H.A. (September 2010).

105 | WB (2011), 2.

106 | WB (2011).

107 | E.g., WB (2011); also see Li (2012).

108 | WB (2011), 51; WB (7 September 2010).

109 | WB (2011), xiv, xxv.

group within the WB's Development Research Department, argues that the focus should be on raising the productivity of land under cultivation, rather than focusing on land expansion.¹¹⁰

Overall, this framework runs into several problems that have been outlined before when trying to assess or solve what is happening in the context of "land grabbing." The narrow focus on productivity and efficiency in the context of food security, and on transparency and good governance in view of land deals, prevents the identification of structural problems that might greatly impede the multiplier effect of agriculture. For instance, the assessment leaves aside aspects of political economy, and it argues for the coexistence of peasant and corporate farming, thereby masking asymmetric power constellations in the global food and trade regime.¹¹¹ Moreover, the fact that FDIs are not only capital flows but also part of "a process whereby residents of one country (the investor country) acquire ownership for the purpose of controlling the production, distribution and other activities of a firm"¹¹² and/or land in another country is left outside the mainstream economic assessment of productivity and governance. Yet, it is exactly this aspect of international investment that has been critiqued for its political, environmental and socioeconomic implications.

Consequently, assessments using this frame tend to negate the problematic history of FDI in the form of colonialisms and imperialisms, and they are in constant danger of continuing the disreputable "tradition of imperial historiography,"¹¹³ with its uncritical description of the first wave of globalization.¹¹⁴ At the same time, such analyses remain inconsistent. It is, for instance, unclear why such reports end on overly optimistic notes by suggesting that the benefits of international land acquisitions can be captured through good governance, even though major host countries show deteriorating governance performance

110 | WB (7 September 2010).

111 | WB (2011).

112 | Moosa (2002), 1.

113 | Mann (2012), 406.

114 | See, for instance, the WB (2010, 2) on overseas investments. The report refers to the East India Company as a (positive) example of FDI: "Like trade, foreign direct investment (FDI) has occurred throughout history. From the merchants of Sumer around 2500 BCE to the East India Company in the 17th century, investors routinely entered new markets in foreign dominions." Such a narrow framing of capital flows obscures the very violent history of FDI enterprises, such as the East India Company. It also fails to mention that this example is hardly suited to the promotion of "free market" policies, as the empirical reality of that time was characterized by trade monopolies and/or alien investment restrictions. Also see the historical review of late 19th century colonialisms and imperialisms in Chapter 3; Mann (2012); and Davis (2002), 11-13.

according to the WB's governance assessment method.¹¹⁵ Most problematic, however, is the unwillingness or failure to engage in more profound reflection about the sources of the current crises in the fields of agriculture, environment, and governance,¹¹⁶ and one that constitutes a general problem in the available body of research on land-consuming FDI and commercial pressure on land.

Right to Food

The third framing in the policy debate about “land grabbing,” the Right to Food approach, has been promoted by both civil society and the UN Special Rapporteur on the Right to Food, Olivier De Schutter (2008-2014). Focusing on the human rights challenge represented by increased commercial and speculative interest in land, the *right to food* framing considers issues of access, culture, and livelihood that are impacted by shifts in access to, and ownership of land.¹¹⁷

De Schutter criticizes the widespread assumption that the problems associated with large-scale investments in farming can be solved simply through regulation based on (voluntary) principles and governance approaches, such as the above-mentioned Principles for Responsible Agricultural Investment (RAI) put forward by the WB, or the FAO's Voluntary Guidelines.¹¹⁸ These governance approaches were developed and promoted by the very same institutions whose policy advocacy has in the recent past contributed greatly to the “land grab;” for example, by advising host governments to “cut [...] down administrative requirements and consultations that might slow down or restrict investments” by foreign investors.¹¹⁹ The question of regulation also ignores the “question of opportunity costs”¹²⁰ brought about by acquisition-related changes in land access and ownership. For instance, the *right to food* could be undermined since large-scale investments in farmland (and related processes of concentration of resources and power) tend to reduce the multiple favorable effects of agriculture in view of rural development. Meanwhile, regulation is likely to actually

115 | Worldwide Governance Indicators by WB (http://info.worldbank.org/governance/wgi2007/sc_chart.asp#).

