Land acquisition is rampant in Asia, Africa and Latin America, conclusion drawn by recent reports

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Abstract: *Recent literature shows that large-scale land acquisition is not only confined to India, it may be noticed in countries from Africa and Latin America. Land is now acquired for industrial farming (in order to produce biofuels), timber extraction/ logging, tourism, aquaculture, establishment of special economic zones (SEZs) and industrial centres etc. Public under-spending and declining Official Development Assistance (ODA) to agriculture have contributed to the entry of private players in this sector. Restrictions on food grain exports by the developing countries during the 2007-08 food crisis and volatility in international prices of cereals during the same period have prompted many of the rich countries to acquire land in countries from the South. Overseas land grabbing is done for outsourcing farming in the face of domestic food insecurity by the Gulf States and other countries.*

The post-1990s saw opening up of the Indian economy along with rapid industrial development. The objective of the successive governments in the last two decades has been to push for higher economic growth. However, all what we saw in the form of rapid industrialization and urbanization came at some cost. Farmers are getting displaced and they have no secure employment or other livelihood opportunities due to the ongoing process of establishing SEZs and industrial farming. Though new investments mostly by the private sector have boosted revenues, created jobs and developed tourism, they have posed grave threats to the land tenure security of peasants. This is the central message of a study titled *Commercial pressures on land in Asia: An Overview*, which has been prepared by Roel R Ravanera and Vanessa Gorra and funded by IFAD and International Land Coalition.

The study finds that a fall in public investment in agriculture during the last two decades has made agricultural lands vulnerable to commercial interests, like tourism, urban development and special economic zones (SEZs). Most of the investment on land has resulted in the conversion of agricultural, forest, and foreshore lands into plantations, and commercial and industrial centers, which has affected indigenous community the most. Private sector investments in agricultural production have detrimental implications, such as converting farmers into laborers, and promoting the use of harmful technologies.

Prior to the Green Revolution of the 1960s and 1970s, which got huge financial and technical support from the respective Governments of various Asian nations, huge tracts of land used to be controlled by the landlord class in most parts of Asia. Before the 1950s, the landlords rented out their land to sharecroppers in exchange for a specific share of the product. Tenants lacked economic rights/ security over the land they cultivated (due to which they could be evicted anytime) and their poor access to technology and meager incomes derived from small landholdings made them vulnerable to the money lending class. Productive investment on agriculture was minimal.

Public spending on agriculture in transforming countries of South and East Asian countries declined from 14.3 percent in 1980 to 7 percent in 2004. Public spending on agriculture as a share of agricultural GDP increased meagerly from 10.2 percent in 1980 to 10.6 percent in 2004 in these countries. Official Development Assistance (ODA) to agriculture has declined during the last two decades. Thus, low public spending along with reduced ODA to agriculture made way for the private sector to invest in agriculture. As a consequence, the Indian SEZ Act got enacted in 2005 so as to boost export. Several forms of tax exemptions and incentives have been provided under the Act to attract foreign investment, the study finds. India imitated the Chinese model of export oriented growth by enacting the SEZ Act.

The paper titled *Commercial pressures on land in Asia: An Overview* informs that due to the liberal attitudes of various governments, world foreign direct investment (FDI) inflows in agriculture exceeded US$ 3 billion per annum by 2005-2007, up from below US$ 1 billion per annum between 1989 and 1991. FDI inflows in agriculture since 2000 witnessed a rise in developing regions, particularly Asia and Oceania, and Latin America and the Caribbean.

India has increasingly shown its interest in agricultural investment in African countries. Due to large scale land acquisition, people have been displaced from their land in countries like Ethiopia, Uganda, the Democratic Republic of Congo, Liberia and Zambia. [It must be stated here that the Working Group on agricultural production, which was chaired by Haryana Chief Minister BS Hooda favored Indian companies purchasing lands in countries like Argentina, Myanmar and ASEAN countries for producing pulses and edible oils]. Countries like China are engaged in land grabbing so as to ensure food security in the aftermath of global food crisis of 2007-2008.

The United Kingdom Renewable Fuels Agency reported that in 2008 global production of bioethanol totaled to 50 billion liters. Brazil and the United States (US) are the major bioethanol producers, followed by China and India. In 2007, India produced 400 million litres of ethanol and its share in world production was 0.7 percent. India's share in the world production of biodiesel in the same year was 0.4 percent. Due to the problems associated with fossil fuel based energy resources, developed countries are turning their attention towards biofuels. It has been estimated by a study of FAO that the biofuel industry will more than double between 2007 and 2017. Thus, land in Asian countries are increasingly diverted to industrial farming for biofuel production, aquaculture and logging.

