

The Land Question, Land Grabbing and Agriculture in Africa*

Introduction

When we studied peasant agriculture in Africa from the seventies down to the nineties, our main concern was to see how peasant agriculture would first and foremost continue to provide livelihood for families that relied on very small plots of land for their farming, or had to lease land from large land owners who charged them exorbitant rents, or had to surrender their produce to state-owned or multinational firms which rendered them to work as a "proletariat working at home".¹ There was a concern regarding how global capitalism was exploiting peasant labor for global accumulation using the post-colonial state more or less as a prefect in this process. But the prefect, too, had to be paid for his services, and the bill always ended up at the peasant's door step: hence the double exploitation of the peasant commodity producer.

Excluded from profit sharing but included in the chain of production as the most critical cog in the machine, there was an assumption that the peasant would remain a permanent feature of global capitalist accumulation for a long time in Africa unless a process of "de-linking" occurred in the history of Africa's social formation.

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But different models of agricultural production in Africa defined different methods of incorporating peasant agriculture in this wider global political economy. Hence studies of small peasant agriculture, medium peasant production set ups, out-growers and contract farming dominated the study of peasant agriculture in Africa as well as the Third World in general. While the peasants who benefited from the green revolution, in India in particular, improved their livelihoods through higher productivity, in Africa things tended to remain static with most peasant households sinking further into poverty and even disengaging from producing for the market altogether.² With declining productivity in subsistence households, and unable to feed themselves; with the dislocation of producers from their farms due to internal conflicts and even civil wars, governments and international organizations resorted to food imports

and food aid to feed previously self sufficient peasant households. Thus food imports and food aid has been growing in Africa, especially with climatic changes which have adversely affected rain fed agriculture in the tropics.

It is under these circumstances that governments in Africa, in collaboration with some western governments, recently embraced the idea of leasing or selling large tracts of land to commercial farming by western based companies to produce food or biofuels that could earn foreign exchange while also providing the domestic economy with food. This is somehow regarded as yet another way of modernizing African agriculture.

But modernization, as Samir Amin observes, has always combined constructive dimensions, namely the accumulation of capital and increasing productivity, with destructive aspects – reducing labor to the state of a commodity sold on the market, often destroying the natural ecological basis needed for the reproduction of life and production – and polarizing the distribution of wealth on a global level. Modernization has always simultaneously *integrated* some work force, as expanding markets created

employment, and *excluded* others who were not integrated in the new labor force after having lost their positions in the previous systems.³ In its ascending phase, capitalist global expansion integrated many along with its excluding processes. *But now, in the third world peasant societies, it is excluding massive numbers of people while including relatively few.*⁴

Amin made these comments four years before the 2007-2008 global food prices crisis that beckoned the land grabbing phenomenon to begin in earnest. As several studies have now shown, current land grabbing is even more ruthless in excluding massive numbers of peasant farmers from production, making it necessary to ask whether the benefits assumed to ensue are, in the final analysis, mere marketing gimmicks or forms of delayed gratification. It is also possible that putting so-called idle land to commercial production for either food crops or biofuels should give a challenge to African governments to develop more realistic land reform programs that put all land to productive use without necessarily putting the peasants in jeopardy. But land grabbing is not new to Africa; it dates to colonial times. Thus, in order to address the phenomenon as it is emerging today, it must not be treated in isolation from the history of land ownership, alienation and grabbing that has been characteristic of struggles over land from colonial times to today.

Colonial Agriculture and Land Grabbing

The former British settler colonies in Africa, particularly Kenya and Zimbabwe, for example, share something in common with the Republic of South Africa where the land issue is currently becoming almost explosive. In all three countries immigrant white farmers settled many years ago and acquired land for farming while using cheap black labor. By depriving African peasants of their land through grabbing and compelling them to work as cheap or even free labor on white farms, systems emerged in all the three countries where political power was used to the advantage of the white farming groups and to the gross disadvantage of the African masses, leading to decades of conflicts that culminated in wars of national liberation in all the three countries.⁵ At the extreme right was the

apartheid regime in South Africa, followed closely by Northern Rhodesia, now Zimbabwe, where the white/black political and economic divide was no doubt fascist in almost every aspect of life. In Kenya, though land alienation from Africans was also the project of the colonial state, racial oppression and exploitation was not as severe as in the two southern African countries. Britain had made it clear in 1923 that Kenya would not go the same direction as Northern Rhodesia and South Africa. But conflicts over land ownership and land tenure systems intensified over time in all the three colonies, defining the character of the nationalist struggles almost along similar narratives.

