LUISS

Department
of Political Science

Chair of Political Economy of Development

Political Economy of Land Grabbing in Sub-Saharan Africa

Roberta Croce
Matr. 082142
CANDIDATE

Prof. Francesco Ferrante
SUPERVISOR

Academic Year 2018/2019

I would like to thank Professor Francesco Ferrante
who has provided me with extensive support and continuous feedbacks,
without which this work would not have been completed.

I would also like to thank my family and friends who were there for me, supporting me during my academic path and while writing this work.

Grazie per aver creduto in me e per continuare a farlo.

TABLE OF CONTENTS

INTRODUCTION

This thesis will study the phenomenon of land grabbing in Africa, using a political economy approach. The phenomenon of land grabbing has increasingly been discussed in the emerging literature, and it has become a key issue in the development field. Such phenomenon is taking place globally; however, in our study, we will focus on land grabbing in Africa. This term usually refers to large-scale acquisition or long-term lease of lands in developing countries performed by multinational corporations or foreign governments (Zoomers 2010). The land grab is also defined as the "exploration, negotiation, acquisition, implantation and exploitation of land resources, in particular, to gain a security level of energy and food, through the export towards the investing country" (Matondi, Havnevi and Beyene 2018, 1). Following such definitions, this process may look simple, but it is in reality rather complicated. We will examine, throughout the study, all aspects contributing to the complexity of land grabbing in detail. The countries which generally host such practice are developing countries in South America, South East Asia, and Africa.

The reasons that lead multinational companies and countries to "buy" land from developing countries are several. It is important to mention that land grabbing is inherently linked to the control of lands, meaning that foreign investors want to seize access of the natural resources related to the land, to extract value from such control. There are two main reasons why foreign investors seek to acquire land for crop cultivation: the first, is to ensure their foreign food security and, the second is the rising demand of biofuels from developed countries. Regarding food security, it is possible to notice that food demand is steadily increasing in developed and emerging countries, due mainly to a diet change and a growing urbanization (Zoomers 2010). This phenomenon finds its roots in developed countries' lack of lands for the production of crops that they consume. They are in need to search and buy or lease new "empty" lands for the plantation of cultures that are sufficient to respond to the increasing necessities of their populations and secure themselves from food shortages (Matondi, Havnevi and Beyene 2018, 1). The acquisition of lands in developing countries, richer of such resources, is also due to the recent awareness of developed countries of the long-term effects of climate change. There is, nowadays, the widespread need for durable and valid alternatives to fossil fuels. The solution has been internationally identified in the use of palm oil, jatropha and sugar cane, vegetable resources that can be converted for the production of biofuels, more sustainable and less expensive than fossil fuels (Schiffman 2013).

Therefore, it is evident that the phenomenon of land grabbing is associated to a dramatic urgency to secure lands in order to be prepared in case of future natural disasters or oil price increase (Borras, Hall, Scoones, White and Wolford 2011).

Combining all these pieces of information so far, we may conclude that this phenomenon is led only by and for the national interests of investing countries. This so-called "land rush" takes place in developing countries, but the protagonists are multinational companies and governments of the global North. In developing countries, the land is being converted for the production of crops and biofuels to be exported in developed countries. It is essential to highlight that foreign investments in African countries to secure land resources are only for export and not for the benefit of local communities (Oxfam 2013). As we will analyze throughout this study, land deals entail the transfer of the right to control land through sale or lease; thus, investors acquire the power to shift the previous type of culture into a new one. Nevertheless, this does not occur without consequences. The crucial point is that local populations who live in rural areas are dependent on land, as it represents their primary source of subsistence (Onoja and Achike 2015). Consequently, local peasants are dispossessed of the land they work, and they are prevented from using it and accessing its related resources. There is strong empirical evidence showing that leases and concessions are granted on communal land, which is already occupied and used by local people, but it is registered as public, thus a property of no one or "empty" (Hall 2011).

This unveils the fundamental characteristic of land grabbing. The widespread perception is that land is an abundant resource in developing countries, especially in Sub-Saharan Africa, but, as mentioned earlier, it is already claimed and used by local communities. Nonetheless, local peasants are often marginalized, and they have not recognized the formal access to land and governmental institutions (Cotula, Vermeulen, Leonard and Keeley 2009).

The Research Question

This study aims to describe and analyze the phenomenon of land grabbing in Sub-Saharan Africa driven by foreign investors. We will examine the causes and consequences, past and present, of such phenomenon. We will explore if the land grabbing can be considered a modern form of colonialism or Scramble for Africa, led by new actors. The land rush activity in Africa is not a new event, as we know from the most ancient occurrences of colonialism, but, nowadays, it presents some new traits, related to the different scenarios in international relations characterized by the globalization process, which we shall describe in the following chapters.

This study has the goal to investigate the role of institutions, i.e., the rules of the game (North and Alt 1990) in this phenomenon. From what we have described in the previous paragraphs, we might have the impression that national governments are absent from the process of land acquisition by foreign investors, but as we shall see, they play a meaningful role in this activity by setting the incentive structure. Political institutions are the formal and informal mechanisms that regulate collective choice, which, in turn, determine the central and the local level of governance. The question that may arise is: the governance of Sub-Saharan countries affects the propensity to experience land grabbing? If the answer is positive, we will then inquire what is the key factor that influences the most this phenomenon. We will further inquire whether the public interest is considered. For instance, if representatives of local groups participate in the processes of negotiations and approvals of land deals and can make their voice heard in the case of non-agreement. This will allow us to recognize the issues related to the land grabbing in Africa, such as corruption in governmental institutions and in how the competition for the acquisition of lands is regulated. These are problematics that derive from poor governance and weak and distant relations between citizens and institutions, which in turn are the causes of social and economic instability. These are the main characteristics of many African countries, rich in resources but with a limited capacity to manage them inclusively, through a highly monitored process by local communities.

In conclusion, this work aims to assess whether there is a correlation between the governance of Sub-Saharan countries and the propensity to experience it, thus if ruling elites tend to be more collusive with foreign interests to lease lands at the detriment of local communities. The model based on foreign direct investments represents a real development opportunity for local communities because it brings technology and know-how, but it can also represent a threat for the natural course of development of rural populations if capital is not allocated in an inclusive way by the government. On the one hand, it may create more jobs in the agricultural sector, bring innovation and productivity growth, and improve workers' skills, consequently contributing to the economic development of Sub-Saharan countries. On the other hand, it may dispossess local peasants from their source of living and lead to discarding sustainable customs in the management of communal land, contributing to the depletion of natural resources. This study will not focus on the impact of such activity on the environment; nonetheless, it recognizes the dangers linked to the misuse and abuse of natural habitat.

Structure

The first chapter will describe the characteristics of land grabbing, explaining the phenomenon by mapping the main actors involved, and the importance of government institutions. At first, we will give attention to the historical causes of this phenomenon, rooted in the colonial past of Africa. Then, we will discuss the role of institutions in the development of the country. Concluding, we will introduce the land tenure and property rights, which regulate the possession and utilization of land for local communities.

The second chapter will present the functioning of land grabbing and its consequences on the population. At first, we will discuss the drivers of the phenomenon and the main actors involved. Then, we will draw a picture of the current situation by presenting some data. Finally, we will discuss international guidelines that regulate the acquisition of lands by foreign investors.

In the last chapter, we will firstly discuss FDI in agriculture and why countries with weak governance, such as Sub-Saharan countries, attract large inflows of foreign capital, especially in agriculture. Then, we will correlate the World Governance Indicators of the World Bank with the incidence of land grabbing to show that those countries with more deficient governance are the most likely to experience it. In conclusion, we will introduce a brief comparison between a virtuous and a negative case: Botswana and Zimbabwe.

CHAPTER 1 – LAND GRABBING – HISTORICAL AND THEORETICAL FRAMEWORK

1.1 INTRODUCTION: THE LAYING OUT OF A CONCERNING ISSUE

The land grab is the power to control large quantities of land and its related natural resources, for the accumulation of capital, usually in response to food security causes, climate change and financial needs of some foreign multinational companies (Batterbury 2018). The term land grabbing, on the broader sense, means a change in access and control to land and its resources, to the products generated, including the relative markets, to the detriment of local communities (Matondi, Havnevik, Beyene 2011).

In this chapter, we will argue that land grabbing in Africa originates in the colonial past of the continent which shaped extractive and non-inclusive political and economic institutions. In the first moment, we will examine land grabbing as a consequence of colonialism in Africa and how this affected the current institutions. Then, we will introduce the concept of efficient and inclusive institutions and, finally, we will discuss land grabbing as a current issue and the involvement of political institutions.

1.2 A PHENOMENON ROOTED IN THE COLONIAL PAST

The general claim and the collective global belief are that Africa has a considerable surplus of unutilized land. This is not a recent claim: European countries legitimized colonialism through the idea that the only civilized population was in Europe. Thus, in the rest of the world, there existed only aborigines, savage indigenous people, who were, therefore, inferior to them. Following such ideology, they granted themselves the right to invade the African continent, which was "empty", for the exploitation of its people and its natural resources. From the second half of the 19th century, the African continent has experienced the culmination of the imperialist rush, also known as the Scramble for Africa, sealed by the Conference of Berlin in 1885. With this event, the continent was divided into States belonging to one of the European powers, among others, Portugal, the United Kingdom, France, Holland, Italy.

The arbitrary boundaries drawn by Europeans did not reflect the ones of pre-colonial societies and, coupled with the ruthless exploitation of land and human capital, colonial inheritance has still a strong legacy with current political and economic disorders within African States. Since then, Africa has been coerced, with the aim of its integration into unequal market relationships with other richer and more industrialized regions, operating with an advanced capitalist, yet unequal, system. Such a system employed a set of forces (economic, military, political, etc.) which led Africa to be subdued and alienated (Ingwe, Okoro, Ukwayi 2010). Consequently, Africa finds itself in a position where its political and economic weakness makes it unable to renegotiate the socio-economic and environmental affairs.

1.2.1 Elements Inherited from Colonial Practices

According to Alex Thomson, some elements are crucial to understanding today's political and economic development of African countries, which have been left by its colonial history. To begin with, Thomson points out the existence of modern States, as conceptualized in the West, with boundaries, citizenship, and a central government. Before the colonial era, in Africa, there were predominantly state-less societies, divided into tribes (Thomson 2010). If there was some state regime, it was not defined like European standards, with institutions, constitutions, and divisions of powers. Nevertheless, after the newly born African states gained independence, the international interaction with them is made through their state institutions. (Thomson 2010).

Another element underlined by Thomson is the reinforcing of the non-hegemonic state. Colonial empires did not invest in the project of building strong institutions (neither political nor economic), which could eventually channel citizens' interests, consequently ensuring stable governance (Thomson 2010). Colonial powers only focused on the extraction of all resources needed for their development, such as minerals and crops. They created the minimal infrastructures needed to extract resources without providing for a long-term development project. This indifference towards the development of the institutional apparatus, brought evident social and political instabilities after independence, as people did not have the experience of the political culture based on representation and the rule of law, typical of the modern state (Thomson 2010). In the colonies, the authority was maintained by a few people, either foreign or local, through conquest and violent imposition. People did not struggle with awareness of oppression and rebellions to gain empowerment and, in the long run, build a democracy. This is, on the contrary, the century-long history of European states battling and fighting to overcome ruling elites. It would be impossible to imagine a similar society, with democratic values and resilient democracy, in African countries after independence, because such awareness and willingness take time to develop (Thomson 2010). The consequence of colonial negligence from European states is that today, there are weak links between the state and civil society (Thomson 2010).

1.2.2 Land Grabbing as a New Form of Colonialism

The critical issue is that the contemporary land-grabbing process matches history, insofar as it constitutes an increasing control over the benefits of African land resources by non-Africans (Matondi and al. 2011). It is crucial to notice that the political oppression African countries witnessed during the colonial era, has led to the formation of powerful elites that are nowadays in charge of the government. We can argue that this sort of elitist legacy is what prevents African countries from developing and flourishing because, in the same way as they acted in the past, governing elites are predominantly attentive to their personal interests rather than those of the wider society. The phenomenon of land grabbing does not make an exception in this regard. The significant tendencies are for national governments to be in collusion or alliance with outside interests, often through minor shareholdings in local companies so that legal and regulatory aspects can be sidestepped (Matondi and al. 2011). It is evident that local peasants and producers have to contend not only with foreign investors, attracted in their farmlands but also with domestic interests.

As we shall see in the next sections, internal interests, do not coincide with a well-structured plan that leads their nations towards economic and human development; instead, they are aimed at the profits of the ruling elites. We will argue that, up to a certain extent, the power held by governing elites is the result of a non-inclusive and non-efficient institutional setup, produced by colonialism and the "unsettled" character of the governance structures of African land ownership (Matondi and al. 2011).

1.3 THE ROLE OF INSTITUTIONS

The aspect that appears to be pivotal in the issue of land grabbing is the non-inclusive institutional structure of Sub-Saharan countries. In this section, we will discuss what the role of institutions is and how institutions should be arranged and organized to produce social incentives leading to economic and human development and more inclusive and equal outcomes. Indeed, where institutional players have collusive behaviors to favor their interests, the institutional setup leads to socially inefficient and politically unstable outcomes.

1.3.1 Defining Institutions

First and foremost, it is essential to define what institutions are. Institutions are defined as a set of "rules and enforcement mechanisms that govern economic, social, and political interactions" (Islam 2018, 2). Institutions can be of two types: formal or informal. By "formal" institutions we refer to laws, regulations, and decrees written and enforced by a public legal authority; whereas we classify as “informal” institutions societal norm-based rules and procedures, religious beliefs and codes of conduct derived from traditional unwritten regulations (North and Alt 1990; Islam 2018). It derives that institutions are not only legally recognized entities but also mechanisms of social order in society because they shape and constrain behaviors in a given context or community (Tariq, Butt, Qasim 2016). Furthermore, institutions affect the economy by influencing, together with technology, transaction and production costs (North and Alt 1990)

According to Acemoglu and Robinson, “economic institutions have to be thought of as an outcome of political choices which are shaped by political institution which influence how preferences are aggregated and the nature of incentives and constraints faced by those who exercise power” (Acemoglu and Robinson 2016, 4). Through this concept, we can argue that there is an evident intertwining between political and economic institutions because of their structure and asset condition attitudes in society. Additionally, political and economic institutions are fundamental for shaping the economic growth of a country (Tariq and al 2016). Political institutions, also considered “meta-institutions” as they influence the choice of institutional settings (Hanson 2009), channel citizens’ preferences as they represent mechanisms of collective choice, they are involved with the competition for power, and they determine government at the central and local level. Political institutions, in turn, shape the structure of economic institutions, such as markets functioning, that oversee the production and distribution of goods and services.

1.3.2 Building inclusive institutions

Some institutional characteristics are needed for the well-functioning of a country. Among others, Rodrick points out “a clearly delineated system of property rights; a regulatory apparatus curbing the worst forms of fraud, anticompetitive behavior and moral hazard; a moderately cohesive society, based on trust and social cooperation; social and political institutions that mitigate risk and manage social conflicts; the rule of law and clean government” (Rodrick 2007, 153). The author follows his discourse by arguing that such elements may be taken for granted in Western countries; nevertheless, they often lack in poorer countries (Rodrick 2007). It is a widespread and recognized notion, in the academic world, that a country cannot progress without a robust institutional setup (Tariq and al. 2016).

In summary, institutions are a pivotal point for the well-functioning and the progress of a nation because they represent a solid background providing a stable economic, political and social environment, through which the nation can flourish (Tariq and al. 2016).

1.3.3 Inclusive State Institutions

In these paragraphs, we will give a brief outlook of theories to build inclusive institutions should be to lead towards inclusive development, in order to compare them to the distorted current situation affecting African countries. According to conventional literature, the institutional setting for progress and broader political participation is a process that begins with incentives of the state's elite to build or not build necessary institutions for the management of the state itself (Acemoglu and Robinson 2016).

In order to build inclusive political institutions, Acemoglu and Robinson, identify two main elements. The first is the necessity of having a state with capacity, meaning that the state is competent to build an apparatus which should be able to provide public goods, regulate society and enforce laws through a monitored and working bureaucratic administration. The second is that political power should be widely distributed in society (Acemoglu and Robinson 2016).

In Dani and de Haan, it is given particular attention to the importance of broadening the opportunity for participation in the decision-making and policy-making process (Dani and de Haan 2008). From a legal point of view, they suggest improving rules and regulations for universal access to justice and freedom of information. On the institutional perspective, the focal objective is to create a link between the central government and the population, through decentralized agencies (Dani and de Haan 2008).

Huntington, for instance, argued that if a context lacking regulated political institutions, including the state, was characterized by increasing political participation, the result is political instability and a society unable to provide high levels of well-being (Huntington 1968). He puts forward the idea that there are two types of societies, "civic societies" and "praetorian societies". The first ones are legitimate, with a strong rule of law, "where rulers acted in the public interest" (Huntington 1968, 81), so they represent inclusive institutions. Whereas, the second type is "perverted or law neglecting systems, where rulers acted in their interests rather than those of the polity" (Huntington 1968, 81), meaning divided societies with prevailing inequalities among the population. The same idea was shared by Fukuyama, who argued that before establishing democracy with a state capacity, it is well imperative to install the rule of law, which only comes through a historical process of awareness and institutional adaptation (Fukuyama 2014).

As we have already stated, institutions are not only physical places or a formal set of regulations. They are rules governing social behavior and, consequently, they are embedded in the beliefs of a population. They need not only to be created but to be learned and interiorized by governing elites and people. Such a complex process takes place in the long term and with fundamental structural changes (Tariq and al. 2016)

1.4 THE INSTITUTIONAL CONTEXT IN SUB-SAHARAN COUNTRIES

At this point, the triggering question is why Sub-Saharan countries, rich of natural resources, encounter difficulties when it comes to their development and how this is linked to the exercise of land grabbing. In this work we argue that the main cause is the inefficient use of available resources due to weak and non-inclusive institutions.

