## Wealthy countries and agribusiness want farmland, poorer countries need capital – but what happens to the locals?

## By Martin Large and Neil Ravenscroft

Rising food prices, the drive for food security, biofuels and profits are fuelling a massive global landgrab. Some of this land is being bought by wealthy businessmen, some by predatory transnational corporations, which, with the collusion of corrupt, greedy governments, then enclose the land and clear it of small farmers and indigenous peoples.

The corporations sell the crops at high prices to the rich north. The result is that millions of people are being cleared from their customary land and forced into poverty.

In South America, for example, the area known as Patagonia stretches across southern Chile and Argentina. In the 1990s the Argentine government allowed large parts of Patagonia to be sold off. 'If we don't stop this intrusion,' said Adolfo Pérez Esquivel, winner of the Nobel Peace Prize in 1980, 'we will live in exile in our own land.' The *extranjerizacion* or 'internationalisation' of land has resulted in frenzy of land purchased by the rich and famous. Luciano Benetton buying 900,000 hectares of Argentinean land for the mass-production of wool for his international clothing business. The company also has a tannery, pine plantations and other business initiatives there.

Rich northern countries and companies alike are targeting the land of developing countries in the current global land-grab. Agribusiness is displacing small farmers: Korea's Daewoo is buying a 99-year lease on a million hectares of land in Madagascar to grow 5m tonnes of corn, and plans to lease a further 120,000ha for palm oil, to be grown by South African workers. In 2007, the Philippines gave Chinese companies access to 1.24 million hectares. In 2008, the Saudi Middle Eastern Foodstuff Consortium announced plans for acquiring 500,000ha of basmati rice land in Indonesia. Middle Eastern states have been acquiring control of massive areas of farmland in various countries. There is a fi re sale of Laotian land going on, with China seeking a million hectares, though between two and three million hectares have already been leased to various states.

There is a similar, if less well documented, land-grab commencing in Central and Eastern Europe, particularly in parts of Ukraine, Russia and Lithuania, although undoubtedly elsewhere as well. In northern Ukraine, for example, where the farmland restituted to small farmers in the 1990s cannot legally be sold, northern European farming companies are buying long leases of large blocks of land. They are then turning this land over to a new form of industrialised farming, based on exporting hemp and flax fibres to China and grain to the northern hemisphere, often with biofuels made from the by-products of the fibre production.

The farming companies offer jobs to some of the farmers from whom they have leased the land, and they also borrow back the lease payments that they have made to buy northern European machinery. In place of the stable small-scale farming communities of rural Ukraine, therefore, a new cash economy is emerging in which foreign farming companies are pivotal, and in which many of the dispossessed cannot participate.

This global agribusiness land-seizure destroys jobs, rural livelihoods and the environment. Millions of indigenous peoples and farmers are being dispossessed. The results are conflict, more urban slums, rising poverty, a corporate stranglehold on food, dislocation, social inequity and hunger, so it is vital to reflect on the causes of the land-grab.

First, the land-grab is being driven by the ideology of neo-economic liberalism of the free market, with its deep-seated dog-eats-dog ethic. As John Maynard Keynes once observed, capitalism rests on the belief that if everyone is nasty to everyone else then a healthy economy will be the result. This ideology is in fundamental conflict with the co-operative patterns of food-growing and complex customary land rights characterising traditional agriculture.

Second, neo-liberal economics treats such commons as air, water, natural resources and land as commodities to be enclosed and traded. Institutions such as the International Monetary Fund and the World Bank favour the commodification and marketisation of land, finding customary tenure systems hard to understand, let alone recognise and support. By definition, they must be inefficient. This is a totally different paradigm from traditional land systems, which are governed by custom, by overlapping rights, and by deep cultural and spiritual attachments of people to the land.

We can forget that landed property is a modern invention. Massasoit, a leader of the Wampanoag, asked the Plymouth colonists in the 1620s: 'It cannot be the earth, for the land is our mother, nourishing all her children, beasts, birds, fish, and all men. The woods, the streams, everything on it belong to everybody and is for the use of all. How can one man say it belongs only to him?'

Third, the legacy of colonialism, where 'virgin land' was conquered, mapped, distributed among immigrants, registered and enclosed is in basic conflict with traditional land systems. Australian Aborigines were not recognised as citizens of their own country until 1967, and were only recognised as its first inhabitants in 1993. Mapping, registering and securing multiple land interests is complex – as opposed to western, ex-colonialist land registry systems.