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Access to land and the emergence of international farm enterprises

The 2009 IAASTD report highlights the need to target "small and medium-sized family farms as priority beneficiaries for publicly funded agricultural research and extension, marketing, credit and input supplies; undertaking land reform, where needed; investing in human capital to raise labor productivity and increase opportunities for employment; ensuring that agricultural extension, education, credit and small business assistance programs reach rural women; setting public investment priorities through participweassatory processes; and actively encouraging the rural non-farm economy".

During that very same period as the IAASTD Report was published, following the food price crisis of 2008-2009, a new 'global land rush' developed. It entailed large-scale land acquisitions mainly by private investors (but also by public investors and agribusiness) buying farmland or leasing it on a long-term basis to produce agricultural commodities, i.e. raw materials for global industrial value chains. These investors responded to the prospects of a growing demand for food, animal feed, fuels and fibre, combined with the liberalisation of trade and investment regimes and increased price volatility – all factors that fuelled the new global rush for land (Anseeuw et al. 2012). It was also a response to invitations by numerous host governments, mainly in Africa and Asia, which instead of promoting endogenous growth of small and medium-sized family farms as promoted by the IAASTD, were exploiting this hype as an opportunity to attract private, mainly international capital. In view of reduced public spending and Official Development Assistance (ODA), these investments were presented as solutions contributing to the countries' agricultural revitalisation - directly through large-scale investment or through a positive pull-effect integrating the host countries' small-scale farming sector (Cotula et al. 2009). Such investments, focussing on the development of large-scale agricultural estates, would enhance their national food security situation and develop rural infrastructure. So went the narrative.

A new global land rush was fuelled by a growing demand for food, animal feed, fuels and fibre.

This rush for land primarily affected agrarian economies, mainly in Africa and Asia. Lands that in the early 2000s seemed marginal to investment interest were being sought by international investors and speculators in quantities hitherto unseen. Between 2000 and 2016, with a peak in 2010, foreign investors acquired 42.2 million hectares of land around the globe. 26.7 million hectares were for farming purposes, according to a Land Matrix report that covers a thousand concluded agricultural deals (Nolte et al. 2016). Africa accounts for 42% of these deals, and about 10 million hectares of land. This being said, few are the deals that are producing effectively: Presently, about 10 years after the hype of acquisitions, only 27% of the area is showing effective production-related activities (from land preparation to crop production), although effective production is increasing on the still active deals (Land Matrix 2019). Managerial and technical difficulties related to the implementation of large land deals in often isolated, difficult ecological, political, bureaucratic and socio-economic environments explain this low implementation, as well as high failures. In Madagascar for example, out of the 53 deals identified since 2000, only four are still active today. Not only do these failed deals not contribute to the promised expectations with regards food security and development; in most of the cases, land rights – which have changed in the process – are not returned to local (sometimes displaced) populations. Even though the global land rush has now ebbed, new acquisitions are still being recorded, contributing to growing commercial pressures on land.

Foreign land acquisitions increase commercial pressure on land and weaken land rights of the local population.

In addition, in general, these processes tended to fuel unrealistic expectations on the part of the host countries and local populations: contribution to food security, creation of jobs, as well as development of productive and non-productive infrastructure such as schools, hospitals, besides others, are generally lower than expected. Very few, if any cases have led to an effective agrarian transformation, particularly since a common characteristic of such offshore production models and farm enterprises is the lack of local integration, sometimes even referred to as enclave economies (White et al. 2012). Contrary to the call of the IAASTD to implement at the national and international level, using governance mechanisms to respond to unfair competition and agribusiness accountability, these acquisitions reflect an increasing control by international farm enterprises over land-based productive cycles – primary agricultural production in particular – representing far-reaching trends of vertical integration.

The slowdown and lack of implementation of large-scale land acquisitions should not lead to complacency, as they still exacerbate commercial pressure on land and lead to a weakening of land rights for the local population. Indeed, these international investors, as well as the public, semi-public or private sellers, often operate in legal grey areas between traditional land rights and modern forms of property (Nolte et al 2016). The IAASTD covers the problem of unfair distribution of land, which has existed for many centuries, as well as approaches to agrarian reforms and communal land use. Its key message is simple: Secure land tenure, property rights and other forms of common ownership, including access to water, are an essential prerequisite for family farms to invest in their own future. The present large-scale land acquisition policy approach, however, reflects more a top-down land reform, implemented in non-transparent ways, without accountability measures. It not only leads in many cases to land expropriation and displacements, it also affects land rights of the rightful owners and occupiers of the land, while exacerbating land concentration and inequalities.

Overall, instead of the options of action promoted by the IAASTD, the outsourcing of the development of the agricultural sector by host governments in the South to international farm enterprises simply represented a quick fix. The results were marginal and led to mostly negative impacts for food security and development at large, rather than a process of genuine structural agrarian transformation based on endogenous small and medium-sized farm development. However, more recently, international interest in land has triggered domestic interest as well: and the question remains, do these domestic investments reflect opportunities for local agricultural development or do they present a new wave of domestic land grabs by urban elite (Jayne et al. 2019)?

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