1.4.1 Functioning Political Institutions for Development: The Example of the Bushong and the Lele

We have seen that, before European colonialism, in Africa, there were mainly stateless societies and general political centralization has evolved much later than elsewhere and in a more fragmented way. In Acemoglu and Robinson, the authors give an example of the importance of functioning political institutions as a mechanism leading to economic growth and social development. They describe two African tribes that lived very close, on the current territory of the Democratic Republic of Congo, namely the Bushong and the Lele. The two tribes had very similar cultural and traditional characteristics and origins; nevertheless, the first one is rich, and the second one is poor. The explanation that the authors find is that the Bushong's king reorganized society in order to exploit their natural resources to the utmost through a pyramid of political institutions, with elected and appointed officials and a primitive form of checks and balances between leaders and councils; while the Lele did not (Acemoglu and Robinson 2010). The authors' conclusion is that political and economic development are closely related: the transition from a stateless society to one with political concentration benefitted the management of resources to generate growth (Acemoglu and Robinson 2010).

1.4.2 From Pre-Colonialism to Independence

Even though there were primordial forms of political organizations, they were still absolutist, meaning that the power was concentrated in the hands of the monarch and the institutions were designed to sustain his power and wealth. The most valuable resource was land, owned by the state, and the king was the only one who could grant land to whom he pleased (Acemoglu and Robinson

2010). This institutional setting was similar to feudalism in Europe, and the "consequence of absolutism was great insecurity of property rights" (Acemoglu and Robinson 2010, 27) as well as a disincentive for progress and modernization. In time, Western European countries managed to transition from absolutist and inefficient institutions to create prosperity, while African states did not.

Colonialism has played an important role to freeze the evolution of African institutions by creating structures to inhibit economic development. Institutions were organized for the extraction of raw materials to be exported in European countries so that African populations did not benefit from natural resources of their lands and the economic activity carried out during colonialism (Thomson 2010). As Thomson highlights, "it is no coincidence that economies of the West expanded at unprecedented rates during years of colonialism" (Thomson 2010, 37). Colonialism built on institutional setting of absolutism, reinforcing it and creating legacies of inequality that prevented endogenous African prosperity (Acemoglu and Robinson 2010).

After independence, the elites that emerged spread a sense of African nationalism, based on the expression of self-determination. Leaders of liberation movements only rejected imperialism, not the extractive setup of colonialism. They were not interested in establishing new nations with different institutions from the past, rather they wanted to capture power from old colonial states for them to govern. The primary aim was to build new African states on the predetermined boundaries and structures (Thomson 2010). Such logic is the one at the base of inefficient ruling elites, because, they are only aimed to obtain political power and maintaining it, without creating incentives for healthy investment which brings social and economic development.

Employing this historical explanation on the emergence of non-inclusive post-colonial governance structures, we can recall the question posed at the beginning of this section, that is why resource-full countries still encounter impediments to their development. We conclude that the answer might be answered with the institutional setting of Sub-Saharan countries.

Within this theoretical and institutional framework, we can position in the phenomenon of land grabbing, useful to understand the political economy of African States, the role of national governments and if this represents a stimulus for development or, on the contrary, a new form of colonialism. We can do so by first looking at two intrinsically related concepts: the so-called "resource course" and the rent-seeking.

1.4.3 The Resource Curse

Following the theory of the Resource Curse, resource-rich countries tend to be the more underdeveloped, while those countries with fewer resources are more developed, the main argument is that the first category of countries has been "cursed" by such richness.

This theory seems to fit well for the African situation, where the presence or the discovery of natural resources have been followed by economic and social instability, conflict, and environmental damage (Tutton 2010). This notion is usually used in a context in which developing countries, with low wealth sources, suddenly discover a significant resource, such as oil or gold, which becomes the first resource of the country immediately. We argue that this notion suits even in the case of land grabbing because Africa is land-rich, and its main source of sustenance is agriculture. In addition, the control of land leads to the control of any resource found underneath that land.

Theoretically, the development of the land resource could produce great wealth for African countries, but in this case, it leads to the concentration of the total wealth in the hands of few, who monopolize it and decide upon it. Concerning oil and minerals, few rich companies are awarded with the vast profit they can make out of this resource, while in the case of land it is the government that has the power to allocate it at its own desire. The consequence is a repressive government that wants control over land and its resources. Such a mechanism causes the exclusion of the majority from its benefits, as they do not own it and an impoverished population (Tutton 2010).

Unfortunately, there is not only one consequence of this behavior but also a long-term one: countries that only focus on one resource, tend to become dependent on it, without diversifying, namely investing in knowledge or technology in other industries more enduring and reliable. This is true in land grabbing because the main interest is making profit out of the acquisition of lands, not taking into consideration other important factors such as small-holder businesses and farms, traditional land arrangements and environmental issues. Foreign buyers are not interested in the well-being of local populations; thus, often they misuse and exploit land, leading to infertility. The consequences of this mechanism are not sustainable, neither from a socio-economic point of view, not from an environmental one and it is not a coincidence that this governmental misbehavior induces crisis and instability.

1.4.4 Rent-Seeking

"Voluntary trade benefits both sides", claims Marotta (2013), because it would be irrational to enter a trade agreement that does not provide gains for all parties involved. In land grabbing, national governments of African States own formally land, so they are entitled to sell it or lease it, but who uses them is ordinary peasants. The land is not an item that is produced, but a good that makes it possible to produce other goods. Thus, national governments engage in rent-seeking as they make a profit by appropriating a good that they do not work for. Peasants, who are not concerned in the decision-making for land, are not considered part of the contract in land leases. Rent-seeking arises when property rights are weakened and the ownership of someone's wealth is debatable (Marotta 2013). In Sub-Saharan African countries, only 13% of the total land is owned or controlled by Indigenous People or by local communities (Rights and Resources 2015). It is evident that national governments tend to rent-seek local communities' surplus (i.e., cultivated croplands), leading to the only benefit of its side. Such a mechanism does not stimulate further efficiency nor technological advancement for progress, instead, it motivates corruption and stagnation because profits made by governments are not redistributed or invested for citizens' wealth. In this way, the land has become a currency in the hands of politicians and investors (Onoja and Achike 2018).

1.5 LAND GRABBING

According to the Transnational Institute, land grabbing is linked to the concept of control grabbing, meaning the conquest of power to control land and resources associated with it, with the aim to control benefits gained from it (Transnational Institute 2013). The purchase or lease for a long time of land to be exploited for agricultural aims by foreign actors is not, as we explained earlier, a recent phenomenon. Nevertheless, it has notably increased in the last years, and Africa represents the most targeted continent. In fact, of all reported deals, a total of 948 land acquisitions totaling 134 million hectares are located in Africa (Zambakari 2017). The World Bank 2010 Report states that, only in 2009, 45 million hectares of land were under negotiations, and 70% of it was in Africa (World Bank 2010). The same report shows that land grabs have taken place mostly in places where buyers could exploit corrupt or indebted governments with little ability to regulate transactions (World Bank 2010). This land acquisition has been claimed to be a form of neo-colonialism by foreign companies and the government to get access to vital natural resources (Hall 2011). Such a claim is valid because, one century after the peak of colonialism in Africa, history repeats itself.

During colonialism, European states have conquered Africa and exploited its resources and human capital through extractive institutions, but in current times the geopolitics of the world have facilitated the introduction of other actors in this “rush for land”. The acknowledged transition from pre-capitalism to capitalism on a global scale (where actors and trajectories have changed, but interests have remained the same), have been characterized by land grabs and its related resources (Moyo and Jha 2019). What has changed in this context is the origin of impulse associated with such scramble (Moyo and Jha 2019).

We will discuss in chapter two the foreign drivers and reasons of such a phenomenon, while in the next paragraphs we will explore the issue of land tenure and property rights in most Sub-Saharan countries, which contribute to the increasing development of land grabbing.

1.5.1 Land Tenure and Property rights

The land is the heart of social, political and economic life in most African countries, which heavily rely on agriculture and natural resources for a significant amount of national GDP and export revenue (Commission for Africa 2005). However, land ownership is still based on traditional and customary authorities because they tend to be more accessible to local people, especially in rural areas (Toulmin 2010). The land is transferred according to customary law through generations. This practice is called “intergenerational wealth transfer” or IWT and it refers to the method in which family wealth is passed from a generation to another (Zuka 2019). Land represents a source of life as well as wealth and social status and it is fundamental to pass it over to family members in order to provide family welfare bonds (Zuka 2019).

Governments have a legitimate role in regulating land rights because of the importance of this resource in the African economy. Yet most land in Sub-Saharan Africa has no formal documentation of owners or who has the right to use it (Toulmin 2008). Securing property rights requires two forms of validation: local and state level. At the local level, rights are granted if neighbors and community members recognize the claim over land as being legitimate, according to their traditions. However, this form of recognition has no legal validity, as such rights recognition is needed at national level – validated and respected by the state (Toulmin 2010).

Often, and especially in the most impoverished contexts, local communities do not own official property records which could witness real possession of lands. Land tenure in most Sub-Saharan countries is not regulated by a set of property rights based on private property; rather, it is the state which owns the land and gives concessions to local peasants to use it (Rights and Resources 2015). Governments have been very reluctant to transfer full property rights to their citizens (Toulmin 2010). For instance, in Tanzania the president holds all rights to land “in the name of the citizens” and in Burkina Faso, the government has ownership of most land and grants use rights to customary peasants, as long as the land is not needed for other purposes (Toulmin 2010). For this reason, land tenure is not always so clear-cut and national governments rarely provide an official and accountable register of land ownership. There are significant problems in identifying the multiple land claims at stake caused by a lack of transparency on the side of national governments (Cotula, Vermerulen, Leonard and Keeley 2009). Consequently, African states can fulfill the request for arable land by foreign MNCs or governments.

At the end of 2012, Oxfam argued in the precedent ten years only, the total amount of land which was eight times bigger than the United Kingdom had been sold, and it was enough to feed potentially one billion people. In addition, more than 60% of foreign investments in arable land between 2000 and 2010 had taken place in developing countries, with negative consequences to autochthone communities regarding their own food security (Oxfam 2012).

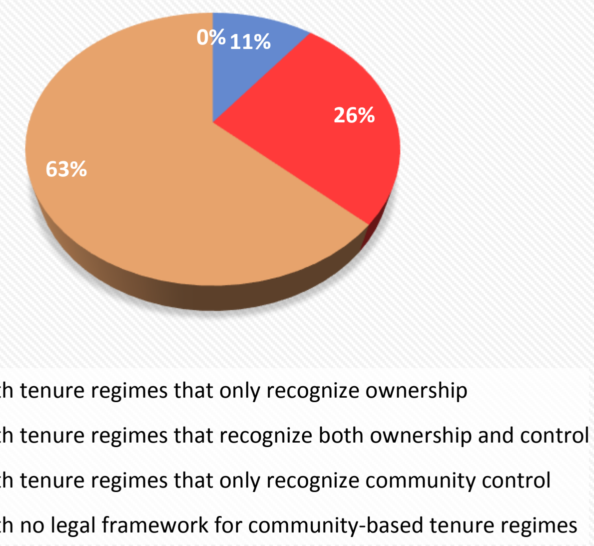
Acemoglu claims that real control rather than informal ownership is essential, and this can be achieved only through institutions engaged in development which implement and respect a set of property rights (Acemoglu and Robinson 2010).

1.5.2 Weak Governance and Land grabbing

The classic relation behind land grabbing comprehends a rich country that can count on a robust economic production but with few natural resources (land, water, minerals etc.) and a developing country, which, on the other hand, has a great abundance of lands. The developing country, in particular its ruling class, finds it very convenient to sell or lease a massive amount of land to foreign investors in exchange for a quick and generous amount of money.

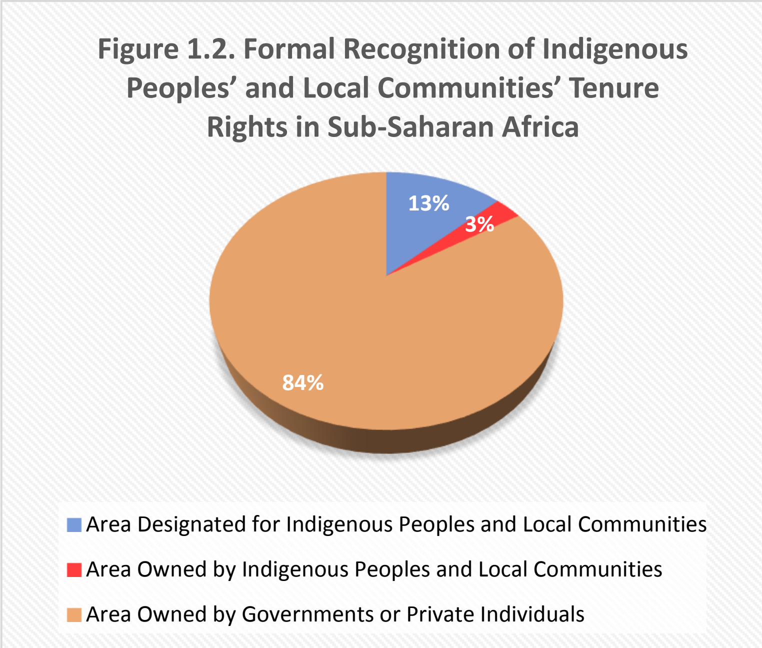
Citizens have very bad interlocking political and economic institutions: property rights are insecure and inefficiently organized, markets do not function well, and governments do not provide goods and services for its citizens (Acemoglu and Robinson 2010). Recalling Huntington, cited in section 1.3.3, this is an example of "praetorian societies" with weak state capacity (Huntington 1968). This statement is reflected in land ownership as "Africa has the highest number of countries where national statutes recognize the rights of communities to own or control more than half of the country's land" (Rights and Resources 2015, 2). Some examples are Tanzania 75%, Uganda 67%, Zambia 53% of their national land (Right and Resources 2015). Nevertheless, even in countries with a high percentage of community-based tenure recognition (see Figure 1.1), implementation continues to be rarely applied. The high percentage of community-based tenure recognition reflects the fact that national laws automatically recognize all customary community land without requiring communities to register their lands. This is a symptom of weak state capacity. Governments should then take additional care to ensure that their actions respect customary ownership. Yet, in practice, evidence shows that governments have issued concessions of lands without consultation and has not provided customary owners with compensations on benefits to which they are legally entitled because local communities are incapable of producing certificates of customary ownership (Rights and Resources 2015).

Figure 1.1. Percentage of Countries Recognizing Community Ownership, Control, or Both



Source: Rights and Resources 2015. States studied: Angola, Botswana, Cameroon, Central African Republic, Chad, Democratic Republic of the Congo, Ethiopia, Gabon, Kenya, Liberia, Mozambique, Namibia, South Sudan, Sudan, Tanzania, Uganda, Zambia, and Zimbabwe.

We can notice from Figure 1.2, that in Sub-Saharan Africa, only 3% is legally recognized as owned by Indigenous Peoples and local communities under community-based tenure regimes. 13% is the area designated for Indigenous People and local communities meaning that they control the land, but they do not have core rights such as compensation if the government expropriates their lands or they lack the right to exclude outsiders. Whereas, 84% of land is owned and controlled by the government, or private individuals, thus local communities do not have any right over it (Rights and Resources 2015).



Source: Rights and Resources 2015. States studied: Angola, Botswana, Cameroon, Central African Republic, Chad, Democratic Republic of the Congo, Ethiopia, Gabon, Kenya, Liberia, Mozambique, Namibia, South Sudan, Sudan, Tanzania, Uganda, Zambia, and Zimbabwe.

1.6 CONCLUSIONS

In conclusion, we can affirm that colonialism has had a significant impact on the formation and development of Sub-Saharan countries' political and economic institutions. As Acemoglu and Robinson claim, institutions for growth are characterized by a delineated system of property rights (Acemoglu and Robinson 2010). We have shown that African institutions are not inclusive and efficient, and a sign of their misbehavior is the phenomenon of land grabbing. Land grabbing arises when the governing elites are not interested in the well-being and progress of their citizens, but would instead exploit natural resources, for a much closer group of people. We have demonstrated that weak governance and weak state capacity result in the non-implementation of (existing) laws which should regulate ownership and use of land, leading to the lease of communal lands to a foreign investor, unbeknown to local users.

CHAPTER 2 – DRIVERS, NATURE OF LAND DEALS AND CONSEQUENCES

2.1 INTRODUCTION

In the previous chapter, we have contextualized the phenomenon of land grabbing in the theoretical framework provided by political economy of development. In this second chapter, we will examine in more detail the reasons, the processes of implementation and the consequences of land grabbing in Sub-Saharan Africa. Africa is the world's hungriest continent, yet it cannot feed its own population, instead, it is used as a basin to grow of crops to feed foreign markets (Robertson 2010). As much as it seems an oxymoron, this phenomenon has increased in the past two decades for several reasons; we have identified food security and biofuel production of developed and emerging countries, as the two main drivers. The practice of land grabbing at the international level is quite complex because it is made of several stages of negotiation and implementation. Although voluntary guidelines on the governance of land acquisition exist, the compliance with them is rather limited by both investors and governments, as local communities are not consulted before a land deal, in most of the cases. Many global viewers see it as a development opportunity; however, considering its current status, we argue that land grabbing mostly causes negative consequences, such as displacement and loss in income for local communities.

2.2 DRIVERS OF LAND GRABBING

Nowadays, the phenomenon of land grabbing is presented as a way to modernize agriculture, to develop the industrial sector, and it is framed in "a narrative of promoting Foreign Direct Investment which will stimulate the modernization of the agricultural sector through large-scale commercial farming, and thus ensure the 'development' ad food security (CODESRIA 2012). Food security is described by the Food and Agriculture Organization (FAO) as "a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life" (FAO 2015, 53).

