Global Food Insecurity spawns ...

by Thandi Winston via quill - IPS *Thursday*, *Feb 10 2011*, 6:54am international / environment / other press

the New Scramble for Africa

DAKAR, Feb 9 (TerraViva) – Some are calling it the second scramble for Africa – the growing appetite of external interests in securing huge tracts of land in Africa, displacing the small-scale farmers who form the backbone of the continent's own food security. The issue has been one of the main talking points at this year's World Social Forum. And whilst there are no immediate answers, activists are warning about its effects on African people's livelihoods and food security.

For activists like Mercia Andrews, from the South African agrarian reform organisation, <u>Trust for Community Outreach and Education</u>, "there is a massive land grab taking place and Western countries are coming into Africa and using African land to feed themselves to ensure their own food security at the expense of Africans."

Andrews is also a member of the <u>People's Dialogue</u>, a network of African and Latin American indigenous and rural organisations. "They [big companies] are once again displacing the poor and vulnerable," she says.

Multinational agribusiness corporations and investment banks are leading the rush to secure land. The countries that have been targeted are found all across sub-Saharan Africa: Sudan, Tanzania, Namibia, Senegal, and others.

A report by the International Food Policy Research Institute in 2009 said the acquisition of farmland in developing countries was "one of the lingering effects of the food price crisis of 2007/8" as governments – particularly in the oil-rich but arid Persian Gulf, but including South Korea and Libya – sought to guarantee a source of affordable food in the future. These agents join corporate prospectors for land who have sought to establish vast farms to grow food, cash crops such as sugar cane, oil palms and jatropha.

According to the World Bank, 42 million hectares were acquired by foreign interests across the global South between August 2008 and October 2009. Lungisile Ntsebeza, Professor and Research Chair of Land Reform at the University of Cape Town, describes it using the term "a new scramble for Africa", referencing the 19th century division of the continent by European colonial powers.

A <u>list of banks and agribusinesses</u> active in what they anticipate will be a newly-profitable area has been compiled by the farmer advocacy group GRAIN. These include Saudi Star Agricultural Development, which plans to spend as much as five billion dollars acquiring half a million hectares across Ethiopia in the next 15 years; the Altima One World Agriculture Fund, a partnership between hedge fund Altima and the World Bank's private sector investment arm, the International Finance Corporation; Jarch Capital, which has put U.S. investors' money into a controversial 400,000 ha hoding in South Sudan; and Singapore's Nauru Investments, with extensive holdings in oil, rubber and cane plantations in Côte d'Ivoire.

Lucy Edwards, an activist from Namibia said what made land grabs more shocking was that the rush

by multinational corporations and large commercial enterprises to dispossess Africans of land is being done with the collusion of African governments and elites.

At an event held on the sidelines of the WSF, entitled, "Do not touch my land, it's my life", international development charity Oxfam and the Senegal-based NGO Enda denounced land grabs European and Asians interests – as well as wealthy Africans.

Oxfam's Lamine Ndiaye said the problem was compounded by the fact that in several cases, land was now being acquired with a speculative motive, with the new owners failing to invest in agriculture.

Farmers are worried that the buying or leasing of arable land will make adapting to climate change even harder for them. Moses Shaha, from the Eastern and Southern African Small-scale Farmers Forum, a movement with members in twelve African member states said, "We feed the nation and yet we now have to worry about land grabs. Climate change is taking away our livelihood and affects our farmers, who already do not understand this."

He said he had come to Dakar to network with other organisations and strategise over an effective way forward.

For Elizabeth Mpofu, a small-scale farmer from Masvingo in Zimbabwe, the issue is simple, "We must tell our governments that what they are doing is wrong. We as farmers must be bold and courageous and challenge them. We must also tell farmers about the seriousness of the situation."

In a 2009 report published by the U.S.-based Oakland Institute, Shepard Daniel and Anuradha Mittal point to the role played by international financial institutions in supporting large scale land acquisitions. They write that during the food price crisis in 2008, the World Bank pushed for expanded lending to agribusiness as a means of increasing agricultural production.

The Bank's private sector investment arm, the International Financial Corporation is a leading actor in promoting a sea-change in financing for agriculture after years of low investment. The shift, which is driving foreign direct investment in land in Africa, is that high food prices mean African, Asian and Latin American countries can develop their agriculture by means of new technologies, practices and economies of scale in production and processing, as well as bringing more land into production.

The IFC's investments – directed to agribusiness and related industry – passed 1.3 billion dollars in 2008, and the corporation has set up a 625 million dollar fund in collaboration with hedge fund Altima Partners, specifically to invest in farming and land in "emerging market countries".

The IFC advises countries on how to attract foreign direct investment in their agriculture sectors. Pakistan offers a prime example, offering favourable terms to companies seeking land, including tax holidays and long-term leases. According to Daniel and Mittal, Pakistan put more than a million hectares of land up for auction in 2008, demonstrating that the issue of land grabs is not restricted to Africa.

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