

Grabbing land for food

GRAIN

As was widely reported around the world in November, Daewoo Logistics, a subsidiary of the South Korean conglomerate Daewoo Corporation, is seeking to secure rights to 1.3 million hectares of farm land in Madagascar – half of the country’s arable land. The land will be used to produce maize for export back to South Korea. Daewoo says that the deal will help South Korea to obtain food security, but that is not the way many Koreans see it. In an interview with GRAIN (available on our website),¹ Han Young Me, from the Korean Women Peasants Association, said: “The government should think of how to secure self-sufficiency in Korea instead of overseas and the government should be working together with farmers, side by side. But the government is not doing this and in 2008 our level of food self-sufficiency went down. If you go out into the fields, you will see that farmers have left produce to rot because they can’t find a market where they can sell it.”

What is happening in Madagascar forms part of a global trend. In a report published in October 2008,² GRAIN describes how a host of nations – China, South Korea, Japan, Saudi Arabia, Kuwait and others – have been scouring the globe in search of arable land to buy or to lease for the production of crops for food or biofuels. What attracts attention is not just the amount of land involved – some of the deals involve more than a million acres – but the logic underlying the transactions. For this is not land that is being primarily acquired to produce

crops to sell on the world market or to feed the local population. These crops are to be sent back to the nation that has acquired the land. Using its economic clout, the investing nation is taking over land – and, with it, the soil fertility and the water that are needed to cultivate crops – so that its people back home can have food to eat and fuel to put into their cars. It’s a modern-day version of the 19th century Scramble for Africa.

It is not difficult to see what is driving this land grab. To a large extent, it stems from the global financial crisis (to which the world food crisis is linked). There are two parallel agendas driving two kinds of land grabbers. The first track is food security. A number of countries that rely on food imports and worry about tightening markets are seeking to outsource their domestic food production by gaining control of farms in other countries. Saudi Arabia, Japan, China, India, Korea, Libya and Egypt all fall into this category. High-level officials from many of these nations have been on the road since March 2008 in a diplomatic treasure-hunt for fertile farmland in places such as Uganda, Brazil, Cambodia, Sudan and Pakistan. The second track is financial returns. Given the current financial meltdown, all sorts of players in the finance and food industries – the investment houses that manage workers’ pensions, private equity funds looking for a fast turnover, hedge funds driven off the now collapsed derivatives market, grain traders seeking new strategies for growth – are turning to land, for both food and fuel production, as a new source of profit.

But while their starting points may differ, the tracks eventually converge. Where they come together is the private sector, which in both cases will be firmly in control. So whichever of the two tracks you look at, they point in one direction: foreign private corporations getting new forms of control over farmland to produce food not for the local communities but for someone else. Did someone say colonialism was a thing of the past?

What does it all mean?

One of the clear consequences of the global land grab is that workers, farmers and local communities will inevitably lose access to land for their food production. The very basis on which to build food sovereignty is simply being bartered away. And it is not only the questionable issue of giving foreigners control of domestic farmland but also the restructuring of the farming sector that this process entails. For these lands will be transformed from smallholdings or forests or whatever they may be into large industrial estates connected to far-off markets. Farmers will never be real farmers again, job or no job.

1 Interview with Han Young Me, Chief of Policy, Korean Women Peasants Association (KWPA), Dae-gu, South Korea, 4 December 2008, available in transcript and in audio. <http://www.grain.org/videos/?id=194>

2 GRAIN Briefing, *Seized: The 2008 land grab for food and financial security*, with accompanying annex listing more than 100 cases of land-grabbing for offshore food production, October 2008. <http://www.grain.org/briefings/?id=212>



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Politique 3

Des Coréens ont acquis 1,3 million d'hectares Madagascar est-elle à « vendre » ?

Depuis quelques semaines, ce n'était que rumeur. Dès septembre, « La Gazette » a cherché, en vain, à connaître la teneur d'un accord entre l'Etat malgache et les « dessous » de ce contrat... L'accord en question, conclu au mois de juillet dernier à Antananarivo, consiste à louer à 4ème importateur mondial de maïs (11 millions de tonnes par an). Autre détail (qui n'en est pas un) : les négociations, qui ont finalement abouti à ce fameux accord Somapalm soit absorbée par ce conglomérat sud-coréen. Où est la valeur ajoutée pour Madagascar ? Peut-être dans la main-d'œuvre locale : mais ces Malgaches qu'ils ne sont bons que pour cultiver des patates, du riz, du manioc... Les différents régimes qui se sont succédés jusqu'à l'arrivée de l'Etat malgache refusent-ils aux Mauriciens d'exploiter les 30 000 hectares à Ankazobe, un souhait facile depuis la création de l'Etat malgache.

“Is Madagascar for sale?” asks Antananarivo’s La Gazette de la Grande Ile of 21 November 2008, in its headline to the story about the South Korean company’s acquisition of 1.3 million hectares of Madagascar’s farmland.