Globalization and the liberalization of markets have contributed to generate new types of land grab, in which not only private investors, but also, as we have seen in chapter one, national and local governments are playing an increasing role.

Our research question is whether land grabbing is to be considered a new form of colonialism and, in this regard, we have to specify that international relations have changed in the last decades. Foreign commercial interests have long held assets in Africa and nowadays, the globally rising demand for food and biofuels and concerns over water supplies in richer and emerging countries have led to the increase in investments in this continent (Batterbury and Ndi 2018). This section will deal with the main processes that are giving rise to radical changes in land ownership and land use in Sub-Saharan Africa, which consequently put local markets and communities under pressure.

2.2.1 Food Security

The world population is currently 7.3 billion and it is expected to grow in the next decades, 8.5 billion by 2030 and 9.7 billion in 2050 (UN DESA 2015). However, the highest growth rates are precisely in Africa. According to UN projections, Africa is predicted: "to account for more than half of the world's population growth between 2015 and 2050" (UN DESA 2015). In particular, in this period the population of 28 Sub-Saharan countries is believed to more than double; among others the one of Angola, Mali, Malawi, Niger, Nigeria, Uganda and Zambia (UN DESA 2015). This data is helpful to underline the challenges that the world will face in the following years and its implications in the phenomenon of land grabbing. One of them will be the scarcity of food supplies needed to feed a growing world population.

The current activity of land grab is, for a large part, a result of the rising demand for cheap food crops (Zoomers 2010). Much of the problems linked to food supplies are derived from constraints on agricultural production related to the limited availability of water and arable land caused by the raising population mentioned above increasing demand for biofuel production (Zoomers 2010). Food-insecure governments rely on imports to feed their population and seek to outsource their domestic food production through a long-time lease of lands in less rich countries. Often, as we have explained in chapter one, developing countries' governments are colluded into this behavior, chasing foreign investment.

The NGO GRAIN also agrees with the previous idea. In addition, it claims that the two massive global crises appeared in 2008-2009 – namely, the food crisis and the broader financial crisis – have given birth to an alarming and more intense trend towards the acquisition of lands for outsourced food production (GRAIN 2008). This was mainly due to the sharp increase in food prices in 2007-2008 (Batterbury and Ndi 2018). The most prominent foreign players involved are China and the Gulf States, but there are many others such as India, Japan and South Korea (GRAIN 2009).

2.2.2 Food security: China

Figure 2.1. China land deals investment in Africa. 36 deals, total of 163.309 ha (contact signed) – Source: Land Matrix. Accessed March 2019

It is a wide-spread notion that China is self-sufficient in food. Nevertheless, it has 40% of the world's farmers but only 9% of the world's farmland, due to the recent switch of its agricultural lands into industrials areas. The Chinese government has undertaken an "aggressive 'Go Abroad' outward investment strategy" (GRAIN 2008, 3), comprehensive of about 30 agricultural cooperation deals. They are mostly sealed to access "friendly country" farmland in exchange for Chinese technologies, training and infrastructure development (GRAIN 2008). China announced in 2008 a commitment of 5 billion US$ for Chinese corporations to invest in Africa in the next 50 years through the new China-Africa Development Fund. Such fund is a private equity fund whose shareholder is the China Development Bank (Doriye 2010). The most common type of offshore cultivation is rice, soya beans and maize, mostly from imported Chinese seeds. The Chinese model of investment requires Chinese scientists and farmers teaching local communities how to grow those crops in the Chinese way in win-win rhetoric. However, locals often do not know if the rice they grow is to feed their own populations or to be exported in China (GRAIN 2008). In conclusion, China lacks lands and water supply to grow food for its own population and "has no other choice" than to go abroad (Ping 2008) practicing land grabbing in countries where African people already die because of hunger (see Figure 2.1).

A recent example can better explain the motivations behind the involvement of China in Sub-Saharan countries. Meru is a region in central Kenya and its governor, Mr. Kiraitu Murungi, promised Chinese investors free lands as he seeks to attract foreign direct investment in agribusiness production (FarmLandGrab 2018). The county government will help foreign investors in acquiring national licenses to accelerate the establishment of plantations. Chinese deputy governor Zhou Xi'an has visited the site and initiated negotiations over a well-suited land deal. Furthermore, he argued that he is in favor of China-Meru partnership as this is an excellent opportunity to create new jobs for local communities and, at the same time, supply the Chinese market with high-quality goods (FarmLandGrab 2018a). This cooperation is presented as a win-win contract: Meru provides free land and educated labor force receiving in exchange access to the highly demanding Chinese internal market. The two sides have signed a Memorandum of Understanding and Mr. Murungi stated that the partnership would benefit both (FarmLandGrab 2018a).

Another reported example regards Liberia, specifically in the Grand Bassa County. In Liberia, 60% of the population is engaged in agriculture for sustenance and many households make a living out of farming (FarmLandGrab 2018b). Nevertheless, agricultural productivity is very low because farmers still use rural tools such as cutlasses, consequently, 80% of food is imported; thus, it is highly vulnerable to global food price instability (FarmLandGrab 2018b). The representative of Grand Bassa County, Mr. Vincent Willie, has claimed to seek foreign investment to help modernize agriculture, with more productive machinery and technology. Mr. Willie said that investigations to test the suitability of the soil for the production of rice has been made, with successful results, so he met representatives from China willing to invest in this region, exporting more innovative skills (FarmLandGrabs 2018b).

On the surface, we can deduce that land grabs may look like a development opportunity for Sub-Saharan countries, but soon after the negotiation, they appear as they are: a way to exploit resource-full countries and their populations. We can argue that investments similar to those reported above may look desirable and well-welcomed, but at the same time, we should question the reason would a country like China invest in this region. If China owns much of the available land in Sub-Saharan Africa, a rational vision is that China is more likely to export the crops for its own population rather than only invest to help the economy of a developing country.

2.2.3 Biofuel Production

Since the mid-1980s, oil companies have been finding less oil than the world has been consuming (Matondi et al. 2011) and this reinforces the alarming idea that the world may run out of fossil fuels resources sooner than we expected. Some studies estimate that oil reserves will be exhausted by half of this century (EIA 2009). Consequently, the costs of extraction and selling will increase in the next years. Most of CO_2 emissions that have taken place since World War II have been produced by industrialized countries – namely, Europe, the United States and Japan. Since then, emissions are quadruplicated (Matondi et al. 2011) because of the unprecedented economic growth that is taking place in emerging countries (i.e., BRICS) which requires a considerable amount of energy for a huge population and territory. The solution has been found in the production of biofuels obtained by crops such as maize, soya beans and sugar cane, which can replace the use of fossil fuels.

One of the most cultivated crops for biofuel production is palm oil, which is extremely flexible: it is edible, thus used as a food commodity, but it has the added potential for biofuel production. Over the past decade, the number of palm oil concessions in Sub-Saharan Africa have has increased over ten-fold (Manzo and Patfield 2016). Another progressively farmed crop is jatropha (Jatropha curcas) which requires relatively little management and can be productive for 30-50 years, depending on climate conditions (van Eijik, Smeets and Faaij 2012).

The recent trend involves many actors seeking to foster lands in order to produce biofuels. The two leading players involved in this practice are States and environmentalists, whose interests are in evident contrasts. States are concerned with energy security; they fear an imminent rise of oil prices and the forthcoming termination of fossil fuels (Skarstein 2011). On the contrary, environmentalists are concerned about the destruction of the environment due to the combustion and gas emissions of fossil fuels; therefore, they ask countries to commit to using only non-polluting biofuels (Skarstein 2011). Our dissertation will not develop further the issue of climate change; however, we find it essential to mention it as it is inherent to the phenomenon of land grabbing. This is because biofuel production often comes from already cultivated lands for food production and evidence shows that "the use of feedstocks for biofuels production will in principle increase feedstock prices" (Ajanovic 2011, 2075). Therefore, it reduces food production for local communities.

A further critical driving force of land acquisition for biofuels production is the EU aim to get 20% of its energy from biofuels by 2020 (Hall 2011). But the Renewable Energy Directive 2009/28/EC has been claimed to only "give companies a blank cheque to continue grabbing land from the world's poor by growing biofuels" (Heuwel 2010). A progress report on renewable energy published in 2015 on the European Commission website, assures that "the EU is on track to meet its

20% renewable energy targets (EU Commission 2015). However, it is acknowledged that more than 95% of biodiesel produced globally is currently derived from edible oils (Sekoai and Yoro 2016). The use of edible feedstocks causes large challenges on food supply, especially in countries where the Global Hunger Index is high (Nolte et al. 2016) and where the estimated population is expected to grow.

2.3 A PICTURE OF THE CURRENT SITUATION

In 2008, GRAIN put on the international agenda table the issue of land grabbing as a problem that should have been addressed by the global community. After eight years, it published a second report in which it exposed the most recent trends on land grabbing. In 2008, it was believed that the "rush for land" was mainly due to the global economic crisis, while in the subsequent report of 2016, GRAIN found that the progression was becoming worse. There is evidence that some of the most massive land deals have failed in the past years. In 2009, protests from the civil society managed to overthrow the 1.3 million-hectare Daewoo project in Madagascar, and the government sealed the suspension of the deal (GRAIN 2016). In 2011, a 100,000-hectare rice project in Mali failed thanks to the assassination of Libyan leader Muammar Gheddafi (GRAIN 2016). Despite many failed deals, the issue has increased over the past decade, and it has not reduced after the global recovery from the global crisis as expected.

Implementation status: 657 deals

	Project not started	44
	Startup phase (no production)	85
	In operation (production)	324
	Project abandoned	51
	Unknown	230
Tot.		734*
*Some attributes are selected multiple times for the same deal		

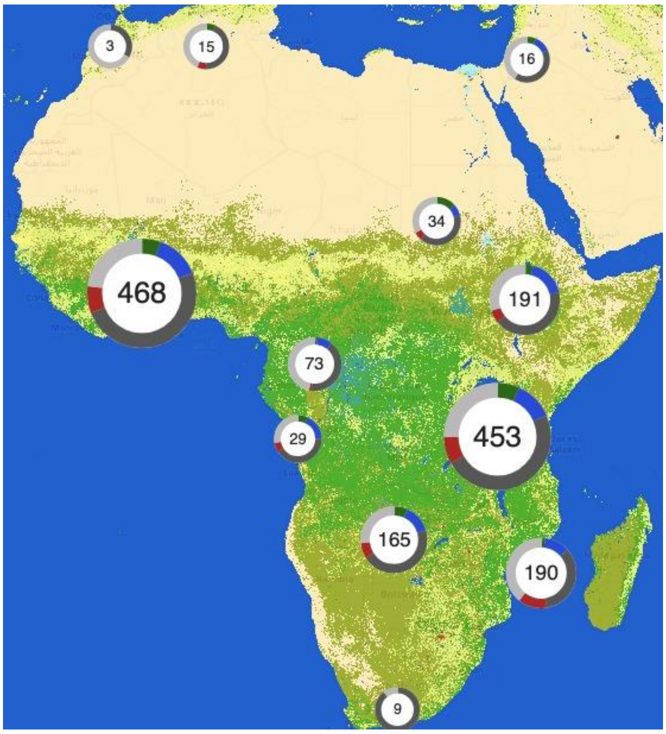


Figure 2.2. Land deals in Africa. Source: Land Matrix

2.3.1 Process in individual land deals

"Land acquisitions, project implementation and operation of activities often involve complex investment chains that are characterized by multi-layered shareholding and financing structures" (Nolte et al. 2016, 25). As we can recall from chapter one, land deals involve two parties, foreign investors – or a private or joint equity company - and the domestic government are involved in the acquisition. Formally, they are considered "the acquirer" and the "provider" (Cotula, Vermeulen, Leonard and Keeley 2009). In practice, investment promotion agencies of the host government are engaged with the contract so that the foreign investor is able to acknowledge all specific aspects of the land deal at local level. Indeed, a challenge that foreign investors often face is local knowledge and capacity which must be handled by foreign officers on the ground. In this regard, many intermediary parties are engaged – agricultural advisors, consulting firms specialized in site location, international contract lawyers – making international land deals more complex that they seem (Cotula et al 2009).

2.3.2 Stages of Negotiation and Implementation

Some countries have facilitated the bureaucratic process investors must go through, thanks to the involvement of investment promotion agencies. They ease investors' access to licenses, permits and authorizations (Cotula et al. 2009). This stage may involve negotiations with clan leaders or local elders – even if at this point, issues of downward accountability may rise as their representativeness is not always liable (Cotula et al. 2009). The next stages involve the study of the target area to allocate crop cultivation in the most appropriated area, in order to allow the highest production. Once the contract is signed, land and its ownership are transferred to the investor. Then, according to the Land Matrix report (2016), it is possible to see whether deals are implemented or not, through a phase of four stages. Implementation statuses are (Nolte et al. 2016):

- Project not started: no activity is taking place on the land;
- Start-up phase: there is activity on the ground, but no production is taking place yet;
- In operation: projects are producing;
- Abandoned: projects have come to a halt after the conclusion of the contract.

Evidence from data reports 554 concluded land deals in Africa so far, in any of the four operation stages, for a total of 816,480 ha of size after the conclusion of the contract (see Tab. 2.3). Currently, there are 304 reported land deals that are in operation, meaning that actual production of farming is taking place. The total amount of land under production is 693,746 ha.

	Proposed deal size	Current size under contract	Size after contract is concluded
Concluded deals in any stage	15,734,562 ha	15,728,935 ha	816,480 ha
Concluded deals in operation stage (actual production)	6,476,209 ha	6,470,582 ha	693,746 ha

Tab. 2.3 Source: Land Matrix data, Accessed April 2019.

2.3.3 Contracts and patterns

In our research, we have addressed the phenomenon of land grabbing as the lease or sale of land in Sub-Saharan countries for outsourced production of foreign investor countries. However, the majority of African countries do not allow the outright purchase of land, so that in these cases land is often transacted as a long-time concession, between the government and the investor. Concessions can have a remarkably long duration, from 50 to 99 years (Zoomers 2010). For instance, Zambia only allows leases of 99-year duration (Nolte et al. 2016). (See Tab. 2.4)

	LEASES/CONCESSIONS (NUMBER OF DEALS - %)		OUTRIGHT PURCHASE (NUMBER OF DEALS - %)		TOTAL (NUMBER OF DEALS)
AFRICA	376	94%	22	6%	398

Tab. 2.4. Source: Land Matrix 2016

Table 2.5 reports the investment intention of all concluded deals in the Land Matrix database. We can argue that the prevalent intention for grabbing land is for agriculture purposes. The two reasons of investment reflect the two main drivers explained in section 2.2, namely, food crop production – for a total of 456 land deals equals to 6,310,172 ha and biofuel production – for a total of 177 deals equals to 5,316,668 ha.

INTENTION	NUMBER OF CONCLUDED LAND DEALS	TOTAL CONTRACT SIZE (Million hectars)
Agriculture	958	19
- **Food crops**	456	6.3
- **Biofuels**	177	5.3
- **Livestock**	74	1.2
- **Non-food agriculture commodities**	139	2.9
- **Unspecified agriculture**	112	3.3
Forestry	79	4.3
Tourism	10	2.3
Industry	9	0.3
Conservation	17	2.6
Renewable energy	68	2.3
Mining	117	3.5
TOTAL	1,258	34.3

Tab. 2.5 Author's own computation from data on Land Matrix. Accessed April 2019

2.4 TRANSPARENCY, CIVIL SOCIETY ENGAEMENT AND GUIDELINES

In chapter one, we explained that while in practice rural communities are still able to farm and cultivate “their land”, it is the state that orchestrates the highest level of ownership and decision-making powers, whether communities are aware of that power or not. The lack of power at the community level concerns members of the civil society about the transparency of land deals, due to weak bottom-up communication. There is a famous saying in Africa that recites “in agricultural societies, power is wielded by those who control the land” (GRAIN 2012, 7). Thus, with a shift in control of land from communities to foreign investors also comes a shift in power.

Lack of transparency is a major challenge in negotiations of land deals (Jung 2018). Actual contracts between governments and foreign investors are often not made public, especially in the negotiation phase. Some data might be accessible, but in most cases, it is not complete. The data used in the literature is taken from NGOs or associations, such as the websites Land Matrix or FarmLandGrab.org, which are constantly updated with most recent information about new deals, but rarely data comes from official national registries. According to Cotula et al., the lack of checks and balances and transparency creates the best climate for corruption and deals to not be in the best interest of local communities (Cotula et al. 2009). According to much of the literature reviewed for our research, civil society is rarely consulted or engaged in the contribution of land deals, despite deals concern the land they live in.

Critiques concerning land deals rest upon consultation and consent of local communities. A recent development has taken place at the international level, which has tried to order the initial “land rush” for offshore farming. Indeed, multiple sets of “guidelines” and “frameworks” for the acquisition of land have been recommended. The guidance on consultation and consent is the “Free, Prior and Informed Consent of Indigenous People” (FPIC), formalized through article 32 of the 2007 UN Declaration on the Rights of Indigenous People. The basic principle of FPIC is that indigenous people have the right to be consulted before any deal negotiation and the right to agree or refuse any development proposed on their lands. Furthermore, in May 2012, the Committee on World Food Security (CFS) of the United Nations officially endorsed the “Voluntary Guidelines in the Responsible Governance of Tenure of Land, Fisheries and Forests”. They are intended to provide governments, investors and civil society with rules on how to protect, document and administer legitimate rights; how to organize a change of land ownership; how to define public priorities and goals for land use. These documents define land access in a context of human rights, transparency and respect for different land tenure systems.