As of February 2010, 571 SEZs have been approved in India out of which, 348 are notified and 105 are operational. The highest number of formal approval of SEZs took place in Maharastra (109) to be followed by Andhra Pradesh (102) and Tamil Nadu (68) as of February, 2010. The value of exports from SEZs has increased from Rs. 13,854 crore in 2003-2004 to Rs. 66,638 crore in 2007-2008. Out of the 16,17,415.36 square kilometers of agricultural land, 676 squre kilometers have been formally allocated to 270 SEZs. Displacement without adequate compensation and rehabilitation coupled with loss of livelihood opportunities due to SEZs has affected the marginalized, the women, the adivasis and the dalits. The SEZ central board does not have representation from the farming, dalit, or adivasi communities who are the worst affected.

Rajasthan, which has 44 major and 22 minor mineral reserves, owns most of the mine leases: 1,324 leases for major minerals, 10,851 for minor minerals and 19,251 quarry licenses for mining stones. It is the only producer of garnet, jasper, selenite, wollastonite, and zinc concentrates; the leading producer of calcite, lead concentrate, ball clay, fireclay, ochre, phosphorite, silver, and steatite. The state of Rajasthan accounts for 70% of India's and 10% of the world's sandstone output. Unorganized or illegal mines are not accountable to the government and do not follow environmental protection measures. The Indian government has failed to regulate illegal mining activities in forest areas of Udaipur, Sariska, and Jamwa Ramgarh.

Maoism grew as a result of displacement and eviction of tribal people particularly in states like Chattisgarh, says the study titled *Commercial pressures on land in Asia: An Overview*. Land acquisition in tribal areas seldom addresses the problems of rehabilitation or compensation. Approximately 40 million people (about 40% adivasis and 25% dalits) have been displaced so far and 75% of them are still awaiting rehabilitation in India. Oppositions to SEZs have often been followed by violent state repression.

Let us go through the findings of other reports on land acquisition and agriculture. The key findings of the study titled: *Global Land Grabbing, Eroding Food Sovereignty* by Ros-b Guzman (2010), Turning Point, are as follows:

* It has been observed by various international research organizations that since 2008 there have been massive foreign land transactions, which involved large-scale foreign investments in farmlands and the direct participation of transnational corporations and financial oligarchs in agricultural production. According to a World Bank report released on 7 September, 2010, there have been a total of 46.6 million hectares of land acquired between October 2008 and August 2009, which is almost double the size of the United Kingdom and a 10-fold increase in a decade. The figure, which the World Bank tallied from www.farmlandgrab.org, managed by the non-government organisation (NGO) GRAIN, represents 464 projects.

* The International Food Policy Research Institute (IFPRI, www.ifpri.org) has estimated that 15 to 20 million hectares, or around 20 per cent of the total size of EU farmland, have been negotiated or secured between 2006 and 2009. At least 180 land deals have been reported since mid-2008, according to the NGO GRAIN.

* Various research papers point to the fact that Africa hosts the largest number and area of land grabs.

* Advanced capitalist countries and their transnational corporations (TNCs) are engaged in land deals with the poor countries, whether as direct purchases or long-term leases, as they command resources so as to produce crops either for food, feedstock or agrofuel in commercial and export quantities.

* The term land grabs has been used (in this study), not as reference to their illegality however since many of the deals have passed government approvals, but as description of the unjust terms through which they have been transacted and the utter lack of consultation with the communities of farmers and indigenous peoples.

* Oxfam has referred to some 120 hedge funds, retirement funds, agribusiness corporations, and private equity funds investing in agricultural lands in underdeveloped countries. Investment in land has been considered as the single best recession hedge of the next 10 or 15 years.

* Countries like: China, Saudi Arabia, Egypt, Bahrain, Jordan, Kuwait, Libya, Qatar, United Arab Emirates (UAE), India, Malaysia, Japan and South Korea have started their venture to Africa, South and Southeast Asia, South America, and Russia and Central Asia for land grabbing since March 2008. Countries, who are worried about food security and food price inflation, have outsourced their local food production by acquiring land in other countries.

* According to GRAIN (http://www.grain.org/front/), the target countries for land acquisition in 2008 are: Sudan, Pakistan, Philippines, Cambodia, Thailand, Brazil, Egypt, Indonesia, Burma, Laos, and Uganda. The other target countries are: Russia, Ukraine, Turkey, Vietnam, Kazakhstan, Mongolia, Australia, India and China.

* Huge investments in land acquisitions are being done by China, the Middle East, and South Korea. The leading target countries are Sudan, Ethiopia, and the United Republic of Tanzania. Others include Brazil, Cambodia, Burma, Philippines, Ukraine, Russia, Thailand, Cameroon, Madagascar, Pakistan, Kazakhstan, Laos, Malawi, Senegal, Nigeria and Paraguay.

* The UNCTAD (www.unctad.org) has observed that water scarcity is the major reason behind land grabbing in water-abundant countries by Middle Eastern countries. Gulf states who are rich in oil and money but import food are outsourcing their food production. Hence, they are striking deals with fellow Islamic countries like Sudan and Pakistan. Oil dependent Asian states such as Burma, Cambodia, Indonesia, Laos, the Philippines, Thailand and Vietnam have also been targets by the Gulf States. Similarly, Japan and South Korea who are food import dependent countries are engaged in overseas land purchases. Chinese state-owned enterprises (SOEs) are involved and interested in investments in land grabbing in countries from Africa and Asia.