While the British government has finally apologized to the Kenyan Mau Mau freedom fighters – or the Kenya Land Army – and compensated them (if only in token form) for the Mau Mau atrocities after more than 50 years of denial, in South Africa the Transvaal Agricultural Union (TAU) has come out to deny any land theft on behalf of the Boer and Afrikaan farmers and accused the ANC of distorting the South African agrarian history.⁶ As South Africans commemorate 100 years since the passing of the 1913 Land Act, TAU argues that this British Act was never the "cornerstone of apartheid", nor did it represent any "land theft" from black African people by white South Africans. According to TAU blacks did not have any concept of land tenure or land ownership, so nothing could be stolen from them. A titanic battle is therefore shaping up in the Republic of South Africa between the extreme right of the white farmers and the ANC nationalists, with the former accusing the ANC of representing what it calls "the black supremacists."

It was after the formation of the Union of South Africa in 1910 under British colonial rule that the 1913 Land Act was enacted mainly to give security to the white farmers by providing them with tenure on their farms while the Africans were relegated to marginal lands, ostensibly predisposing them to harsher conditions of subsistence farming and the poverty attendant therein. Seeking to perform cheap labor in white farms and mines was therefore not a choice but a necessary option to guarantee social reproduction of families and communities relegated to such unproductive land.⁷ Black South Africans have been expecting these

historical injustices regarding land use, land access and land ownership to be addressed following the political demise of the apartheid regime in 1994 but very little has been done to date. Somehow the ANC government has been expected to take some queue from what has been happening in Zimbabwe without necessarily disrupting productivity in the South African agrarian economy.

But in a book edited by Sam Moyo and Walter Chambati to be published this year by CODESRIA entitled "Land and Agrarian Reform in Zimbabwe: Beyond White Settler Capitalism", the narrative of the failure of the radical measures at land reform and land redistribution initiated over ten years ago by Mugabe may very soon be revised, if the data and arguments presented by Moyo and his colleagues are indeed tenable. If that is the case, then South Africa will obviously be on the spot on how it deals with the land question in post apartheid South Africa. Contrary to the impression created over the last ten years, the essays in this book advance the thesis that land redistribution has been successful. Although problems have been encountered along the way, the African farmers have been adapting to commercial farming reasonably well and productivity in such farms has been improving with time.

It has already been demonstrated in the Kenyan case that small holding agriculture can, with reference to certain crops, be more productive than large scale commercial farms. The Kenya Tea Development Authority (KTDA) and Kenya's a million acre resettlement scheme proved that small holding agriculture was more productive than commercial large scale white settler farms which were inefficient and generally less intensive in land use. But small holder agriculture in Kenya is itself currently going through enormous stress, with the prices of farm inputs going beyond the ceiling, scarcity of labor increasing, affordability of labor becoming problematic, family labor no longer reliable as young ones increasingly abhor rural life and cost of living for peasants generally untenable.

Farm Subsidies

Many governments in Africa have responded to this crisis of peasant-based agricultural production by proposing government subsidies to peasant agriculture. The case of Malawi under

Bingu wa Mutharika is often cited as a success worth emulating. But even before governments go the Mutharika way, basic questions need to be addressed and answered. Are all peasant farm sizes the same in all cases to be subsidized and what difference does it make in terms of returns to the peasant every season when subsidies are received? In each and every parcel of land cultivated by the peasant, what constitutes the major cost: labor, farm implements, cultivation (by hoe, ox-driven plough or tractor), fertilizers, weeding, harvesting or storage? What aspects of these will be subject to subsidy and what does such subsidy mean in the final analysis?

It is as a result of the consideration of these issues that Nyerere introduced *Ujamaa* in Tanzania. Eventually, however, this initiative was unsuccessful not so much because it was not rational, but more because its implementation came with various forms of political oppression and economic exploitation by state agents and agencies that the peasants rejected, and hence the so called failure of *Ujamaa*. But the cooperative movement organized by the peasants themselves can reproduce the *Ujamaa* concept without allowing the heavy hand of the state to distort the advantages of pooling resources together, rationalizing labor, organizing marketing and ensuring stable incomes for peasant farmers. The tea and coffee cooperatives in Kenya are worth looking into in this regard.