FPIC initially emerged as a framework to protect indigenous people, but it is reasonable to believe that it might be applied to any local rights holders and resource users (Cotula et al. 2009). The positive side is that although FPIC is a voluntary set of recommendations, several African countries have enacted legislation or policy requiring prior consultation and consent of local communities over land transfers (Cotula et al. 2009). However, practice does not always follow the theory. Firstly, the definition of “community” in the policy might be misleading or not wholly representative of what a community is. For instance, "community" might involve the exclusive consultation of village elders, regional officials and elites who do not necessarily serve the best interest of local peasants. Secondly, there might be a secure policy setting but a weak implementation. The case of Mozambique serves one example: its laws and policies on land management include provisions for inclusion and participation of local people in land contracts. However, the implementation of these positive legal provisions is often incomplete or mediocre. The organization is often chaotic; communities are not properly informed of consultation meetings and most of the consultation records present incomplete or even conflicting data (Nhantumbo and Salomao 2010). Thirdly, both FPIC and the Voluntary Guidelines implemented by FAO are a collection of provisions deeply rooted in the rule of law, an element that is frequently missing in countries hosting land grabbing. The association Global Agriculture suggests that these collections of principles, suggestions and intentions can have a positive effect only when governments that promote or tolerate land grabbing in their countries face the consequences if guidelines are not observed (Global Agriculture). A further consideration is that they might be a powerful tool if companies that violate the guidelines become subject to sanctions by their countries of origin (Global Agriculture). A critique to this proposition would be that often companies practicing land grabs are directly in charge or backed by their own governments, which pursue a national interest, as we have seen in the case of China.

2.5 CONSEQUENCES OF LAND GRABBING ON LOCAL COMMUNITIES

So far, we have stated many times the importance of land to local peasants, as it is their primary source of sustenance. The practice of land grabbing presents serval negative consequences at the local level, directly affecting land users. Moreover, the land has not only economic value for people, but it is a source of tradition, linked to personal identity because it is the means to access livelihood, wealth, social peace, and it has ceremonial and religious values (Zambakari 2017). It is crucial to stress that without land, peasants cannot farm; thus, they cannot feed their animals. In Figure 2.6, we present an estimate of people affected by the practice of land grabbing, regarding displacement or loss in income. We can notice that the two most affected countries, concerning the number of people, are the two (or three) with the most unstable political situation, Mozambique, South Sudan and Sudan.

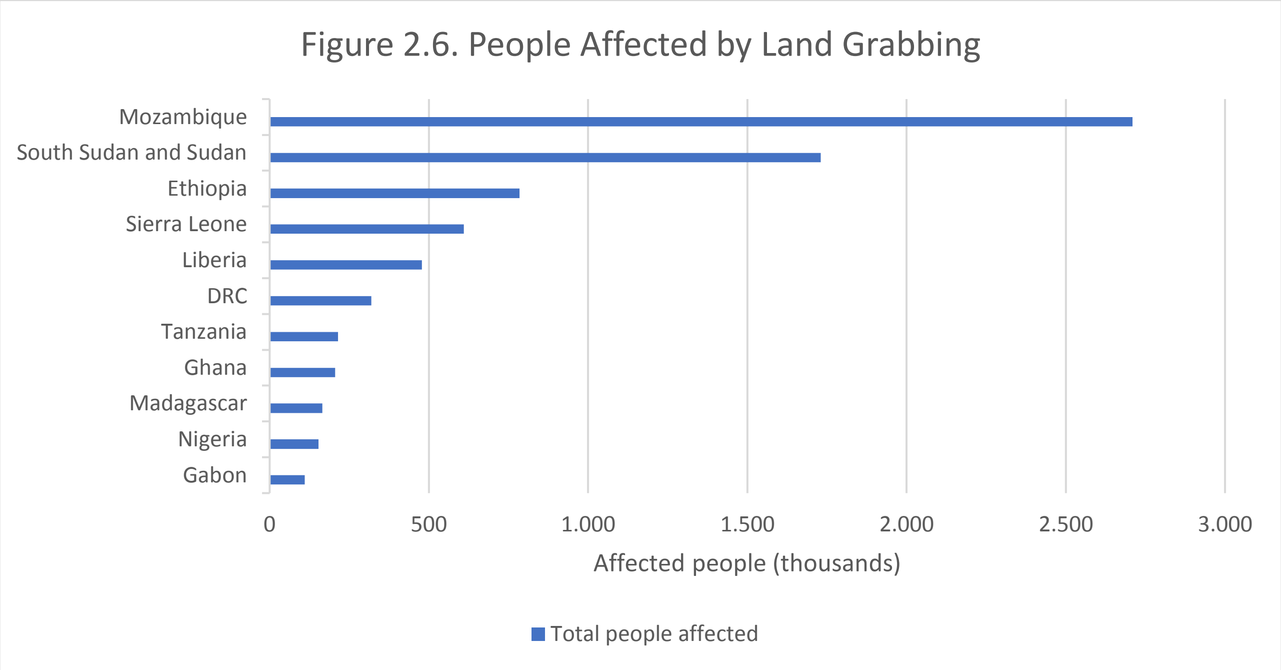


Figure 2.6. Chart shows Sub-Saharan countries with more than 100,000 people potentially affected by land grabbing. Source: Study findings in Davis, D'Odorico and Rulli (2014).

2.5.1 Displacement

Consequences of displacement caused by agricultural commercialization are not considered problematic because the foreign investment in land is considered the best solution to the issue of Africa's food insecurity challenge. This is because formal waged labor is viewed as superior to self-employment in a peasant's farm (CODESRIA 2012). Self-employment of the peasantry is not deemed to contribute to national GDP, as farmers are not registered as waged workers; thus, it is harder to estimate because the land farmers work is not their property, but communal land owned by the state entitled to them (CODERSIA 2012).

Nevertheless, displacement affects local communities in many ways. It removes access to land and natural resources for the peasants' households. For those households that remain on the land as labor tenants, they experience new tenure insecurities dictated by the foreign investor, under the modified agrarian relations. In Davis, D'Odorico and Rulli (2014), the authors give some estimations of the number of displaced people as a result of land grabbing. For instance, a land deal in Ethiopia may cause up to 1 million people affected. Approximations for Uganda corresponds to about 20,000 people and, a major land deal in Tanzania would reportedly displace more than 160,000 people (Davis et al. 2014). Moreover, given the proximity of many land deals to urban areas, the prospect of migration becomes more reasonable (Davis et al. 2014). Often, they are obliged to switch the type of crop cultivated, depending on the need of the investor. Benefits from accumulation frequently are not redistributed among local communities. In this perspective, the peasantry is confined to small patches of barren land, insufficient of both qualitative and quantitative reserve, forcing members of the household into the wage-labor economy (CODESRIA 2012).

2.5.2 Poverty reduction and low-quality employment

In most cases, the opportunities for employment are of low quality and limited or non-existent because land acquisitions primarily affect rural – and generally more impoverished – communities in countries where wealth tends to be distributed less equally (Davis et al. 2014). Once peasants are forced to work the land owned by a foreign investor, they start to follow farming methods and rules that are extraneous to their knowledge causing problems of collective identity and, often, unwillingness to work at their best due to alienation.

Land grabbing is presented as a development opportunity for Sub-Saharan countries to increase productivity, reduce poverty and hunger. The leading cause of hunger and malnutrition is not the shortage of food but the poor access to food by some categories of poorer people. This is because these groups depend on food supplies purchased from commercial sources, thus they are dependent on the direct or indirect access to cash to secure food supplies. However, access to cash is not secured if unemployment is at high levels. As populations are often displaced due to land grabs, the presented scenario is expected to occur (CODESRIA 2012).

This is a shared position because land grabbing is unlikely to produce poverty reduction, even though the question of benefits is more precise at the national level rather than at the local level for target countries. An example is provided in Li (2011) with a study of a land deal in Sierra Leone by the organization Welthungerhilfe. In this occasion, local farmers were denied access to land without prior consultation nor consent and experienced a drastic loss of income, making them less able to afford food for their households or school fees for their children. They were granted only a small-time payment of 220 USD and a minimum annual area-based payment of 6.25 USD per hectare of oil palm land only; except for these takings, farmers were unable to obtain income from the land. On the other hand, the various levels of government administration received immense concession taxes from investors yearly (Li 2011).

2.6 CONCLUSIONS

In conclusion, present land grabbing shows colonialist features, inasmuch land of Sub-Saharan countries is grabbed by foreign investors to pursue their national interests of food and biofuel security. Today the greatest grabbers are emerging countries, with the biggest being China and the current context presents the worse aspects, that is the existence of willing participants on the African side who negotiate concessions with foreign interests under a veil of secrecy (Matondi, Havnevik and Beyene 2011). We have presented examples and data on the extent of the phenomenon, nature and process of the deals; thus, we can show that this is a modern form of colonialism, enhanced by the bad quality of target countries' institutions. As the world population is expected to grow, investments in agriculture are increasingly needed, however, losing access to land for local communities in Sub-Saharan Africa can cause a variety of economic, social, nutritional and cultural consequences and foreign investment should be addressed more inclusively.

CHAPTER 3 – THE ROLE OF INSTITUTIONS IN LARGE-SCALE INTERNATIONAL LAND DEALS

3.1 INTRODUCTION

In this third and last chapter, we will address an issue closely intertwined with land grabbing, namely Foreign Direct Investment in agriculture. Foreign Direct Investment (FDI) is an international transfer of capital (Iamsiraroj 2016). As a general case, FDIs are the result of decisions taken by foreign firms or governments to invest. They are considered a significant channel for accessing technical knowledge by developing countries by foreign investors (Borensztein, De Gregorio, Lee 1998). FDIs are associated with higher rates of economic growth (Iamsiraroj 2016, 117). In fact, they are attractive because of advanced technology, skills, research and development and know how they bring to host countries (Iamsiraroj 2016). This is true also for FDI in agriculture, despite, the term "land grabbing" is a more critical manner to describe the practice of FDI in agriculture used in the academic field, in particular in developing countries (Santangelo 2018). However, FDI is a delicate matter in development policy. It requires proper allocation of capital inflow in order to maximize positive development outcomes. This is the task of the receiving country's government, which must invest it for the general benefit of the population. Thus, for such an inflow of money to be helpful, receiving nations need a competent and inclusive government rather than a tainted one.

In this chapter, we will try to link the propensity to experience land grabbing in Sub-Saharan countries and their estimates for the level of good governance, according to the World Governance Indicator of the World Bank. In a first moment, we will introduce the implications and the role of FDI in agriculture. We will move on explaining a possible relation between weak governance and large-scale land acquisitions by foreign investors. The, we will present data on the two information, and analyze a potential relation. In the end, we will compare a virtuous and a negative case in terms of good/bad governance and its implication on land grabbing and their economy in general, Botswana and Zimbabwe.

3.2 FDI IN AGRICULTURE: WHY AFRICAN COUNTRIES LET GRABBERS IN?

The standard theory on FDI suggests that land investments should have positive effects on target countries, because the inflow of financial assets will help overcome any lack of capital which would, otherwise, lead to underutilization of the target country's resources (Bujko, Fischer, Krieger, Meierrieks 2016). The main form of recent foreign investment is the long-term lease of land.

According to Chaudhuri and Banerjee (2010), land endowment of the economy can be increased by allowing the entry of foreign capital in agriculture in order to increase know-how and employment. Indeed, according to the above-mentioned scholars, FDI in agriculture can improve the social welfare of the receiving country (Chaudhuri and Banerjee 2010). In this section, we will examine the interference of FDI into the developmental process of Sub-Saharan countries related to agriculture.

3.2.1 FDI to Agriculture in Sub-Saharan Africa

According to Dessy et al., local populations can be better off with agricultural FDI if their governments have the necessary negotiating capacity and willingness and if alternative sources of income are available at a sufficient level of remuneration (Dessy, Gohou and Vencatachellum 2011). On the one hand, FDI in agriculture may lower prices of food at a global level, thus increasing food security in the world, however, on the other hand, it is likely to impair food security at the local level (Häberli 2014). The food price increase in 2007-2008, mostly hit poor African farmers: they could not afford to buy enough food and, at the same time, their land, used for food cultivation and subsistence, became more attractive to foreign land grabbers (Häberli 2014). Furthermore, the process of acquisition of land has been accelerated by significant policy initiatives by African governments, who have expressed their own inability to make investments for agricultural development and food security, related to the above-mentioned crisis (Moyo and Jha 2019).

As a matter of fact, “FDI has been the largest source of external finance for developing economies over the past decade” (UNCTAD 2017, 12). It represents a valid set of assets useful to build productive capacity in developing economies (UNCTAD 2017). Nevertheless, capital is attracted by water abundance, weak institutional framework and unregulated property rights (Borghesi, Giovannetti, Iannucci, Russu 2016). Many developing countries’ governments try to attract FDI because, according to some scholars, FDI has positive effects on development, thanks to the introduction of innovative technologies and inputs, skills and industrial competition management (Cipollina, Giovannetti, Pietrovito and Pozzolo 2012). However, FDI has more positive effects towards capital-intensive and technologically advanced sectors of a country (Cipollina et al. 2012), which is not the case of Sub-Saharan countries as their economy is still firmly based on rural agriculture.

From a more general point of view, Foreign Direct Investment in agriculture shall be seen as an input for further economic development of countries that are in a situation of stagnation or even recession and whose leading sector is agriculture. Tab. 3.1 shows the share of the primary sector (Agriculture, forestry and fisheries) as a percentage of total Gross Domestic Product in Sub-Saharan countries analyzed in this study. It is evident that in a stark majority of them, the primary sector represents more than 20% of total GDP. This reinforces our claim on the importance of land for Sub-Saharan countries as a means of sustenance and as a way to make a living out of it. In this respect, land grabbing poses a considerable threat to the development of such nations, because foreign investors do not invest for the progress of local communities, instead, as already explained in the previous chapters, they export resources grown on lands acquired. Notably, in hungry target nations, such as Burundi, the Democratic Republic of Congo, Ethiopia, Sierra Leone and Zimbabwe, this puts in danger national food security, especially in times of famine (Robertson and Pinstrup-Andersen 2010).

Tab. 3.1. Share of primary sector (agriculture, forestry and fisheries) as percentage of national GDP. Source: World Bank Indicators (2019).

SUB-SAHARAN COUNTRIES	AGRICULTURE, FORESTRY AND FISHERY (% OF GDP) IN 2016
ANGOLA	9,83
BENIN	23.24
BOTSWANA	2.05
BURKINA FASO	30.76
CAMEROON	14.54
CENTRAL AFRICAN REP.	40.47
CONGO, DEM. REP.	18.60
CONGO, REP.	7.24
COTE D'IVOIRE	22.43
ETHIOPIA	34.76
GABON	4.97
GAMBIA	24.96
GHANA	20.98
GUINEA	17.83
GUINEA-BISSAU	46.35
KENYA	32.14
LIBERIA	37.24
MADAGASCAR	21.34
MALAWI	25.93
MALI	38.37
MAURITANIA	23.99
MAURITIUS	3.19
MOZAMBIQUE	22.62
NAMIBIA	6.16
NIGERIA	20.98
RWANDA	29.31
SAO TOME AND PRINCIPE	11.87
SENEGAL	14.73
SIERRA LEONE	58.21
SUDAN	31.20
TANZANIA	27.44
UGANDA	23.65
ZAMBIA	6.23
ZIMBABWE	7.87

Average	**22.40**
Median	**22.52**

The Food and Agriculture Organization (FAO) provides data regarding FDI to Agriculture, Forestry and Fishery (AFF) only updated to 2012. As offered in Figure 3.2, we notice a smooth growing trend in the phenomenon until 2006 while in the following years we observe an unambiguous intensification of the trend. As we argued in the first two chapters, the highs are exactly explained by the Food Price Crisis, during which food price increase attracted transnational investors looking to acquire land and a large share of the agro-food export market (FAO 2011). Furthermore, FAO confirms that FDI inflows in the AFF sector are largely aimed at resource control, mostly land (FAO 2011).

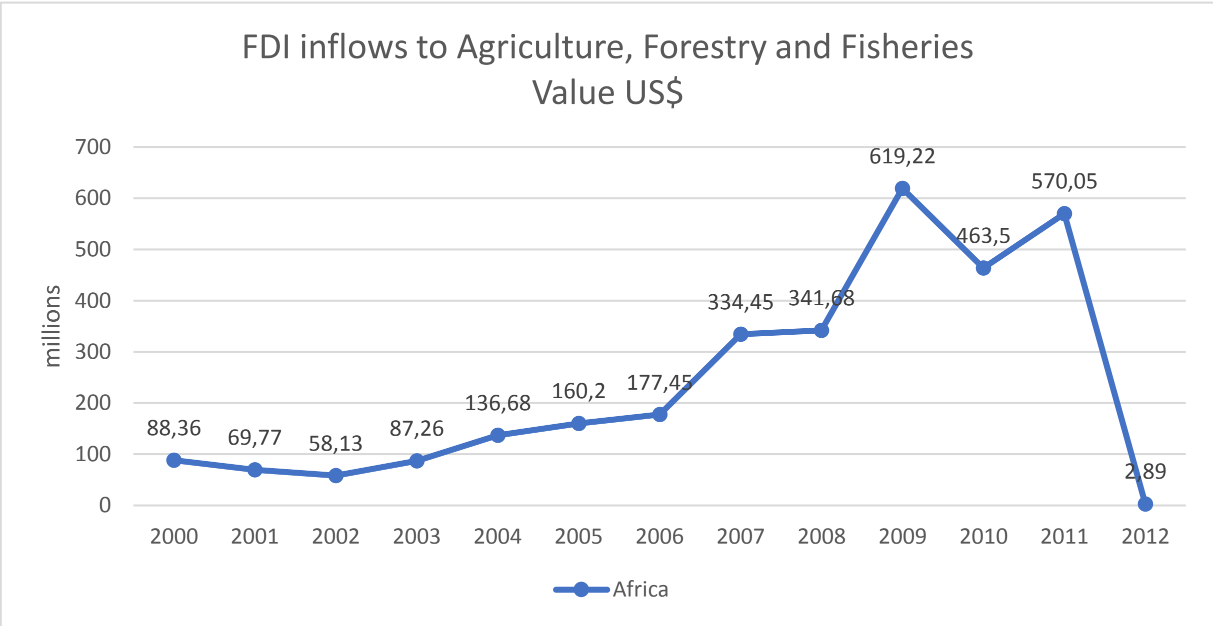


Figure 3.2. FDI inflows to Agriculture, Forestry and Fisheries 2000-2012. Source: FAOstat.

