

# African Economy and Land Policy

## Speaking Notes

### **1<sup>st</sup> South South Forum on Sustainability**

*Organized by*

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I would like to thank Prof. Lau Kin Chi, Prof. Wen Tiejun and the other members of the organizing committee for inviting me to this great Forum.

Thandika Mkandawire reminded us during the 13<sup>th</sup> CODESRIA GA that land and the agrarian question were present in some way in all the nationalist movements, and liberation struggles—the Mau Mau in Kenya, the FLN's struggles in Algeria, the PAIGC in Guinea Bissau, other struggles in Zimbabwe, South Africa, etc. We know that apartheid South Africa was the story of dispossession—(Pheko)—the reverse movement in South Africa—re-distribution—is extremely slow.

So, land has been a very strategic issue, and it is still a very strategic issue.

There is currently what some have called a “grain rush”, as “wealthy, food-importing countries and private investors are acquiring farmland overseas” (Michael Kugelman, 2010:1); something similar to what used to be called the “gold rush”. This is a phenomenon that one finds all across the global South, but Africa is where much of the rush is heading towards, which makes some people talk about a new “scramble “ for Africa—adding on to the struggle over mineral, FOREST, AND MARINE RESOURCES.

Here are a few examples:

- Daewoo, a South Korean firm, almost acquired half of Madagascar's total arable farmland (1.3 million hectares), on a 99 year lease to grow corn. Fortunately, the deal collapsed;
- Libya and Ukraine agreed to exchange oil for wheat: Ukraine would give farmland to Libya, and in exchange Libya would give to Ukraine an oil and gas contract;
- "Sudan has leased 1.5 million hectares of 'prime farmland' to the Gulf States, Egypt and South Korea for 99 years;
- Egypt plans to grow grain on 840,000 ha in Uganda;
- and the president of the DRC has offered to lease (an incredible) 10 million ha to South Africa."

NB, most small farmers own two or three hectare plots. (Kugelman ibid).

So, it is not only a question of foreign firms coming to acquire land: local companies and other African states are also in the business; North African countries are investing in SSA;

It also didn't start yesterday:

- The Office du Niger in Mali, after failing to use the vast expanse of land earmarked for agric development, began making attempts to attract investors from Ivory Coast and China quite a few years ago already;
- Zimbabwean farmers are acquiring land in Nigeria;
- a Nigerian billionaire recently acquired land in Senegal, and
- an Italian company has also just done so (20,000 ha).
- Brazil has acquired land in Ghana—for methanol productions.

These acquisitions of vast expanses of land pose many problems to the local populations and have been the subject of struggles and controversies, and are at the root of certain violent conflicts and civil wars.

It is also important to recognize that practices of land grabbing exist within countries, for instance in the urban and peri-urban areas, where the value of land has risen sharply, and the speculative practices have increased.

Main reasons for the recent rush for land:

- food security
- energy security,

The deals are often opaque; power relations are lopsided; sometimes the creation of an enclave agriculture;

- new developments include: contract farming; or employing the local population; Lonrho plans to do “domestic production for domestic consumption”.

There are many paradoxes:

- Sudan receives a billion pounds of free food aid, from international donors, and yet still sells grain to Saudi Arabia.
- Ethiopia receives \$116 millions from WFP;
- Saudi Arabia wants to grow grains on Ethiopian soil against 110 Dollars. on

Land, in Africa, is more than what the economists call “a factor of production”. Land is central to the entire social and spiritual life of the vast majority of Africans, particularly those who live in rural areas. (WE HAVE SEEN FROM Prof. Wen Tjun’s keynote presentation that land in the rural areas is “social security”).

African economies were, under the colonial administrations, oriented towards the production of raw materials for export, and as markets for manufactured goods imported from Europe. There are a number of variants of this model, partly depending on the type of colonial regime; settler colonies for instance, were not managed the same way as the other colonies that had only a few settlers.

In most cases, however, three kinds of distinctions could be made:

- i) between the economies that have reached a certain level of industrialization, the plantation and mining economies (those that form what Samir Amin calls the “Africa of concessions” (cited in Moyo 2011:65)), and those in which small holder farmers form the majority, and petty commodity production predominates; this is what Samir Amin calls the “Africa of ‘traite’ economies” (ibid: 65). Mining and plantation economies draw large migrant populations, and migrant labour becomes an important part of the labour force as was the case in Southern Africa, in Cote d’Ivoire, and even in Mali of the Office du Niger. Migrant labour also exists in the groundnut farming sub-regions of West Africa, particularly Senegal and The Gambia. Part of the migration in this case, however, is seasonal, but some do settle, as did the Bambara from Mali in the Senegal-Gambia area.

With the economic crises resulting in the reduction of employment opportunities in the cities, urban youth of Cote d’Ivoire of rural origin tended to go back to their villages to reclaim the land of their ancestors. That is part of the explanation of the civil war in Cote d’Ivoire that occurred in 2002. In almost all cases, the colonial administrations organized the colonies in ways that made some of them (Burkina Faso, Mali in West Africa) serve as labour reserves of the others (Cote d’Ivoire). Apartheid South Africa was, in this regard, extreme but not exceptional, for it was also a system that organized and managed the supply of labour for the mines and plantations of the white minority.

- ii) With regard to land policy, another important distinction to be made is the one between rural communities governed largely by customary law, which makes them subjects, rather than citizens, and the urban areas where common law is applied, and where one finds citizens (Mamdani 1996).

In Senegal, Gambia and several other countries, land has been nationalized and is state property—here too, we have heard about other examples from other countries—land cannot be sorteted.. The *Loi sur le domaine national* of Senegal, for instance, makes of all lands state property, but leaves the use of the land in the hands of local communities, which can, in effect, manage it on the basis of customary law. With the Structural adjustment policies, more specifically the liberalization policies, attempts were made to break the communal tenure systems through titling, in order to create a basis for private banks to lend money to farmers, using the title deeds as collateral.

Small holder agriculture, which is the predominant type of agriculture, hasn't been able to meet the demand for food coming from the cities.

The recent trends that include the leasing out of large expanses of land to agribusiness companies for the production of food crops or bio-fuels for export, are actually very worrisome. They raise serious questions with regard to the sustainability of the neo-liberal model being promoted. This has in some cases (eg Tanzania) led to the reversal of decentralization processes, taking the management of land issues away from the local communities. This is what is being referred to as land grabbing which, as we have seen, is a global phenomenon that is particularly important in Africa.

Decentralization, by the way, has had major limitations, one of which is the restriction of the powers of elected local councils in matters having to do with land, or the use of natural resources, particularly forest resources. This is particularly true when it comes to the REDD, REDD+, and REDD++.

### **Concluding Remarks**

1. There are diverse policies of land, linked to the kind of economies. Communal tenure systems—subjects, gender and age issues, etc.
2. Current trends likely to lead to more problems: sustainability is not the primary concern.

3. Policies and actions that are supposed to be driven by a desire to address problems of sustainability such as global warming, climate change—the REDD, REDD +, and REDD ++ programmes; are handled, implemented in problematic ways in Africa—local communities marginalized (NB: 1.5 billion people live close to forests around the world, and extremely few have a say in how forests are governed).
4. The question of the state as a regulatory body must be posed.