Biofuels, Land Grabbing and the African Peasantry

Following the world food price crisis of 2007-2008, multinational corporations, foreign governments and international financial institutions started to acquire large tracts of land in Africa for purposes of growing food crops and biofuels in what has now come to be known as a land grabbing phenomenon.⁸ Land grabbing is described in various ways. It is seen, for example, as getting large tracts of land cheaply from naïve and ignorant "local rulers" in Africa, be they chiefs (as in South Sudan) or government executives (as in Mozambique, Tanzania and Madagascar). This land may be bought or leased very cheaply for a number of years. The price of buying or leasing is quite often worked out without any reference to the prevailing market forces. If there is any force to determine the price

it is usually the cunningness of the buyer or the gullibility of the seller. In any case the transactions are usually shrouded in secrecy, and consequently the seller gains as an individual in terms of kickbacks while the community or nation from which the land is leased or sold suffers enormous loss. While the buyers argue that the land leased or sold is idle anyway and putting it to productive use is good for the local economy, critics have argued that land grabbing has not so far produced positive results: food production is negatively affected, the environment can be easily endangered and the profits earned by the so called investors are not usually 'ploughed back' to the domestic economy.

In an attempt to reduce American dependence on oil from the Middle East and Venezuela, for example, the George W. Bush administration offered huge financial incentives to Midwest farmers to turn their maize into biofuels (ethanol). This contributed significantly to the global food price crisis of 2007-2008, which led to riots and deaths in many countries. In addition, EU countries signed up to an undertaking to use a greater proportion of transport fuel from biofuels (10% by 2020), thereby contributing significantly to the global land grab by encouraging them to find land for biofuels production elsewhere, particularly in Africa, because they can't be produced within the EU.⁹

Such crops as *Jatropha* were the first to be touted as major sources of biofuels that could grow in the tropics easily, being reasonably resistant to the vagaries of the weather and poor soil conditions. Hence they would be planted in vast stretches of marginal lands without depriving either the peasants or the pastoralists of land. Recent evidence, however, shows that optimism on biofuels, such as *Jatropha*, is now fading in such places like Ethiopia, Malawi, Mozambique and Tanzania. Nonetheless there is still growing literature from international NGOs and research institutes cautioning on "the land grabbing industry" in Africa, and its threat to food production, increase in poverty and marginalization of peasant farmers and pastoralists in Africa.

In an article published in the British daily, *The Guardian*, in June 2011, US universities were said to be involved in "land grabbing" in Africa.¹⁰ Institutions including Harvard and Vanderbilt were

reported to be using huge funds to buy land in deals that could face farmers out. Using British hedge funds and European financial speculators to buy or lease vast areas of African farm land, these institutions were taking advantage of political regimes and elites eager to earn hard currency by "hawking" their lands cheaply in an international market created and controlled by few actors. For example, the American universities were going through London-based Emergent asset management firms running one of Africa's largest land acquisition funds by JP Morgan and Goldman and Sachs currency dealers.¹¹ By 2011, *The Guardian* estimated that close to \$500 million had been invested in such deals by this group with the expectation of getting 25 per cent return on investment.

The same article went on to point out that the largest land deal in Africa then was in South Sudan where as much as 9 per cent of the land is said by Norwegian analysts to have been bought between 2007 and 2011. This deal was negotiated between a Texas-based firm, Nile Trading and Development, and a local co-operative run by absent chiefs. The 49 year lease of 400,000 hectares of Central Equatoria for around \$25,000 allows the company to exploit all natural resources including oil and timber. The company, headed by former US Ambassador Howard Eugene Douglas, says it intends to apply for UN-backed carbon credits that could provide it with millions of dollars a year in revenues.

Research by the World Bank and others suggest that nearly 60 million hectares of land, an area the size of France, has been bought or leased by foreign companies in Africa in recent times. The figure may be growing. This could not cause any serious concern if, in the final analysis, it added positively to a green revolution that, in effect, improved agricultural productivity, provided employment to many unemployed youths in Africa, reduced poverty and created a value addition industry that progressively integrated agriculture to industry in Africa's development. As Olivier de Schutter, the U.N. Special Rapporteur on the Right to Food observes, "if it is to be truly responsible, agricultural investment must be investment that benefits the poor in the South, rather than leading to a transfer of resources to the rich in the North. It must be investment that truly

reduces hunger and malnutrition, rather than aggravating them."¹² De Schutter has been very consistent in cautioning European governments and multinational corporations to go slow on biofuels production in the Third World which has a tendency of impacting negatively on peasant agriculture and impinging on the "right to food". But he has also noted that growing crops for food and fuel together can work but farmers and policymakers must prioritize hungry people and think local.¹³ In this regard, the peasant farmer need not necessarily be treated with kid gloves. If peasant small holdings are to survive, they need to be competitive and viable in producing for a domestic market that will ensure that all are fed even before any produce is exported in the commercial circuit.