Despite Foreign Direct Investment is believed to be a fundamental factor for the development of poorer countries, Sub-Saharan countries still fail to provide the infrastructures and the technologies needed to effectively benefit from the foreign inflows in agriculture. As David Hallam argues:

> "Studies of the effects of foreign direct investment (FDI) in agriculture show that the claimed benefits do not always materialize and catalogue concerns over highly mechanized production technologies with limited employment creation effects; dependence on imported inputs and hence limited domestic multiplier effects; adverse environmental impacts of production practices such as chemical contamination, land degradation and depletion of water resources." (Hallam 2009).

Consequently, it should be the work of local government to ensure win-win macro-economic solutions to land investments and be cautious when conceding and leasing long-term acquisition of their land to foreign actors (Robertson and Pinstrup-Andersen 2010). Unfortunately, reality tells us a different story. Indeed, most of Sub-Saharan countries who are target of land grabbing have inefficient institutions which are not able to (or not willing) to contrast the phenomenon

3.3 WEAK GOVERNANCE BUT GOOD BUSINESS

In the first chapter, we have explained how a strong institutional setting can account for positive development from both an economic and a human point of view. However, when the political elites and institutions connected to them are corrupted, a country's resources are not efficiently allocated, resulting in stagnation, economic degradation and internal conflicts. The phenomenon of land grabbing – or FDI in agriculture – perfectly fits in this framework. Research on the links between the institutional setup of nations and the incidence of land grabbing shows that weak land governance (associated with the recognition and protection of land property rights) leads to more land deals (Arezki, Deininger and Selod 2015). Furthermore, an analysis by Oxfam finds that "investors target countries with poor governance in order to maximize profit and minimize red tape" (Oxfam 2013, 1)

According to Aidt (2009), this is not the case as the scholar believes that a corrupted government stimulates FDI because it facilitates beneficial trade that would not otherwise take place in a more uncorrupted environment. Aidt argues that, in this way, it promotes efficiency by allowing individuals in the private sectors to correct pre-existing government failures. On the contrary, many scholars claim the contrary. For instance, Borras and Franco (2012) argue that land deals involve asymmetries between different parties involved during negotiations and decisions (as we noted in section 2.3). In fact, international investors and local governments initiate the deal while local populations are often left outside, particularly in countries with weak property rights and land regulations (Borras and Franco 2012). The overall vision is that in corruption-friendly countries, authorities on the central or local government level are assumed to act opportunistically – i.e., to the best of their own economic advantage (Bujko et al. 2016).

3.3.1 Sources and Methodology

In this section, we will present data on our research to support the claim that poor governance leads to more large-scale land deals. In order to do so, we combined data from two databases, the Land Matrix and the World Governance Indicator (WGI).

The Land Matrix is a consortium of five organizations, and it is the most reliable online source which collects information on land deals worldwide. Since the issue of land grabbing is still a contested and hidden phenomenon at the international level (where investors seek easy profit), it gathers data from many sources which are neither official nor comprehensive of reality. It takes information from several sources: local newspaper, media reports, academic research, field research or direct communication and it can show data on the width, intention, location and players involved in land acquisitions. For this reason, we acknowledge that better data quality is needed to propose a more significative result.

The World Governance Indicator (WGI) is a project held by the World Bank and it presents governance indicators to measure the level of authority in a country. In our analysis, we used six indicator estimates for the majority of Sub-Saharan countries: control of corruption; the rule of law; political stability and absence of violence; voice and accountability (level of citizen active participation to the democratic process and of freedom of expression); government effectiveness (quality and independence of the public sector) and regulatory quality (ability of government to promote private sector development). The WGI gives a score between + 2.5 and – 2.5 on each indicator. A score above zero indicates relatively good performance, while a score below zero indicates relatively poor performance (Oxfam 2013).

3.3.2 Uncertainties on data

In the first place, it is important to acknowledge that in this study we have used the Land Matrix database to collect information about land deals which is based on media reports, bringing uncertainties to the overall results. We cannot be wholly confident that the database covers all the deals that are taking place (Friis and Reenverg 2010). Nevertheless, the database represents the best information available on the extent and geography of international land deals.

Furthermore, we put into relation the total of hectares of land grabbed with total hectares of land destined to agriculture plus land destined to forestry. In this respect, we must add that the research would have been more significant if the amount of land grabbed for agriculture was in relation to the total amount of agricultural land of the country and if we had the same information for forestry land. Unfortunately, hectares of land leased are not always lands destined to the primary sector. Indeed, they might have a different former use before being granted to foreign investors, for instance: forestry, conservation, or renewable energy. An example is given by a reported deal in the Republic of Congo (number 1166) which was concluded in 2010, and it describes a land lease of 30 years with additional 30 years renewable with the intention of investment being biofuels plantation, timber plantation and renewable energy. From the deal page, we acknowledge that former land use was a virgin rainforest, housing many endangered species. In addition, we find that around 28,000 hectares of the allocated concession land appear to overlap with a proposed National Park, Ntokou-Pikounda (Land Matrix deal #1166).

3.4 DATA AND ANALYSIS

As mentioned earlier, in this chapter we put in relation the total amount of hectares of land grabbed with the total amount of land destined for agriculture and forestry in 33 Sub-Saharan countries to study the incidence of international large-scale land deals on the above-mentioned area. In a second moment, we correlated the incidence of the countries to experience land grabbing with the quality of their institutions, in order to examine whether those with weaker institutions have a higher inclination towards the phenomenon.

3.4.1 Incidence of Land Grabbing on Agriculture and Forest Area

To find the incidence of large-scale land acquisitions in Sub-Saharan countries, we have combined two sets of data. Tab. 3.3 illustrates the percentage of land deals in relation to the total surface of land destined to agriculture and forestry. As it is evident from the data, land deals are generally speaking very large in scope and take up quite high percentages of the existing land resources in the target countries. For eleven of the eighteen countries under analysis in the table, the percentage is higher than 4% and for four of them, it is over than 8%. In the outstanding case of Liberia and Sierra Leone the percentage is greater than 20%.

Overall, we can uphold that the incidence of land grabbing in the countries under examination is fairly elevate. Considering the importance of land for the populations – discussed in the previous sections – and, more important, the significant weight of agriculture and forestry in these countries' overall GDP, we can affirm that the phenomenon of land grabbing is an issue of major importance in Sub-Saharan Africa.

Country Name	Concluded deals (ha)	Agriculture + forestry (ha)	Land grabbed/agriculture+forestry (%)	LOG (Land grabbing)
Angola	115802	57731199	0,20	-0,70
Benin	45000	4261000	1,06	0,03
Botswana	25074	10737800	0,23	-0,64
Burkina Faso	202644	5290200	3,83	0,58

Cameroon	450356	18596000	2,42	0,38
Central African Republic	5317	22154400	0,02	-1,70
Congo, Dem. Rep.	642568	152266594	0,42	-0,38
Congo, Rep.	789000	22318599	3,54	0,55
Cote d'Ivoire	198401	10400599	1,91	0,28
Ethiopia	933549	12539600	7,44	0,87
Gabon	251800	23200000	1,09	0,04
Gambia, The	30000	489600	6,13	0,79
Ghana	997051	9365400	10,65	1,03
Guinea	210319	6328000	3,32	0,52
Guinea-Bissau	1214	1962000	0,06	-1,22
Kenya	284855	4449600	6,40	0,81
Liberia	1441389	4149000	34,74	1,54
Madagascar	588322	12457000	4,72	0,67
Malawi	91811	3129000	2,93	0,47
Mali	203286	4636000	4,38	0,64
Mauritania	5200	221000	2,35	0,37
Mauritius	500	38640	1,29	0,11
Mozambique	1963415	37733602	5,20	0,72
Namibia	29264	68448000	0,43	-0,37
Nigeria	278822	6583400	4,24	0,63
Rwanda	21130	486800	4,34	0,64
Sao Tome and Principe	5000	53600	9,33	0,97
Senegal	256158	8233000	3,11	0,49
Sierra Leone	733799	3107600	23,61	1,37
Tanzania	255035	45688000	0,56	-0,25
Uganda	58465	1941800	3,01	0,48
Zambia	541907	48468398	1,12	0,05
Zimbabwe	352677	13749599	2,56	0,41

Tab. 3.3. percentage of land deals in relation to the total surface of land destined to agriculture and forestry. Source: Land Matrix and World Bank.

3.4.2 The Quality of Institutions and the Incidence of Land Grabbing

Now, we turn to the institutional framework that lies behind the analyzed phenomenon. Institutions are fundamental to shape the outcomes of a country. For this reason, their effectiveness can be put in relation with the propensity of a country to be targeted by international large-scale land acquisitions. Moreover, as stated earlier in this chapter, institutions play a powerful role to attract foreign investments. According to Acemoglu and Robinson (2019), when power is narrowly distributed then wealth-extracting institutions are used to concentrate the benefits from production and exchange in the hands of those with power. On the contrary, with wealth-generating institutions, a broader distribution of power, thus a more democratic society, tends to spread resources more extensively which, again, tends to re-create the distribution of power that led to it (Acemoglu and Robinson 2019). We will now combine the incidence of land grabbing on agriculture and forest area shown in Tab. 3.3, with the average of the six World Governance Indicators, presented disaggregated for each analyzed country in Tab. 3.4. We have computed the WGI for each country by calculating the average of the six indicators. Furthermore, we report the WGI average for each country from 2008 to 2017, to see the evolution and the rate of variation (see Tab. 3.5). We argue that Sub-Saharan institutions are wealth-extracting; thus, we expect a negative relationship between good governance in countries and land grabbing.

	Regulatory Quality	Voice and Accountability	Rule of Law	Control of Corruption	Political Stability and Absence of Violence	Government Effectiveness	WGI (average)
Angola	-1,00	-1,14	-1,09	-1,44	-0,32	-1,04	-1,00
Benin	-0,53	0,42	-0,61	-0,52	0,00	-0,56	-0,30
Botswana	0,53	0,39	0,53	0,93	0,99	0,52	0,65
Burkina Faso	-0,40	0,01	-0,45	-0,15	-0,87	-0,55	-0,40
Cameroon	-0,79	-1,03	-1,04	-1,15	-1,06	-0,76	-0,97
Central African Rep.	-1,43	-1,09	-1,82	-1,28	-1,79	-1,78	-1,53
Congo, Dem. Rep.	-1,32	-1,39	-1,62	-1,34	-2,23	-1,51	-1,57
Congo, Rep.	-1,17	-1,16	-1,10	-1,19	-0,52	-1,09	-1,04
Cote d'Ivoire	-0,36	-0,30	-0,64	-0,53	-0,91	-0,66	-0,57
Ethiopia	-1,10	-1,40	-0,49	-0,42	-1,62	-0,64	-0,95
Gabon	-0,80	-0,97	-0,60	-0,75	-0,10	-0,79	-0,67
Gambia	-0,51	-1,26	-0,77	-0,81	-0,43	-0,84	-0,77
Ghana	-0,23	0,59	0,05	-0,16	-0,13	-0,20	-0,01
Guinea	-0,87	-0,76	-1,21	-0,92	-0,39	-1,01	-0,86
Guinea-Bissau	-1,24	-0,73	-1,49	-1,55	-0,44	-1,64	-1,18
Kenya	-0,30	-0,12	-0,44	-0,89	-1,35	-0,32	-0,57
Liberia	-0,95	-0,10	-0,96	-0,72	-0,44	-1,32	-0,75
Madagascar	-0,69	-0,31	-0,81	-0,90	-0,29	-1,18	-0,70
Malawi	-0,84	-0,03	-0,38	-0,75	-0,11	-0,73	-0,48
Mali	-0,59	-0,19	-0,78	-0,66	-1,62	-0,99	-0,81
Mauritania	-0,74	-0,78	-0,73	-0,74	-0,75	-0,76	-0,75
Mauritius	1,03	0,81	0,75	0,21	1,01	0,96	0,80
Mozambique	-0,70	-0,42	-1,05	-0,88	-1,09	-0,86	-0,83
Namibia	-0,14	0,58	0,36	0,33	0,71	0,17	0,34
Nigeria	-0,92	-0,31	-1,02	-1,03	-1,88	-1,09	-1,04
Rwanda	0,11	-1,16	0,10	0,64	-0,05	0,09	-0,04
Sao Tome and Principe	-0,81	0,37	-0,66	-0,07	0,22	-0,67	-0,27
Senegal	-0,14	0,37	-0,11	0,00	-0,22	-0,47	-0,09
Sierra Leone	-0,93	-0,19	-0,78	-0,81	-0,16	-1,20	-0,68
Tanzania	-0,44	-0,23	-0,38	-0,50	-0,44	-0,55	-0,42
Uganda	-0,21	-0,65	-0,25	-1,06	-0,72	-0,57	-0,58
Zambia	-0,48	-0,31	-0,30	-0,40	0,14	-0,66	-0,33
Zimbabwe	-1,72	-1,18	-1,37	-1,25	-0,62	-1,16	-1,22
AVERAGE	**-0,63**	**-0,41**	**-0,64**	**-0,63**	**-0,53**	**-0,72**	**-0,59**

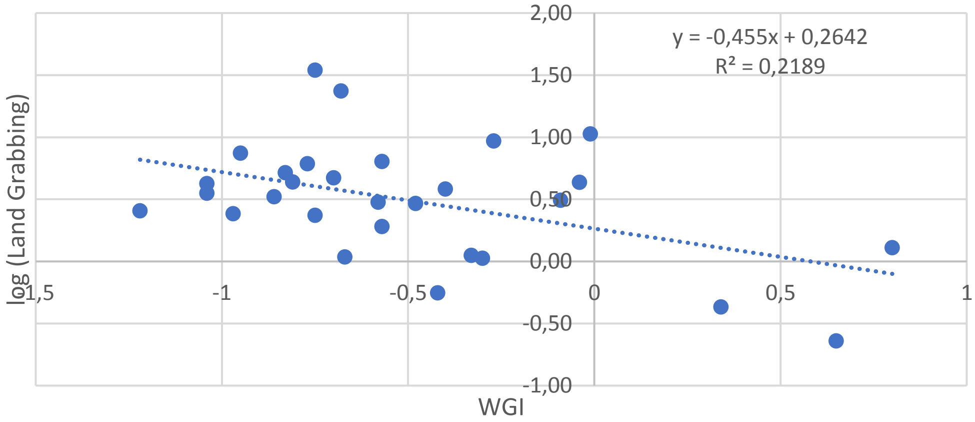
Tab. 3.4. Six WGI indicators for each country analyzed in the correlation. Source: World Bank.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Average	Rate of change (%)
Angola	-1,04	-1,02	-1,02	-1,06	-0,99	-1,06	-1,03	-1,01	-1,00	-1,00	-1,02	**-0,02**
Benin	-0,21	-0,24	-0,28	-0,28	-0,31	-0,29	-0,32	-0,33	-0,30	-0,31	-0,29	**0,36**
Botswana	0,72	0,66	0,68	0,68	0,72	0,68	0,65	0,64	0,65	0,60	0,67	**-0,08**
Burkina Faso	-0,25	-0,25	-0,27	-0,38	-0,42	-0,48	-0,51	-0,42	-0,40	-0,40	-0,38	**0,52**
Cameroon	-1,32	-1,31	-1,32	-1,26	-1,34	-1,55	-1,70	-1,56	-1,53	-1,53	-1,44	**0,09**
Central African Rep.	-1,53	-1,61	-1,66	-1,66	-1,61	-1,54	-1,52	-1,55	-1,57	-1,66	-1,59	**0,04**
Congo, Dem. Rep.	-1,53	-1,61	-1,66	-1,66	-1,61	-1,54	-1,52	-1,55	-1,57	-1,66	-1,59	**0,04**
Congo, Rep.	-1,12	-1,05	-1,04	-1,04	-1,09	-1,06	-1,01	-1,01	-1,04	-1,10	-1,06	**-0,06**
Cote d'Ivoire	-1,27	-1,13	-1,20	-1,13	-0,97	-0,85	-0,66	-0,58	-0,57	-0,60	-0,90	**-0,30**
Ethiopia	-0,94	-0,98	-0,96	-0,96	-0,94	-0,93	-0,84	-0,91	-0,95	-0,97	-0,94	**0,00**
Gabon	-0,62	-0,62	-0,55	-0,53	-0,54	-0,53	-0,56	-0,61	-0,67	-0,73	-0,60	**-0,04**
Gambia	-0,51	-0,50	-0,54	-0,53	-0,54	-0,62	-0,65	-0,72	-0,77	-0,51	-0,59	**0,15**
Ghana	0,04	0,09	0,10	0,12	0,09	0,09	-0,01	0,02	-0,01	0,06	0,06	**0,32**
Guinea	-1,49	-1,43	-1,28	-1,17	-1,15	-1,13	-1,06	-0,85	-0,83	-0,88	-1,13	**-0,24**
Guinea-Bissau	-1,04	-1,03	-1,03	-1,04	-1,26	-1,31	-1,20	-1,14	-1,18	-1,22	-1,14	**0,10**
Kenya	-0,75	-0,77	-0,65	-0,69	-0,73	-0,65	-0,57	-0,58	-0,57	-0,53	-0,65	**-0,14**
Liberia	-0,99	-0,87	-0,76	-0,77	-0,75	-0,79	-0,78	-0,80	-0,75	-0,73	-0,80	**-0,19**
Madagascar	-0,41	-0,66	-0,78	-0,75	-0,77	-0,81	-0,77	-0,73	-0,70	-0,74	-0,71	**0,72**
Malawi	-0,32	-0,26	-0,29	-0,34	-0,35	-0,39	-0,41	-0,42	-0,48	-0,46	-0,37	**0,17**
Mali	-0,27	-0,38	-0,42	-0,48	-0,91	-0,82	-0,83	-0,80	-0,81	-0,85	-0,66	**1,44**
Mauritania	-0,86	-0,80	-0,90	-0,90	-0,88	-0,91	-0,85	-0,87	-0,75	-0,71	-0,84	**-0,02**
Mauritius	0,81	0,77	0,77	0,82	0,85	0,82	0,84	0,85	0,80	0,76	0,81	**0,00**
Mozambique	-0,29	-0,24	-0,27	-0,33	-0,34	-0,49	-0,53	-0,60	-0,83	-0,81	-0,47	**0,63**
Namibia	0,49	0,34	0,31	0,30	0,36	0,37	0,28	0,33	0,34	0,30	0,34	**-0,31**
Nigeria	-1,05	-1,16	-1,18	-1,13	-1,13	-1,13	-1,17	-1,03	-1,04	-1,01	-1,10	**0,05**
Rwanda	-0,44	-0,45	-0,30	-0,26	-0,23	-0,14	-0,06	-0,04	-0,04	0,01	-0,19	**-0,56**
Sao Tome and Principe	-0,30	-0,33	-0,39	-0,34	-0,37	-0,37	-0,32	-0,32	-0,27	-0,27	-0,33	**0,08**
Senegal	-0,27	-0,36	-0,43	-0,36	-0,20	-0,15	-0,09	-0,09	-0,09	-0,07	-0,21	**-0,22**
Sierra Leone	-0,73	-0,73	-0,68	-0,66	-0,72	-0,70	-0,72	-0,70	-0,68	-0,61	-0,69	**-0,06**
Tanzania	-0,36	-0,34	-0,36	-0,39	-0,42	-0,44	-0,49	-0,45	-0,42	-0,50	-0,42	**0,16**
Uganda	-0,56	-0,60	-0,59	-0,58	-0,58	-0,60	-0,62	-0,59	-0,58	-0,55	-0,59	**0,04**
Zambia	-0,28	-0,33	-0,35	-0,27	-0,17	-0,20	-0,26	-0,25	-0,33	-0,36	-0,28	**0,00**
Zimbabwe	-1,59	-1,60	-1,56	-1,48	-1,41	-1,36	-1,32	-1,20	-1,22	-1,23	-1,40	**-0,12**
AVERAGE	**-0,62**	**-0,63**	**-0,63**	**-0,62**	**-0,63**	**-0,63**	**-0,62**	**-0,60**	**-0,61**	**-0,62**	**-0,62**	**0,08**