* Apart from 'food-insecure' nations, land grabbers include: investment houses, private equity funds, fund managers, large agribusiness TNCs and the private sector. The

private land grabbers enter the deal by building ties with local private partners, the host governments or through their own governments seeking joint ventures with the target countries. Their investment timeline may be up to 10 years and their projected annual rates of return are between 10 and 40 per cent in Europe or up to 400 per cent in Africa. These private players are more concerned with crucial issues such as soil fertility, water availability and farm productivity.

* Of the 464 projects covering 46.6 million hectares and targeting 81 countries as compiled from GRAIN, the World Bank interpolates that almost half of the projects covering 69 per cent of total land area (32 million hectares) are located in Sub-Saharan Africa (SSA). There are 8 million hectares in East and South Asia, 4.3 million hectares in Europe and Central Asia, and 3.2 million hectares in Latin America. The median size is 40,000 hectares, and in fact, a quarter of all the projects involve more than 200,000 hectares. In total, 37 per cent of the projects focus on food crops, 21 per cent on industrial and cash crops, 21 per cent on biofuels, and the rest on conservation and game reserves, livestock, and plantation forestry.

A report titled: *Large-scale land acquisitions and leases: A set of core principles and measures to address the human rights challenge* (2009) by Olivier De Schutter cites an estimate from IFPRI that between 15 and 20 million hectares of farmland in developing countries have been subject to transactions or negotiations involving foreign investors since 2006. Land which is close to water resources and therefore can be irrigated at a relatively low cost in infrastructures, and the land which is closest to markets and from which the produce can be exported easily is the highest in demand. Among the main target countries in Sub-Saharan Africa are Cameroon, Ethiopia, the Democratic Republic of Congo, Madagascar, Mali, Somalia, Sudan, Tanzania and Zambia. Target countries are present in Central Europe, in Asia and in Latin America such as Brazil, Cambodia, Indonesia, Kazakhstan, Pakistan, Russia or Ukraine. It is usually the developing countries which are being targeted, because the perception is that there exists enough land, which is inexpensive, climatic conditions are suitable for cultivation and local labour is cheap. There is demand for land located in Latin America and Africa since most of the world's reserve agricultural land (upto 80 percent) is located there and since 95 percent of the cropland in Asia has already been utilized. Following export bans by large food exporting countries during the global food crisis of 2007-08, resource-poor but cash-rich countries have turned to large-scale acquisitions or rent of land in order to achieve food security. The increased tendency of the poor countries to allow land acquisition has adversely affected the right to food and right to self-determination and the exploitation of natural resources of the local communities. Potential impacts include: the eviction of land users who have no formal security of tenure over the land they have been cultivating for decades; the loss of access to land for indigenous peoples and pastoral populations, competition for water resources and decreased food security if local populations are deprived of access to productive resources. The report has, therefore, recommended for participation of local communities in such land negotiations to ensure transparency.

The study titled: *The Future of Food and Farming: Challenges and choices for global sustainability* by The Government Office for Science tell us that:

* Global population will increase from 7 billion presently to 8 billion by 2030 and over 9 billion by 2050. Global consumption of meat is expected to rise from 32 kg per capita per annum presently to 52 kg per capita per annum by the middle of this century. Demand for fish is likely to go up in East and South Asia. Due to increase in purchasing power and change in consumption pattern to high-quality diet, the demand for food grains would go up, which is likely to put pressure on land, water and other resources.

* Wastage across the entire food chain needs to be reduced since it has been estimated that 30% of all food grown worldwide is lost or wasted before and after it reaches the consumer. Some estimates have placed it as high as 50%. This wastage of food happens in the wake of 925 million people globally suffering from hunger. A large section of the global population lack access to sufficient major macronutrients (carbohydrates, fats and protein). 'Hidden hunger' occurs when important micronutrients (such as vitamiins and minerals) are inadequately consumed by people.

* Although global crop yields grew by 115% between 1967 and 2007, the area of land in agriculture increased by only 8% and the total currently stands at approximately 4,600 million hectares. It is expected that land will be lost to urbanisation, desertification, salinisation and sea level rise, although some options may arise for salt-tolerant crops. It is estimated that 11.5 billion hectares of vegetated land on earth, about 24%, has undergone human-induced soil degradation, in particular through erosion. Although biofuel production can mitigate climate change to a certain extent, they may lead to a reduction in land available for agriculture.

* Global energy demand will rise by 45% between 2006 and 2030 and could double between now and 2050. Energy prices might go up and remain volatile in the future.

* Agriculture presently consumes 70 percent of total global 'blue water'. Demand for water for agriculture could rise by over 30% by 2030, while total global water demand could rise by 35–60% between 2000 and 2025, and could double by 2050 due to pressures from industry, domestic use and the need to maintain environmental flows.

Further readings:

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