116 | De Schutter (2011a), 274-275; De Schutter (2009), 15.

117 | The definition says that “the right to food is the right to have regular, permanent and unrestricted access, either directly or by means of financial purchases, to quantitatively and qualitatively adequate and sufficient food corresponding to the cultural traditions of the people to which the consumer belongs, and which ensure a physical and mental, individual and collective, fulfilling and dignified life free of fear.” See United Nations Human Rights, Office of the High Commissioner for Human Rights (n.d.) .

118 | De Schutter (2011a); FAO (2012b).

119 | Compare also Shepard and Mittal (2009); quote from De Schutter (2011a), 254.

120 | De Schutter (2011a), 255.

increase the commercial pressure on land and other resources.¹²¹ Moreover, the governance initiatives proposed by the FAO and WB are arguably marginal in comparison to pre-existing treaties, agreements, and related obligations which both restrict the performance requirements that can be imposed on foreign investors¹²² and severely limit the leeway of host governments to negotiate and steer investments in their interest or seek alternative investment models that do not result in changes of access or ownership, for instance, through contract farming.¹²³

Thus, the human rights framing identifies the absence of (a broader debate about) a strategy and long-term vision of rights-based resource management as a key problem that needs to be addressed—particularly in view of growing commercial pressures, of which “land grabbing” is one.¹²⁴ Accordingly, the question is how to invest in a way that best takes into consideration the “context of ecological, food, and energy crises.”¹²⁵ In practice, the approach proposes Minimum Human Rights principles.¹²⁶ These define states’ obligations on the basis of already existing human rights instruments “to clarify the human rights implications of land-related investments, in order to make it clear that governments had obligations they could not simply ignore for the sake of attracting capital.”¹²⁷ The key elements of the principles are related to the right of self-determination and the right to development, both of which call for governments to ensure that investments do not weaken food security by generating a dependency on foreign aid or volatile markets if the produced food is intended for export (to the home country or the international market); that they do not dispossess local populations from productive resources indispensable for their livelihood; and that they protect workers’ rights and tenure rights.¹²⁸

The human rights approach provides a comprehensive analytical basis for questioning the limitations of the predominant policy frame of mainstream economics in terms of solving the relevant problems, as it accounts for aspects of political economy and ecology, but goes beyond the strong producer-rights-orientation of food sovereignty. However, and this is due to the nature of the

121 | De Schutter (2011a), 249.

122 | The legal agreement on Trade-Related Investment Measures (TRIMS), for instance, regulates the treatment of foreign investors by host countries. The agreement is part of the WTO regime, and it bans local content requirements and trade balancing rules from the (industrial) policy framework of signatory countries.

123 | De Schutter (2011a), 250, 266.

124 | De Schutter (2011a), 275.

125 | De Schutter (2011a), 250.

126 | De Schutter (2011a), 253.

127 | De Schutter (2011a), 254.

128 | De Schutter (2009).

UN Special Rapporteur on the Right to Food's mandate, it continues to focus primarily on investments in farmland, even though commercial pressure on land comes from multiple sources, namely industrialization and urbanization. Moreover, while putting the role and responsibility of host country governments in the spotlight of analysis, the responsibilities of investor countries remain largely ignored. Given that land-consuming domestic policies in the form of renewable energy policy for biofuels, as well as unsustainable consumption and production patterns in home countries,¹²⁹ are among the factors driving "land grabs," it seems that a crucial link in the rights-based resource management approach is still missing. As long as this aspect remains unaddressed, home country governments will continue to make unsustainable policy choices that have global repercussions. Notably, the rights-based approach itself might pose more challenges than solutions. While ideally delivering a strong analytical and legal instrument to judge the performance of states in fulfilling their obligations towards their citizens—revealing an important aspect that should be part of the responsibility that comes with sovereignty—its reliance on legal structures might prove ineffective in countries with weak legal capacities, limited rule of law, and a high degree of corruption.