Tab. 3.5. Author's own computation of WGI indicators' average and rate of change from 2008 to 2017. Source: World Bank.

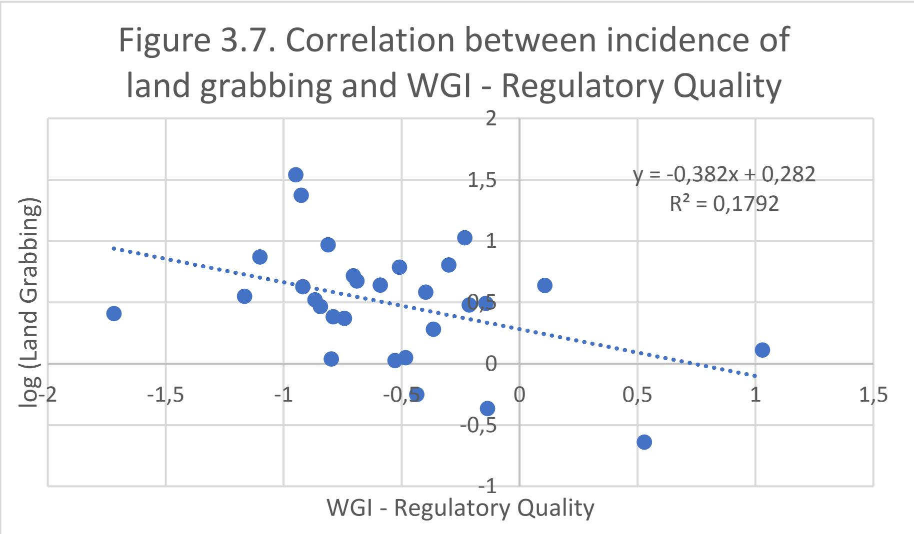
Figure 3.6 describes the relation between the incidence of land grabbing and the quality of institutions in the analyzed Sub-Saharan countries.. Coherently with our claim, we find the expected negative correlation between the WGI and land grabbing. This finding is consistent with our main hypothesis that a higher performance of institutions is linked to lower propensity to experience land grabbing (see Figure 3.6). We can easily notice a strong correlation between the two sets of data with the R^2 being more significant. We have presented the correlation without four outliers, namely Angola, Central African Republic, Guinea-Bissau and the Democratic Republic of Congo. We have decided to exclude these observations because they presented low propensity of land grabbing but at the same time, very weak governance indicators; thus, they negatively influenced the correlation.

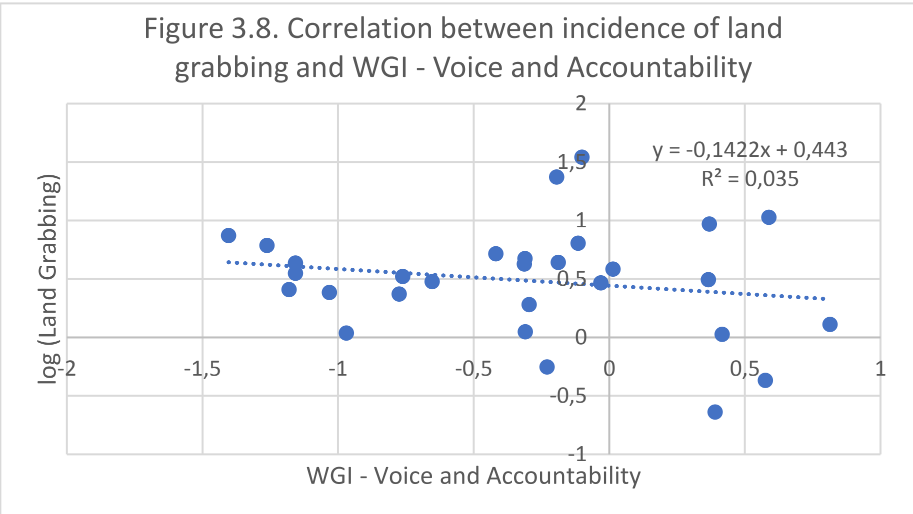
Figure 3.6. Correlation between the incidence of land grabbing and the quality of institutions (without outliers)



Consequently, we can assert that, in general terms, government institutions do have an impact on the propensity to experience land grabbing: except for the outliers, the analyzed Sub-Saharan countries with more feeble or non-inclusive indicators are more affected by the phenomenon of land grabbing.

In particular, we would like to examine the correlation between each WGI indicators and the incidence of land grabbing. We notice that every indicator is downward sloping, meaning that a better performance of the indicator is correlated with less incidence of land grabbing. Those with the more significant correlation are the Rule of Law and Government Effectiveness[1] (Figure 3.9 and 3.12). This reinforces our claim that Sub-Saharan countries, as having wealth-extractive institutions, tend to create unequal distribution of wealth and tend to attract land grabbing, or FDI in agriculture, not in the interest of the wider society to redistribute the wealth coming from it, rather, they concentrate it in the hands of powerful elites.





[1] t statistics are significant at least at 5% level (99% for Rule of Law and Government effectiveness).

In conclusion, we can affirm that in countries where national governments are more accountable to their citizens and where the rule of law and control of corruption is effective, local communities will have a better chance to have their voice heard and their interests represented in land deals. In the contrary, where governments are less accountable to their people, where rules are weaker, land deals may have harsh consequences on local communities.

Figure 3.9. Correlation between incidence of land grabbing and WGI - Rule of Law

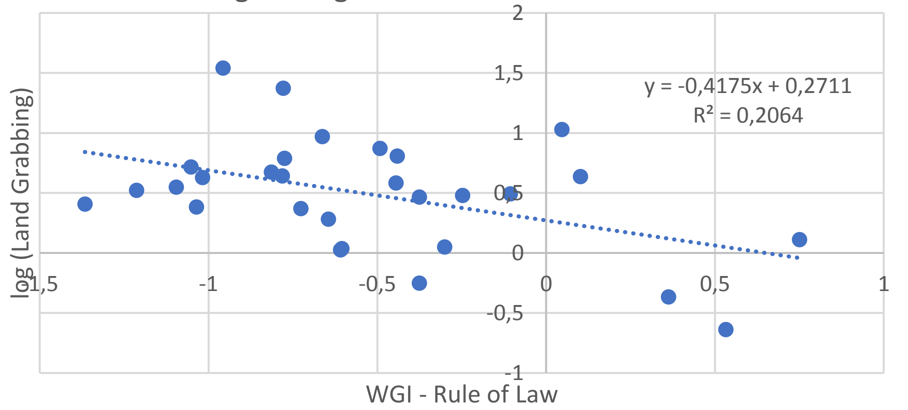


Figure 3.10. Correlation between incidence of land grabbing and WGI - Political Stability and Absence of Violence

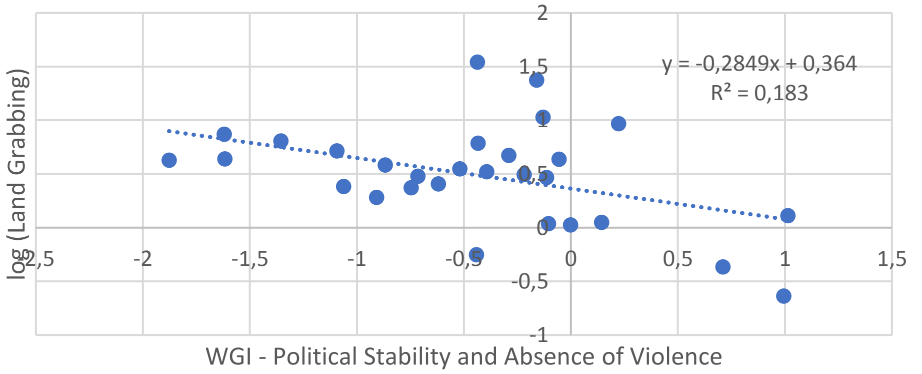


Figure 3.11. Correlation between incidence of land grabbing and WGI - Control of Corruption

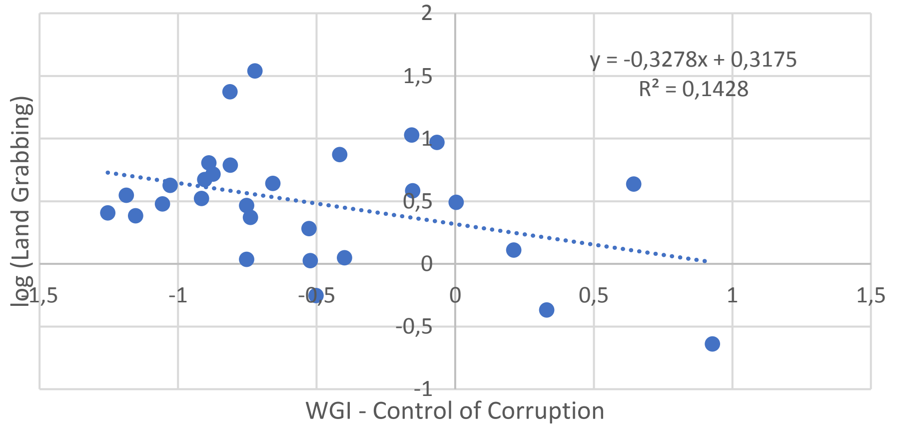
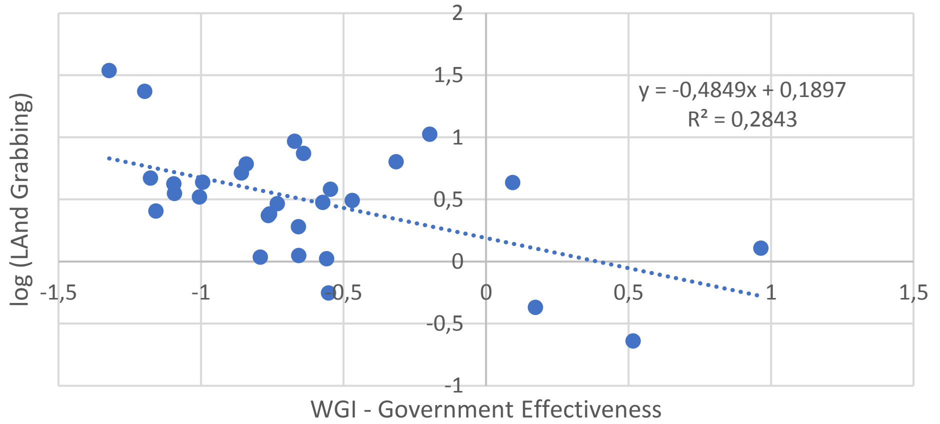


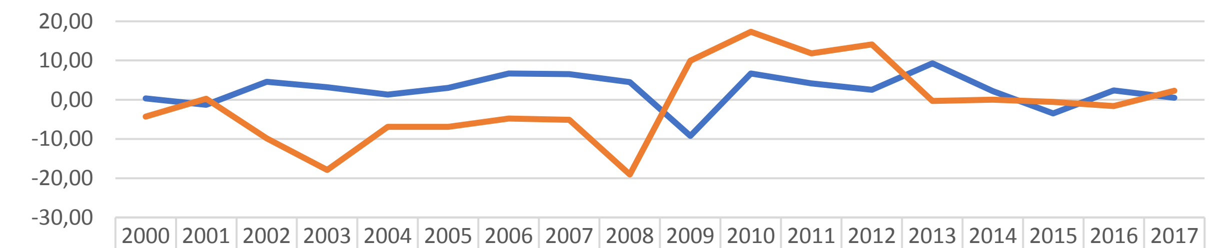
Figure 3.12. Correlation between incidence of land grabbing and WGI - Government Effectiveness



3.5 BRIEF COMPARISON BETWEEN A VIRTUOUS AND A NEGATIVE CASE: BOTSWANA AND ZIMBABWE

In this last section, we would like to briefly examine two different Sub-Saharan countries, namely Botswana and Zimbabwe. The first one is a very rare case of economic development in the continent and with a relatively stable political circumstances and it has been declared as “free” by the Freedom House, in 2018 (Freedom House 2018a). On the other hand, Zimbabwe is a neighboring state to Botswana, with a similar country surface, but suffers of hyperinflation, political instability and the Freedom House describes it as “not free” (Freedom House 2018b). The average per capita growth rate since 2000 shows two different contexts. On one hand, Botswana presents a per capita growth of 2.45%; on the other hand, Zimbabwe has a negative per capita growth of -1.20 (Figure 3.13). Furthermore, in general terms, Botswana shows a smoother trend which contrasts with the more irregular one of Zimbabwe.

Figure 3.13. GDP growth per capita (2000-2017)



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Botswana	0,31	-1,27	4,58	3,21	1,30	3,06	6,73	6,57	4,50	-9,22	6,68	4,16	2,56	9,29	2,23	-3,51	2,41	0,51
Zimbabwe	-4,31	0,26	-9,87	-17,8	-6,87	-6,90	-4,82	-5,14	-19,0	9,97	17,33	11,81	14,09	-0,34	0,00	-0,58	-1,57	2,30

Botswana Zimbabwe

Source: World Bank. Accessed June 2019.

3.5.1 Historical perspective

Both Botswana and Zimbabwe are two former British colonies. The first was a protectorate of the United Kingdom called Bechuanaland and reached independence in 1966 (Rep. of Botswana). Since then, it maintained stability and uninterrupted civilian leadership, nominated through free and fair elections. Botswana maintained a functioning democracy, a clean government and an effective judiciary (Rep. of Botswana). The government has attained progressive social policies and significant capital investments, creating one of the most stable economies in Africa (CIA 2019a). Zimbabwe was a colony of the United Kingdom called Rhodesia and became fully independent in 1980. Robert Mugabe won free elections held in 1979, since then he was the first and the only ruler of the country until his forced resignation in November 2017 (CIA 2019b) by a military coup. Then, Vice President Emmerson Mnangagwa took over and won the elections of 2018, characterized by vote-rigging and voter intimidation (Heritage Foundation).

3.5.2 Political economy of land grabbing

Botswana has one of the strongest economies in Sub-Saharan Africa. In 1994, Botswana was the first country to leave the rankings of the Least Developed Countries (LDC) drafted by the United Nations. Agriculture and the primary sector, in general, are not the principal sources of revenue, in fact, they account only for 2.05% of GDP. Its economy is rather based on mineral extraction. The underground surface is rich in gold, minerals and especially diamonds, from which the highest share of GDP is from. The monopolist diamond company, Debswana Diamond Company Ltd, is the enterprise committed to the extraction of diamond and carbon and its property is divided into two equal shares between the Government of Botswana and the private international diamond company, De Beers (Milton 2016). Even if agriculture accounts only for a small part of the national GDP, it still plays a significant role for many citizens who operate farms for subsistence (Export.gov 2019). The plantation methods used are still traditional, but the Botswana College of agriculture offers a vast range of courses to help improve and empower young people, and the country in general, to pamper them in agricultural business. Courses are not only as part of degree programs but also to individual citizens who seek to improve their farming skills through new technologies (Botswana Youth 2013). Concerning land grabbing, the only large-scale land acquisition reported in the database Land Matrix accounts for 25,074 ha for which the top investor is the Ministry of Agriculture of the Republic of Botswana and the intention of the investment is fore agricultural and livestock production (Land Matrix deal #4389), making the incidence of the phenomenon on total agricultural and forest area very low: 0.23%. Botswana has one of the highest WGI for the quality of institutions among countries analyzed, an above average 0.65. From this data, we can conclude that its governing institutions are not only good for the economy of the country but also that if they engage in Foreign Direct Investment in agriculture, they do so to encourage a well-structured overall development.

