

## Sustainable land grabs?

### Large-scale land transfers are not a development option

At root, hunger is an issue of distributive justice. Large-scale land acquisitions exacerbate this problem at four levels:

1. Access to and control over land and water resources rapidly become concentrated. This is now accepted by development experts, although just a few years ago redistributive agrarian reform was part of a global consensus on development, even though, significantly, the instruments for implementing it were hotly debated.
2. Public money and resources are diverted from directly supporting the rural poor to supporting large-scale land transfers. This takes place, for example, by means of certification schemes and corporate social responsibility (CSR) initiatives, straightforward investment strategies such as the G8's New Alliance for Food Security and Nutrition, or loss of income resulting from blanket long-term tax rebates.
3. By far the largest share of the profits and earnings goes to the investors. A study\* on the case of Addax in Sierra Leone, for example, has revealed that 93 to 98 per cent of future profits go to the investors. The slim pickings that remain are shared out between national government, regional authorities, future land workers and a number of former land users.
4. Distributive injustice is based on power asymmetries, on discrimination and on marginalisation. Large-scale land acquisitions are driven by the interests of the "investors". The interests of the local population, if considered at all, are adjusted to fit the investment plans later. This is the opposite of empowerment, and its effect – exactly like loss of control over land – is to reinforce power asymmetries.

Olivier De Schutter described large-scale land transfers in polite terms as the "least desirable option". The justification put forward by advocates of a win-win notion of land grabbing should also put us on our guard: it is difficult to find anyone who thinks these large-scale land acquisitions are the

best development option. The often rather desperate attempt to give a positive sheen to land grabbing is




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based on the argument that public money is in short supply and the "financing gap" for much-needed investment in the agricultural sector can only be bridged by "investments" of this sort.

The causality suggested by such arguments must be called into question. How much money goes into which sectors is a political decision: during the financial crisis, the USA and Europe poured 11,000 billion US dollars (USD) into bank rescue packages. In contrast, the amount spent on development assistance since 1970 is just 2,600 billion USD – with another 3,300 billion USD in promised funding that was not delivered. It is a similar story within the development assistance sphere itself. Why shouldn't we raise the level of development assistance spent on the agricultural sector to 20 per cent again, as was the case 30 years ago? The national governments of developing countries invest only a very small amount in the agricultural sector. In contrast, the EU and the USA are prime examples of how public money can be mobilised for the sector.

For all these reasons, the debate on investment in the agricultural sector urgently needs to be set to rights again: farmers are the most important investors in the agricultural sector. They invest money, labour and know-how on a daily basis – and they do so in an environment which is increasingly discriminating them. Human rights obligations require governments to actively support these groups and equally to actively involve them in designing development strategies. Such strategies will vary according to regional circumstances. They might include establishing an affordable state storage system for farm produce, strengthening existing farmers' markets, promoting agricultural cooperatives, procurement agreements between public-sector institutions and local farmers, training to promote farming practices that are sustainable, have low capital input and are adapted to local circumstances, (re)distribution of land, and many other things that are rarely the targets of support nowadays.

We need to shake off our blinkers and shift our focus away from the question of how to make large-scale land "investments" sustainable. Instead we must ask ourselves the truly underlying question of development policy: which strategies (in this case: which types of investment) are best suited to combat hunger and to empower marginalised groups – especially smallholder farmers – to realise their right to food and to enable them to feed themselves?

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\*See: *Bread for all (2011): Land Grabbing: The Dark Side of "Sustainable" Investments.*