6. CONCLUSION

The rising number and increasingly differentiated body of empirical studies and analytical approaches on the topic contributes to a more nuanced yet comprehensive understanding of what seems to be happening with regards to the empirical phenomenon of "land grabbing." Concurrently, it points out the political nature of the debate which takes place in academia as well as policy circles; and in which competing frames seem to be as important as empirical facts in shaping the perspectives, narratives, and responses towards land-consuming OFDI. This is also evidenced by the politics of terminology that sometimes cloud our understanding of what is happening.

129 | Analyses of society-nature interactions show that industrialization led to a dramatic increase in the material use per capita. In fact, the material use doubled in the global economy, even though the material intensity (i.e. materials used per unit of GDP) declined over time. Overall, the material use "increased 8-fold" on a global scale from the beginning of the 20th century to 2005. A closer assessment highlights distinct trajectories of consumption of different materials: while "biomass use hardly keeps up with population growth," mineral use increases dramatically, indicating that "an increase in material productivity is a general feature of economic development." See Krausmann et al. (2009), 2696; and Krausmann et al. (2008).

Overall, the review underlines the need for a critical handling of data and potential explanations throughout the research process. It has also become evident that certain aspects of “land grabbing” and commercial pressure on land are often absent from the academic and policy debate. Take, for example, the historical transformation of institutions, ideas, and political economies at the national, local, and international level that has resulted in natural resources, such as land and forests, being relatively accessible through economic mechanisms in many countries’ economies today.¹³⁰ This constitutes a fundamental change from previous approaches and institutions that restricted foreign access to food and land, framing these resources as critical infrastructure to meet a society’s basic social needs.¹³¹

In addition, the policy debate, which is largely reflective of the contemporary actor constellation in the area of agriculture, needs to start incorporating non-farming aspects of commercial land pressure highlighted in the “land grab” literature, as these impact farming in the form of land use and ownership changes, soil erosion, or migratory pressures (as a side effect of extractive industry). Interestingly, these aspects have so far primarily entered the policy dialogue through broader development debates outside the issue of “land grabbing,” such as the negotiations over the Post-2015 Development Agenda, or the development and application of certain methods of measurement (e.g., virtual land imports).¹³² Moreover, more academic and policy-relevant research about the implications of land-consuming FDI and related changes in rural development for regions, urban populations, and local, national, and global food systems would be important to grasp the multiple repercussions in terms of food security, conflict, exodus, health, and demographic development that this trend might be part of or cause.

Regarding the investor countries, the following assumptions persist about how and why “land grabs” occur, particularly in the large majority of reports that study the host country context: foreign governments and corporations are involved in land-consuming OFDI through land-intensive policies (e.g., green grabbing); the launching of offshore agricultural production to secure resources for consumption back home; and/or the search for profitable business at a time of financial crisis.¹³³

130 | WB (2010), 25-26.

131 | This fact is, for instance, reflected in governance systems that restricted alien land ownership at the time of the last international food crises in the 1970s; and it calls for case-based research on how this transition towards liberalizing access to primary resources occurred in different countries. Compare Weisman (1980) and WB (2010).

132 | E.g., Tortajada (2013); and Marmo (2013).

133 | Borras and Franco (2012), 38.

It has been argued earlier that this explanation does not offer any evidence on the home country and/or project-specific (f)actors at play. Moreover, this explanation easily undervalues the role of host country actors, institutions, and contingent events in the commercial pressure on land. Therefore, the following chapters present rich empirical data about project timelines; the role of land in these investments; the markets they produce for; the range of actors involved in a single project throughout its lifecycle; the role of the ecological, financial, food and/or other crises; the political economies; and/or the cluster of ideas that are part of Chinese and British land-consuming OFDI. On the basis of the rich empirical accounts of the two countries' overseas investments, the book identifies the main country-specific as well as cross-country dynamics and factors at play, compares the findings with the above assumptions, and deliberates on the role of OFDI from a home country perspective.