Zimbabwe, on the contrary, has a shrinking economy, flawed by strong hyperinflation. In April 2019 it had increased to 75.86 % from 66.8% in the prior month (Trading Economic 2019). The institutional setting is characterized by inefficient government bureaucracy, inadequate infrastructure, lack of funding and weak land tenure (African Development Bank 2019). Agriculture is the largest economic sector in the country, being the "engine" of its economy. Despite this, agriculture and the primary sector only account for 7.87% of the annual GDP. This could be explained from the fact that agriculture methods are particularly backward, and it is mostly related to rural and subsistence activities. Moreover, the agriculture sector in Zimbabwe hit a tremendous shock following two major land reforms enacted in the 2000s by President Robert Mugabe. The first is the Fast-Track Land Reform Program (FTLRP) in 2000 which expropriated land from foreign and domestic white-owned capital in a "reversed colonialism style". This reform was endorsed to re-acquire possession of land by the state, which has suffered intense pressure from neoliberal policies in the previous decade (Moyo, Chambati and Yeros 2019). However, the redistributive reforms challenged private property relations and transformed the settled agrarian structure (Moyo et al. 2019). Besides, the government initiated the Look East Policy, which sought to accommodate foreign capital from the East and the South (Moyo et al. 2019). The reforms did not lead to the expected growth, rather to a reduction of the historical trade finance (because the government lost its trustworthiness towards Western developing countries) and to the beginning of a wave of land grabs in the region (Moyo et al. 2019). Indeed, the WGI estimate for the quality of Zimbabwean institutions shown in Tab. 3.3 is remarkably low, -1.22, meaning that government efficiency towards well-functioning and development is reduced. Notwithstanding this fact, from Tab. 3.3, the incidence of land grabbing on agriculture and forestry is quite low, 2.56% of the available land. This data could be explained by the fact that "too high levels of government corruption may make the institutional environment so unpleasant that even hardboiled investors shy away from investing in those countries" (Bujko et al. 2016, 210).

3.5.3 Conclusion of the comparison

Concluding, Botswana and Zimbabwe are both two former United Kingdom colonies, as such they have experienced the same colonial rule. In 2016, Botswana shows an annual percentage growth of the primary sector equal to 0.5%, while in the same year, Zimbabwe registered a negative growth of -3.9%. Despite Zimbabwe has more arable land (4.000.000 ha), the inferior management of such land by government institutions makes it less productive than Botswana in this sector. Indeed, Botswana, which has only 259.600 ha of arable land and less share of agriculture in GDP, managed to allocate more efficiently profits deriving from cultivation and invest them in the development of the country.

3.6 CONCLUSIONS

In the second chapter, we have shown how national governments of Sub-Saharan countries are responsible for insecure land property rights. In this last one, we have given empirical information on the extent of the phenomenon. We have found a direct correlation between the incidence of land grabbing on agriculture and forest land and indicators of governance. The correlation between the two sets of data is significant, showing that foreign investors tend to target countries with weaker governance and a more corrupted ruling elite, in order to maximize profit (Oxfam 2013). We want to underline that, as land grabbing is a complex phenomenon, official data does not exist; thus, we relied on available data provided by an online database run by a group of associations and NGOs. Nonetheless, it is important to underline that only three out of the 33 Sub-Saharan countries analyzed, the WGI is positive, accounting for an above average quality of government institutions. Negative WGI characterizes all other countries. This signifies that Sub-Saharan countries are the perfect target for the “land rush” of developed and emerging States. Weak government institutions still play a crucial role in the governance of land tenure and large-scale land acquisition by foreign investors, often portrayed as a means to bring new technologies and infrastructures to the country. In particular, we have examined two exceptional cases: Botswana and Zimbabwe. It is evident that they are a good example of how inclusive and efficient ruling elites make the difference regarding the economy in general and the utilization of lands, the most important resource in Sub-Saharan countries.

CONCLUSION

This thesis has aimed to study the phenomenon of land grabbing in Sub-Saharan Africa, which has increasingly attracted the interest of scholars and, more recently, the interests of the international community. Land grabbing is the result of foreign direct investment in agriculture for long-term leases and the acquisition of lands from foreign governments and transnational companies. This practice is mainly due to the increasing demand of food security in developed and emerging countries, especially in China and in the Gulf States, and to the demand of alternatives for fossil fuels, such as sugar cane and jatropha.

Our first claim was to show that the acquisition of African lands from foreigners is not a recent phenomenon; rather, it existed since the period of colonialism. In the past, the general thought was that since in Africa there were not influential civilizations, then it was the continent of the "empty" lands: lands used by no one, that could have been used for the interests of European countries. In the modern period, the idea is the same. African lands are still worked in rural and traditional ways, often by indigenous people or nomad communities, thus, they result in low productivity. They are easily targeted to be acquired by foreign investors in order to intensify their productivity, as they are still considered abundant and underutilized. In this context, the governments of Sub-Saharan countries play a significant role. In chapter one, we have explained why institutions should not be deemed as secondary in the phenomenon of land grabbing because institutions are the "rules of the game". Consequently, they directly influence the process of acquisition by enforcing laws regulating land tenure and property rights. Indeed, the fundamental problem which lays behind land grabbing is that agricultural lands are state-owned and state-managed but worked by local communities. Those communities, who have traditionally cultivated their lands, and passed onto new generations through customary authority, are often not aware that they do not legally own the land they work. From this perspective, we can quickly notice that land grabbing tends to occur when government elites of Sub-Saharan countries are willing to lease communal lands worked by their citizens to foreign investors in order to advantage their own interests.

In general terms, we can affirm that the phenomenon of land grabbing finds its roots in the colonial past of the African continent which, since then, has continued in different forms, despite independence from European powers. Nowadays, we can affirm that there are more players involved, both internally – institutions – and externally – foreign governments, transnational companies, and intermediary agencies. Moreover, the negotiations for the signing of contracts are most of the times secret, reserved and non-transparent. Usually, local communities are not invited to negotiation sessions, so it is hard for them to make their voice heard against land deals.

On the one hand, the main drivers urging for the acquisition of lands are, as stated before, the growing need of crops to tackle food security in countries with a scarce resource of land destined to agriculture but with growing populations, and a substitute to fossil fuels given their limited availability on the Planet. On the other hand, some African policymakers believe that in their own countries there is "too much land" for the size of the human population, thus they do not find it problematic to cede some of it to foreign investors.

In chapter two, we presented some data on the current situation of the phenomenon in Sub-Saharan Africa. The data is not official nor complete, because contracts are usually signed in secrecy. We have taken data from the online Land Matrix database, which gathers information on land deals from a variety of sources, thus it is not partially reliable. Numbers are striking: the database gives information on 1,258 contracts signed in Sub-Saharan countries, accounting for a total of 34.3 million hectares. Considering the importance of land for African communities, this phenomenon has a sizable impact on the life of people. Indeed, consequences on local populations are displacement, denied access to water and land resources and low-quality employment.

Our research aimed at linking the willingness of foreign investors to acquire land in Sub-Saharan Africa and the openness of the latter to have its land ceded to foreigners. Thus, we wanted to assess what factors contribute to the vulnerability of a country to experience land grabbing in an empirical way. They are: how much a country's income comes from agriculture; the percentage of total land used for agriculture; the quality of a country's institutions, such as the rule of law and the control of corruption. To do so, we have calculated the percentage of land grabbed, according to the Land Matrix database, on the total available land destined to agriculture and forestry for 33 Sub-Saharan countries. Consequently, we have used that percentage as the incidence of land grabbing in the countries. Then, we have computed the correlation between the incidence of land grabbing and six of the World Governance Indicators (WGI), which indicated the quality of government institutions in the analyzed countries obtaining the expected negative correlation: the more the WGI estimated good performance of State institutions, the less the country should be vulnerable to land grabbing. The Rule of Law and Government effectiveness indicators seem to exert the stronger impact.

In conclusion, we can affirm that data seems to empirically show that foreign land investors appear to target countries with weak governance in order to maximize profit and minimize costs linked to land regulatory procedures. The idea of bringing and diffusing advanced technology and know-how in agriculture gives the impression to be cover of the interest of foreign investors to secure land quickly and cheaply, which goes hand in hand with the interests of Sub-Saharan countries' elites of fast gain from leasing their national agricultural lands. The concession of lands to foreign investors is not to be considered harmful for the development of the nation because it represents an inflow of financial and human capital. However, if the governing institutions are not inclusive and efficient, i.e., they are of a wealth-extracting type, the country will likely suffer pejorative economic performance. FDI in agriculture has led to severe controversies among trade and development scholars. From one point of view, it is considered unethical as it violates property rights, denies access to land and threatens food security for local communities in host countries (Chaudhuri and Banerjee 2010), thus, it could be assessed as a form of modern colonialism. From another point of view, target countries must have the ability to inclusively and efficiently absorb technology transfer and know-how, which could eventually trickle down for the benefit of the whole population (Slimane, Huchet-Bourdon, Zitouna 2016). As a matter of fact and a matter of concern, the discussion has to be deepened.

BIBLIOGRAPHY

Acemoglu, Daron, and James A. Robinson. 2010. "Economic History of Developing Regions WHY IS AFRICA POOR?," no. 25(1): 37–41. https://doi.org/10.1080/20780389.2010.505010.

Acemoglu, Daron, James A. Robinson. 2016. "Paths to Inclusive Political Institutions". In *Economic History of Warfare and State Formation*. Studies in Economic History: 3-50.

Acemoglu, Daron, and James A. Robinson. 2019. 'Rents and economic development: the perspective of Why Nations Fail'. *Public Choice*.

African Development Bank. 2019. African Economic Outlook 2019.

Aidt, Toke S.. (2009). "Corruption, institutions, and economic development". In *Oxford Review of Economic Policy* 25(2): 271–291.

Ajanovic, Amela. 2011. Biofuels versus food production: Does biofuels production increase food prices?. In *Energy*, 2070-2076. Vienna Institute of Technology.

Arezki, Rabah, Klaus Deininger, Harris Selod. 2015. What drives the global ‘‘land rush‘‘?. In *The World Bank Economic Review*, 29(2), 207–233. doi:10.1093/wber/lht034

Batterbury, Simon, and Frankline Ndi. 2018. "Land-Grabbing in Africa," 573–82.

Bellucci, Naomi, Maurizio Simoncelli, and Barbara Gallo. 2018. *Africa: Terre Sottratte. Analisi e Ricerche*.

Chaudhuri, Sarbajit and Dibyendu Banerjee. 2010. FDI in agricultural land, welfare and unemployment in a developing economy. *Research in Economics* 64: 229-239.

CODESRIA. 2012. *Accumulation by Dispossession, Climate Change and Natural Resources Governance in Africa*. In Council for the Development of Social Science Research in Africa. Online. https://www.codesria.org/spip.php?article1936

Commission for Africa. 2005. *Our Common Interest: Report of the Commission for Africa*. London

Cotula, Lorenzo, Sonja Vermeulen, Rebeca Leonard, and James Keeley. 2009. *Land Grab or Development Opportunity ? International Land Deals in Africa Land Grab or Development Opportunity ?* IIED, FAO and IFAD.

Dani, Anis A., and Arjan de Haan. 2008. *Inclusive States*.

Davis, Kyle F., Paolo D'Odorico, and Maria Cristina Rulli. 2014. "Land Grabbing: A Preliminary Quantification of Economic Impacts on Rural Livelihoods." *Population and Environment* 36: 180–92. https://doi.org/10.1007/s11111-014-0215-2.

Doryie, Elirehema. 2010. "The next stage of sovereign wealth investment: China buys Africa". In *Journal of Financial Regulation and Compliance*, 18(1): 23-31

EIA (US Energy Information Administration). 2009. *International Energy Outlook 2009*. Washington, DC: US Department of Energy.

European Commssion. 2015. *EU on track to meeting 20% renewable energy target*. European Commission. Online. https://ec.europa.eu/energy/en/news/eu-track-meeting-20-renewable-energy-target

FarmLandGrab. 2018a. Meru woos Chinese investors with free land, licences. Farmlandgrab.org Online. https://www.farmlandgrab.org/post/view/28584-meru-woos-chinese-investors-with-free-land-licences

FarmLandGrab. 2018b. Liberia: Lawmaker eyes mechanised farming in Grand Bassa County. Farmlandgrab.org. Online. https://www.farmlandgrab.org/post/view/28580-liberia-lawmaker-eyes-mechanised-farming-in-grand-bassa-county"

FAO. 2012. Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security. http://www.fao.org/3/i2801e/i2801e.pdf

FAO. 2015. The State of Food Insecurity in the World. Meeting the 2015 international hunger. Rome

GRAIN. 2008. "The 2008 Land Grab for Food and Financial Security."

Hall, Ruth. 2011. "Land Grabbing in Southern Africa: The Many Faces of the Investor Rush." *Review of African Political Economy* 38 (128): 193–214. https://doi.org/10.1080/03056244.2011.582753.

Hanson, Robin. 2009. Meta-institutions. Overcoming Bias. Online. http://www.overcomingbias.com/2009/04/meta-institutions.html

Heuwel, Sahra**.** 2010. 10% of EU transportation energy from bio-fuels by 2020. In ESI AFRICA, Africa's Power Journal. Online. https://www.esi-africa.com/top-stories/10-of-eu-transportation-energy-from-bio-fuels-by-2020/

Huntington, Samuel. 1968. *Political order in changing societies*. New Haven: Yale University Press.

Ingwe, Richard, James Okoro, and Joseph K Ukwayi. 2010. "The New Scramble for Africa: How Large-Scale Acquisitions of Sub-Saharan Africa's Land by Multinational Corporations and Rich Countries Threatens Sustainable Development" 12 (3): 28–50.

Islam, Roumeenn. 2018. "What Are Institutions and How Do They Change?". World Bank Group, Working Paper 8422. https://poseidon01.ssrn.com/delivery.php?ID=9870900990950880800260700680970860100370370360060120360060620560630520001091200600510920301270750661190220830120641

030070790640800650690790700070910040060060880870990041001060981270130671O3&EXT=pdf

Jung, Suhyun. 2018. "Evidence on Land Deals' Impacts on Local Livelihoods." *Current Opinion in Environmental Sustainability* 32: 90–95. https://doi.org/10.1016/j.cosust.2018.05.017.

Li, T. M. 2011. "Centering Labor in the Land Grab Debate". In *The Journal of Peasant Studies* 38: 281-298.

Manzo, Kate, and Rory Padfield. 2016. "Neoliberal Colonialism? A Postcolonial Reading of ' Land Grabbing ' in Africa." In *The Postcolonial World*.

Matondi, Prosper B., Kjell Havnevik, and Atakilte Beyene. 2011. *Biofuels, Land Grabbing and Food Security in Africa*. Zed Books.

Marotta, David John. 2013. "What is Rent-Seeking Behavior?". Forbes. Online. https://www.forbes.com/sites/davidmarotta/2013/02/24/what-is-rent-seeking-behavior/"\l "2f0e6dcd658a

Moyo, Sam, and Praveen Jha. 2019. *Reclaiming Africa*.

Nhantumbo, Isilda and Alda Salomão. 2010. *Biofuels, Land Access and New Business Models for Rural Livelihoods in Africa – The Mozambican Case*. International Institute for Environment and Development (IIED)

North, Douglass C., and John Alt. 1990**.** Institutions, Institutional Change, and Economic Performance. University of Illinois at Urbana-Champaign's Academy for Entrepreneursh

Onoja, Anthony O, and Anthonia I Achike. 2015. "Large-Scale Land Acquisitions by Foreign Investors in West Africa: Learning Points." *Consilience: The Journal of Sustainable Development* 14 (2): 173–88. https://about.jstor.org/terms.

OXFAM. 2012. *Land sold off in last decade could grew enough food to feed a billion people*. Online. http://www.oxfam.org/en/grow/pressroom/pressrelease/2012-10-04/land-sold-last-decade-could-grow-enough-food-feed-billion-people

Ping, Li. 2008. Hopes and Strains in China's overseas farming plan. In *Economic Observer*, Beijing.

Rights and Resources. 2015. "WHO OWNS THE WORLD' S LAND? A Global Baseline of Formally Recognized Indigenous And Community Land Rights."

Robertson, Beth, and Per Pinstrup-andersen. 2010. "Global Land Acquisition : Neo-Colonialism or Development Opportunity ?," 271–83. https://doi.org/10.1007/s12571-010-0068-1.

Rodrick, Dany. 2007. One Economics, Many Recipies: Globalization, Institutions, and Economic Growth. Princeton University Press.

Sekoai, Patrick T. and Kelvin O. Yoro. 2016. Biofuel Development Initiatives in Sub-Saharan Africa: Opportunities and Challenges. In *Climate*. University of the Witwatersrand, South Africa.

Skarstein, Rune. 2011. Peak Oil and Climate Change: Triggers of the Drive for Biofuel Production. In *Biofuels, Land Grabbing and Food Security in Africa*. Zed Books

Slimane, Mehdi Ben, Marilyn Huchet-Bourdon, Habib Zitouna. « The role of sectoral FDI in promoting agricultural production and improving food security”. *International Economics* 145: 50-65.

Tariq, Rauf N., and H. M. Quasim. 2016. “Relationship between Institutions and Economic Growth: A Cross Country-Time Series Analysis.” *International Journal of Economics and Empirical Research* 4 (7): 362–75.