Looking Ahead: Some Questions to be Addressed

The main question we are currently facing in Africa, whether we are looking at land reform and redistribution in the former settler colonies or recent cases of land grabbing, is the tension between small holder farming and commercial large scale agriculture. Are African farms, of whatever size, commercially viable given their levels of productivity and global competitiveness? In any case, does African agriculture need to be commercially viable to be useful to the African people? To what extent have African peasants responded positively or negatively to the vagaries of the global agricultural markets? Or do they really need to respond to these markets to be viable? What happened to our previous concern for de-linking as a way of organizing African economies which would reproduce themselves on the basis of self reliance within national democratic and developmental states? Have African peasant producers always been victims of the unfavorable prices of factor inputs or are there other indigenous methods by which they at times circumvent these difficulties through crop diversification, crop rotation, straddling and "cheating the state"?

Suppose commercial viability of agriculture is important, then what reforms

in land tenure systems will be necessary to enhance the commercial viability of farming in Africa? If we stop at the level of commercial viability alone, then perhaps there would be little reason to break up the large scale commercial farms in South Africa as part of land redistribution to African small holders who, at the moment, have no land. Assumptions must be made that, like in the case of Kenya, the new land owners will produce more productively than their predecessor commercial farms. But it must be noted that, in the Kenyan case, the large scale white commercial farms were, in actual fact, rather inefficient. Without poorly paid or free labor they could not have survived since large parts of the farms often lay idle. What model will South Africa therefore follow in land reform: the Zimbabwe model or the Kenyan one, or none of the above? Is it possible to lease land rationally to foreign companies for commercial farming without necessarily distorting the local agrarian economy?

In the final analysis, it does not follow that land reforms will necessarily lead to enhanced agricultural productivity. Case studies show that land reforms could enhance, reduce or even have no impact whatsoever on agricultural productivity. In Mexico, Chile and China land reforms was followed by decline in agricultural production. But in Cuba, Egypt and now Zimbabwe, land reforms have led to increased agricultural production. All depends on the nature of the land reforms undertaken and the context in which such reforms are introduced and implemented. In Africa, most of the food is produced by small holder farms; and since this is likely to remain the same for some time to come, any land reform contemplated needs to secure the land holding of such groups, or a land tenure system in which small holding agriculture is fully catered for.

Notes

* *Address to the IDEP-UNISA-CODESRIA Roundtable Addis Ababa, Ethiopia, 17-18 June, 2013*

1. Several studies published by The Third World Forum, CODESRIA and IDEP. See also P. Anyang' Nyong'o, ed. "The Peasant

Question in Kenya", *Review of African Political Economy* No. 20, 1980.

2. This has happened in the Sugar Belt in Kisumu County, Kenya, where peasant production of sugar under contract terms with the state-owned factories has declined drastically over the last 20 years, and most 10-acre farms either lie idle, or have been turned into grazing land or farmed for subsistence.
3. Samir Amin, "World Poverty, Pauperization and Capital Accumulation," *Monthly Review*, Vol. 55, No. 5, October 2003.
4. Ibid.
5. See, for example, Essy M. Letsoalo, *Land Reform in South Africa*, Braamfontein: Skotaville Publishers, 1987.
6. "Whites Never Stole Land from Black South Africans," *Before It's News*, Wednesday, June 5, 2013.
7. Letsoalo, Chapter 3.
8. See, for example, Borrás Jr., Saturnino M., Ruth Hall, Ian Scoones, Ben White and Wendy Wolford, "Towards a better understanding of global land grabbing: an editorial introduction," *Journal of Peasant Studies*, 38 (2); Hall, R. "Land Grabbing in Southern Africa: the many faces of the investor rush", *Review of African Political Economy* 38 (128), June 2011; Leigh Brownhill, "Land Grabs as re-colonization in 21st century East Africa," *Kilimanjaro* 3 (1), January 2011;
9. Robin Palmer, *Land Grabbing in Africa*, www.indcatholicnews.com/news. (April 19, 2013).
10. *The Guardian*, "US Universities in Africa 'Land Grab'", June 08, 2011. See www.guardian.co.uk/world/2011/jun/08/us.
11. Ibid.
12. See www.guardian.co.uk/profile/olivier-de-schutter
13. Olivier de Schutter, "In a World Hungry for Biofuels, Food Security Must Come First," *The Guardian*, October 12, 2012. www.guardian.co.uk/global-development-development/poverty-matters.