Thomson, Alex. 2010. *An Introduction to African Politics*. Routledge.

Toulmin, Camilla. 2008. “Land Use Policy Securing Land and Property Rights in Sub-Saharan Africa: The Role of Local Institutions ଝ” 26: 10–19. https://doi.org/10.1016/j.landusepol.2008.07.006.

TRANSNATIONAL INSTITUTE. 2013. *The global land grab*. *A primer*. p. 3

Tutton, Mark. 2010. “Can Africa break its ‘resource curse’”?. CNN. Online. http://edition.cnn.com/2010/WORLD/africa/08/23/africa.resource.curse/index.html

UN Declaration on the Rights of Indigenous People. 2007. United Nations. https://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf

United Nations. 2015. *World Population Projects: the 2015 Revision*. Department of Economic and Social Affairs (DESA). Online. https://www.un.org/en/development/desa/news/population/2015-report.html

Van Eijck, Janske, Edward Smeets, and André Faaij. 2012. “Jatropha: A Promising Crop for Africa’s Biofuel Production?”. In *Bioenergy for Sstainable Development in Africa*. Springer Science.

World Bank. 2010. “Rising global interest in farmland: can it yield sustainable and equitable benefits?”. Washimgton DC: The World Bank.

Zambakari, Dr Christopher. 2017. “Land Grab and Institutional Legacy of Colonialism: The Case of Sudan.” *Consilience: The Journal of Sustainable Development* 18 (2): 193–204. https://doi.org/10.2307/26188799.

Zuka, Sane Pashane. 2019. “Land Use Policy Customary Land Titling and Inter-Generational Wealth Transfer in Malawi: Will Secondary Land Rights Holders Maintain Their Land Rights?” *Land Use Policy* 81 (November 2018): 680–88. https://doi.org/10.1016/j.landusepol.2018.11.039.

ECONOMIA POLITICA DEL LAND GRABBING IN AFRICA SUB-SAHARIANA

La presente tesi tratta il fenomeno del *land grabbing* in Africa Sub-Sahariana. Con il termine *land grabbing*, che in italiano verrebbe tradotto come "accaparramento delle terre", ci si riferisce ad acquisizioni di larga scala o affitto di lunga durata di terreni in paesi in via di sviluppo da parte (paesi target) di corporazioni multinazionali o governi esteri. Il *land grab* è anche definito come esplorazione, negoziazione, acquisizione, piantagione e sfruttamento di risorse provenienti dalle terre, messi in atto per ottenere *food security* (sicurezza alimentare) ed *energy security* (sicurezza energetica). Questo avviene tramite l'esportazione dei raccolti dai paesi target verso i paesi investitori. I paesi che sono normalmente presi come target sono paesi in via di sviluppo in Sud America, Asia Sud-Orientale e Africa.

Le ragioni che spingono corporazioni multinazionali e governi dei paesi sviluppati ed emergenti ad acquisire terre da paesi in via di sviluppo sono molteplici. Innanzitutto, è importante sottolineare che il *land grabbing* è collegato al controllo della terra, ciò significa che gli investitori esteri hanno accesso alle sue risorse naturali, da cui possono trarre profitto. I motivi principali che incentivano il *land grabbing*, come accennato precedentemente, sono due. Il primo, riguarda la sicurezza alimentare. Bisogna notare, infatti, che la domanda di cibo è in costante aumento nei paesi avanzati e nelle economie emergenti, a causa del miglioramento delle diete e della qualità della vita, nonché di una crescente urbanizzazione, fattori che richiedono la disponibilità di una maggiore quantità di cibo. Da ciò deriva che la mancanza di terre fertili per la produzione di colture in grado di rispondere alla quantità realmente consumata, determini la necessità di espandersi verso altri territori. Inoltre, recentemente i paesi sviluppati hanno preso coscienza del fatto che i carburanti fossili hanno disponibilità limitata e che è necessaria un'alternativa durevole. In più, un'alternativa ai carburanti fossili è necessaria per far fronte anche al cambiamento climatico, di cui essi costituiscono la principale causa. La soluzione a detta criticità è stata individuata nell'uso di risorse vegetali come olio di palma, jatropha e canna da zucchero, che possono essere convertite in biocarburanti.

Se si combinano queste informazioni, possiamo concludere che il fenomeno del *land grabbing* è spinto dagli interessi nazionali dei governi esteri. La nostra tesi si incentrerà sul particolare caso dell'Africa Sub-Sahariana, ma riconosciamo l'esistenza del fenomeno altrove nel mondo. È fondamentale precisare, preliminarmente, che gli investimenti esteri in Africa assicurano ai paesi investitori le risorse derivanti dalla terra, mentre le comunità locali non ne beneficiano. Inoltre, i contratti per la cessione dei terreni implicano il trasferimento totale dei diritti sul controllo degli stessi, di conseguenza, gli investitori acquisiscono il potere di modificare il precedente tipo di coltura praticata, in una differente. Tuttavia, questa pratica non ha luogo senza conseguenze. Le popolazioni locali e le comunità indigene che vivono in aree rurali sono dipendenti dalla terra, in quanto essa rappresenta la loro fonte primaria di sussistenza. Le ripercussioni degli effetti derivanti dal *land grabbing* vanno a gravare sulla vita delle comunità locali, espropriate delle terre sulle quali vivono, precludendo loro l'accesso alle relative risorse. I contratti d'affitto vengono concessi su terra ad uso collettivo, che, però è già occupata dalle popolazioni locali, ma che è registrata come pubblica, dunque, come proprietà di nessuno, o, meglio come terra "vuota". Questa nozione rivela una caratteristica fondamentale della pratica di *land grabbing*. La percezione diffusa è che la terra è una risorsa presente in abbondanza nei paesi in via di sviluppo, specialmente in Africa Sub-Sahariana. In realtà essa è utilizzata dalle comunità locali per soddisfare il proprio fabbisogno. Di conseguenza, il *land grabbing* può essere visto come una forma moderna di colonialismo.

Un elemento mancante da questa immagine è il ruolo delle istituzioni di governo dei paesi sub-sahariani. Le istituzioni sono considerate le "regole del gioco" di uno stato. Nel fenomeno del *land grabbing* sembrano essere assenti, in realtà hanno un ruolo molto importante. La domanda centrale della tesi è: la qualità della governance dei paesi dell'Africa Sub-Sahariana incide sulla propensione degli stessi a divenire soggetto del *land grabbing*? Per fare ciò abbiamo messo a sistema e correlato i dati relativi al *land grabbing* e gli indicatori di governance della Banca Mondiale. Il nostro scopo è mostrare se una governance più inclusiva con istituzioni efficienti e funzionanti possa diminuire il fenomeno di *land grabbing*.

Nel primo capitolo, abbiamo affermato che il *land grabbing* trova le sue radici nel passato coloniale dell'Africa. Questo deriva dalla credenza generale, passata e presente, che l'Africa presenta un consistente surplus di terre che non sono utilizzate, o che non sono sfruttate al meglio per aumentarne la produttività. Nel passato, le potenze europee hanno conquistato il continente, spartendo arbitrariamente i territori, senza perdere in considerazione le differenze etniche e sociali delle varie tribù che vi abitavano. Gli europei si sono concentrati sulla costruzione di infrastrutture minime, strettamente legate all'estrazione delle risorse necessarie al loro sviluppo, senza implementare progetti di sviluppo delle risorse sul lungo periodo. Questo disinteresse ha causato instabilità politica e sociale dopo l'indipendenza degli stati dell'Africa Sub-Sahariana, in quanto le popolazioni non hanno avuto l'esperienza di una cultura politica fondata sulla rappresentanza e sullo stato di diritto, come è avvenuto negli stati occidentali. L'oppressione politica vissuta dai paesi africani nel periodo coloniale ha comportato la formazione di potenti élites, che oggigiorno sono alla guida dei paesi e spesso sono collusi con interessi esterni per ottenere profitti a titolo personale. È, dunque evidente che i piccoli coltivatori locali devono affrontare non solo investitori esterni, ma anche interessi delle élites di governo.

Un elemento fondamentale nel fenomeno di *land grabbing* è la struttura istituzionale non inclusiva dei paesi sub-sahariani. Le istituzioni sono un insieme di organi e strumenti che costituiscono le basi economiche, sociali e politiche di uno stato. Esse possono essere formali o informali. Le prime sono l'insieme di leggi, regolamenti e decreti scritti ed eseguiti da una pubblica autorità legale; mentre quelle informali sono le consuetudini, ossia norme non scritte basate su abitudini sociali e codici di condotta tradizionali. Per essere inclusive, le istituzioni devono presentare un delineato sistema di diritti di proprietà, un apparato regolatorio che argini le frodi e la corruzione e una società coesa, basata sulla fiducia di tutte le componenti e sulla cooperazione reciproca. Tuttavia, le istituzioni dei paesi sub-sahariani non sembrano fondarsi sulle precedenti definizioni di inclusività, questo è, in parte, dovuto all'emergenza delle élites non inclusive che hanno preso il potere dopo l'indipendenza. Queste élites, infatti, non hanno voluto istituire nuove nazioni con istituzioni differenti dal passato, piuttosto il loro scopo era di far nascere nuove nazioni africane su confini e strutture derivanti dall'era coloniale. Questo si ripercuote sul *land grabbing* in quanto i contratti d'affitto dei terreni (in inglese *land deals*) hanno luogo prevalentemente in paesi dove gli investitori esteri possono facilmente sfruttare governi corrotti o indebitati che abbiano poca abilità di regolare le transazioni.

In Africa, la terra rappresenta la fonte della vita sociale, politica ed economica dei paesi. Nonostante ciò, è essenziale sottolineare che la terra viene trasferita di generazione in generazione attraverso leggi tradizionali basate su consuetudini. Tuttavia, il proprietario ufficiale delle terre è lo stato e la proprietà terriera non è regolata da leggi definite, piuttosto, è lo stato che la dà in concessione alle comunità locali su base arbitraria. Basti pensare che solo il 3% delle terre in Africa Sub-Sahariana è legalmente riconosciuta come proprietà di comunità locali.

Nel secondo capitolo, abbiamo affrontato le motivazioni, la natura e le conseguenze dei *land deals*. Oggi, il fenomeno del *land grabbing* è presentato come un modo per modernizzare l'agricoltura dei paesi in via di sviluppo. Ma una delle principali ragioni che si celano dietro l'accaparramento di terre da parte di investitori esteri è la crescente domanda di prodotti agricoli, come cereali e legumi, a causa dell'aumento esponenziale della popolazione mondiale, specialmente nei paesi emergenti. La Cina è uno dei paesi che più investe nell'agricoltura delocalizzata in Africa, in quanto la maggior parte delle terre che erano in passato destinate ai raccolti, adesso sono usate per il settore industriale. La seconda ragione che spinge a praticare il *land grabbing* è la necessità di assicurare un'alternativa ai carburanti fossili, che hanno disponibilità limitata.

Il processo di acquisizione dei terreni africani da parte di investitori esteri è piuttosto complicato, in quanto necessita di varie fasi e vari attori sono coinvolti. I governi africani mettono a disposizione delle agenzie nazionali per aiutare gli investitori esteri ad ottenere licenze necessarie ad intervenire. Segue lo studio dei terreni per valutare il tipo di raccolto migliore, poi un contratto viene concluso con gli ettari concessi e le operazioni di produzione possono iniziare. Al momento, il database Land Matrix riporta 554 *land deals* conclusi in Africa, di cui 304 sono in operazione pari a 693.746 ettari di terra. La maggior parte dei paesi africani non permettono l'acquisto delle proprie terre, piuttosto, preferiscono mettere in atto concessioni a lungo termine, che possono andare dai 50 ai 99 anni, spesso con possibilità di rinnovo. La mancanza di trasparenza nelle negoziazioni dei *land deals* è un altro grande problema, infatti, unita all'assenza di checks and balances da parte della società civile, porta ad un clima ideale per lo sviluppo di corruzione. La società civile è la parte di popolazione più colpita nel processo di *land grabbing*, ma anche quella più raramente consultata e coinvolta. Le conseguenze del *land grabbing* interessano le comunità contadine locali, non solo perché la terra rappresenta la loro fonte di sussistenza, ma anche perché simboleggia identità personale e valore sociale. Tra le maggiori conseguenze, la prima è lo sfollamento delle comunità che abitano le terre "affittate". Inoltre, nonostante il *land grabbing* venga presentato come una pratica di sviluppo, spesso i contadini locali che rimangono in sede lavorano per gli investitori esteri, ma con ritmi e metodi a loro estranei. Quindi il *land grabbing* crea lavoro, ma non necessariamente riduce la povertà, perché sono gli investitori che decidono i salari, spesso al ribasso per una mano d'opera economica.

Nel terzo capitolo, abbiamo trattato la nozione di *Foreign Direct Investment* o FDI (in italiano investimento diretto estero) e della sua contestata influenza sulla crescita dei paesi in via di sviluppo. L'FDI è un trasferimento internazionale di capitale, spesso usato per esportare tecnologie e nuove abilità nei paesi in via di sviluppo. In generale, l'FDI è considerato un input per generare benessere, tuttavia, richiede delle istituzioni efficienti per far sì che il capitale estero venga distribuito in maniera inclusiva. Il termine *land grabbing* descrive in maniera critica l'FDI in agricoltura, che nei paesi sub-sahariani rappresenta più del 20% del Pil. L'FDI in agricoltura si è intensificato durante la crisi finanziaria ed economica, tra il 2007 e il 2009, proprio perché gli investitori esteri, specialmente le economie emergenti, avevano forte bisogno di prodotti alimentari da importare, specialmente dall'Africa, considerata il granaio del mondo.

Quando le élites politiche e le istituzioni ad esse collegate sono corrotte, le risorse di un paese non sono efficientemente allocate, e ciò provoca stagnazione, degrado economico e conflitti interni. Questi elementi sono rappresentativi del *land grabbing* in quanto una governance inefficace della gestione dei terreni (e.g.: protezione dei diritti di proprietà) porta ad un maggiore rischio di essere target di *land grabbing*, poiché gli investitori esteri prediligono paesi con istituzioni corrotte per massimizzare i profitti e minimizzare i costi.

Per dimostrare questo argomento, abbiamo calcolato una correlazione tra due insiemi di dati. In primo luogo, abbiamo utilizzato sei WGI (*World Governance Indicators*), gli indicatori di governance mondiali della Banca mondiale, per 33 paesi sub-sahariani: qualità regolatoria, voce e affidabilità, stato di diritto, controllo della corruzione, stabilità politica e assenza di violenza ed efficacia del governo. Successivamente, abbiamo correlato questi elementi con l'incidenza del *land grabbing* sulle terre nazionali destinate all'agricoltura e alle foreste. Per quanto riguarda questo ultimo dato, è opportuno sottolineare che, essendo il *land grabbing* una pratica contestata a livello internazionale, non esistono registri ufficiali nazionali che riportino la reale quantità di territori concessi a paesi o multinazionali estere. Il database più affidabile è il Land Matrix, gestito da organizzazioni no-profit, che raccoglie dati da varie fonti, tra cui giornali locali, documenti accademici o comunicazione diretta, da ciò risulta che una qualità migliore dei dati è necessaria per avere risultati più attendibili.

La correlazione tra WGI e incidenza del *land grabbing* dà il risultato atteso: una performance migliore delle istituzioni (più inclusive e più democratiche) è collegata ad una minore propensione ad essere target del *land grabbing*, pur non potendo dimostrare un rapporto di causa ed effetto. In particolare, esaminando la correlazione tra ogni singolo WGI e incidenza del *land grabbing*, notiamo come gli indicatori con la correlazione più significativa sono lo stato di diritto e l'efficacia del governo. Ciò rafforza il nostro argomento per cui paesi che hanno istituzioni meno inclusive, come quelli sub-sahariani, sono caratterizzati da una distribuzione della ricchezza disomogenea.

Nello specifico, abbiamo comparato due stati, uno virtuoso e uno negativo: Botswana e Zimbabwe. Entrambi sono ex colonie inglesi, ma dopo la loro indipendenza si sono sviluppati in due direzioni differenti. Il Botswana è il paese con il più alto indicatore di governance tra quelli studiati, 0,65, positivo e sopra la media, ha una sostenuta crescita economica e presenta una bassa incidenza di *land grabbing*: 0,23%. Di conseguenza, possiamo dedurre che questo paese ha delle istituzioni che tendono ad incoraggiare l'FDI in modo più inclusivo per il benessere totale della popolazione. Al contrario, lo Zimbabwe, ha un'economia in depressione, caratterizzata da forte inflazione e da una notevole instabilità politica. Infatti, la qualità delle sue istituzioni è pari al -1,22, particolarmente scoraggiante. L'incidenza del *land grabbing* su terre destinate ad agricoltura e foreste non è molto alta come avremmo potuto immaginare; questo dato potrebbe essere spiegato dal fatto che livelli troppo alti di corruzione e instabilità politica scoraggiano anche i più spregiudicati investitori.

In conclusione, possiamo affermare che i dati mostrano empiricamente che gli investitori esteri sembrano indirizzarsi su paesi con una governance debole per massimizzare i profitti e minimizzare i costi legati alle procedure burocratiche. L'idea dell'FDI come mezzo per introdurre tecnologia avanzata nei paesi in via di sviluppo sembra nascondere l'interesse degli investitori esteri di assicurare terre per la produzione agricola delocalizzata, in modo veloce ed economico. L'FDI in agricoltura sembra, conseguentemente, richiamare l'approccio coloniale che l'Africa ha subìto agli inizi del 1900. Ciò si coniuga con l'interesse delle élites dei paesi sub-sahariani di ottenere guadagni veloci attraverso la concessione delle terre nazionali. L'FDI ha bisogno di istituzioni inclusive per generare benessere, ma nel caso del *land grabbing* nei paesi dell'Africa Sub-sahariana, ciò non sembra stia avvenendo.