

CFS Side Event, October 12 – speaking notes, Ian Scoones

Alternative perspectives on land grabbing and biofuels: exploring the implications for policy

This presentation identifies three contrasting narratives which define the current debate about 'land grabbing' and biofuels: a techno-optimist position, an administrative-managerial position and a localist-environmental position. Each suggests different responses to the growing phenomenon of large-scale land deals for biofuels. The presentation will briefly examine the World Bank's position as laid out in the recent report, *Rising Global Interest in Farmland*, and touch on contrasting proposals for land governance currently being discussed. Drawing on cases presented in the recent special issue of the *Journal of Peasant Studies* on the politics of biofuels, land and agrarian change, the presentation will examine the terms of incorporation in biofuel-driven land deals, highlighting that who wins and who loses depends very much on local negotiations and political economy. The potentials for realising the ideals of governance models which assume high levels of transparency, accountability and capacity is questioned. The presentation will argue that a reframing of the debate is required which focuses on local rights to food, land and livelihoods, of both farmers and labourers, and the importance of developing capacities to defend these through citizen action and mobilisation.

Debating the global land grab

Debates about land grabbing have risen up the policy agenda in the last couple of years, and biofuels have become an important driver across the world. What are the key features of the emerging scenario?

1. Biofuels are important in some new land deals, and subsidies and policy incentives in the north to switch to non-fossil fuel sources as part of 'energy security' drives are significant.
2. Not all land deals actually happen. Some exist only on paper, some are implemented, only to be withdrawn later. There is perhaps more hype and speculation than action on the ground, but this may still result in significant changes in land access and rights.
3. The incentives for investment in biofuels and land are always shifting. Changes in food-fuel economics, the financial crisis and changes in policy priorities at national level all affect what is done. This is a very fast moving field.
4. While there has much focus on foreign investors and land grabbing, most cases involve an alliance of actors, including national elites in government and the private sector, as well as overseas businesses, governments and financiers. What eventually happens very much depends on the balance of interests and exercise of power of these different players.

What should be the response to this phenomenon? Looking across the debate, we can identify at least three dominant responses, each based on a particular narrative of problem and solution.

Contrasting narratives in the policy debate

First are what I will term the **techno optimists** who see the development of new second and third generation biofuels as a major technological frontier, opening up major opportunities for biofuel investment, with varying land use intensity, to address fossil fuel dependency and climate change. Here the assumption is that the issues highlighted today are just teething problems, ones that will be dealt with through technological advance and investment. Clearly in this camp are some major global companies, including those in the biotech sector, along with some in the international community who see a technological and investment fix as the solution to persistent development problems.

Second are what I term the **administrative-managerialists**. This group offers a narrative that is similar to the techno-optimists. Land grabs are term land investments, and the prospect of a well capitalised, market oriented agricultural sector that markets both food and fuel, and backed by global industry and financial resources, is seen as a potential saviour to the perennial struggles to commercialise small-scale agriculture in remote, land-abundant parts of the world. For some, the Brazilian cerrado is seen as the model for the future of, for example, the guinea savannas of Africa. Yet this narrative also recognises the challenges, and the need for governance measures, including codes-of-conduct for external investments, guided by voluntary measures rooted in corporate social responsibility.

Third is a **localist environmental** narrative which emphasises the opportunities of small holder farmers to engage in local energy production through biofuels. Populist advocates – including some civil society groups, campaign organisations and NGOs, as well as some development donors - see the potential of small-scale green interventions that transform badlands into productive biofuel farming, as part of a locally-oriented strategy for economic development. Rather than land grabbing for large-scale commercial ventures, multiple small scale ‘project grabs’ are evident, supported by the populist, localist, environmental narrative.

What is the World Bank’s view?

A few weeks back the World *Bank* released its long-awaited, much trailed and much leaked report, with the anodyne title - *Rising Global Interest in Farmland*. What did the Bank make of all of this? It is actually rather difficult to tell. In some sections there is a damning critique, in others a positive spin.

Not surprising then that the press has picked up different angles in the days following its release. The Financial Times, for example, headlines with “World Bank backs farmland investment”, while Bloomberg reports the World Bank as saying, “Large Land Deals Threaten Farmers”.

Both are equally valid interpretations of an often ambiguous report which spends many pages dwelling on a bizarre ‘yield gap’ analysis while pinpointing the potential of vast tracts of land apparently suitable and available for land investment in some countries, conveniently ignoring the likelihood that existing land uses may well be the most productive, equitable and sustainable. Once again, the seductive imagery of satellite maps and projections of vast riches to be gained from exploitation are not rooted in on-the-ground understanding of local livelihood conditions.

The World Bank report, like so many others misses the rather basic questions of agrarian political economy and ecology: who wins, who loses and why, and what are the social, political and ecological drivers and consequences of these processes?

The importance of a political economy perspective

It is these themes and questions that are at the heart of the just-released Journal of Peasant Studies special issue on the politics of biofuels, land and agrarian change that I co-edited with Jun Borrás and Phil McMichael (<http://www.informaworld.com/smpp/title~content=t713673200~db=all>)

As the articles in the special issues again and again highlight, external investment and engagement in global markets is not necessarily and always bad. And equally not all local level options for biofuels are good. It all depends on the social and political processes that define what we call ‘the terms of incorporation’ in land deals.

Let me offer three examples very briefly:

First is the case of oil palm in Indonesia discussed in the paper by John McCarthy. Factors identified include the presence and functioning of smallholder development schemes, the degree of democratic control over village institutions, the spatial location of villages and investments and the workings of land tenure systems and informal land markets.

Second is a case from Brazil. John Wilkinson and Selena Herrera, for example, show how a decentralised, biodiesel programme, based on integrated food and fuel production on smallholder farms contrasts dramatically with a largely unregulated, agribusiness ethanol system, based on large-scale commercial production of sugar-cane. They in turn argue for systemic construction of a new agro-industrial production chains,

where technical, organizational, logistical and marketing features are transformed in favour of smallholders.

And the third is the case of a well-meaning NGO jatropha project in Kenya discussed by Carol Hunsberger, designed as a carbon offsetting measure with all the right credentials of populist, environmentalist localism, but actually set off a process of conflict and differentiation, resulting in a small-scale but nevertheless disruptive project-led land grab.

There is one key point for all cases (and I could have added sugar cane in Zambia, jatropha in India and others covered in the collection): what happens to livelihoods, and whether biofuels contribute to processes of environmental improvement and poverty reduction, all depends on the social and political negotiations on the ground.

The terms of incorporation thus depend on the realisation of rights in practice; processes of social differentiation and class formation that define patterns of access; the relationships between producers and labourers in particular settings – and more generally issues of transparency, accountability and the politics of participation in very diverse settings, with different state capacities and levels of public authority.

It is my conclusion that head-in-the sand opposition to land deals is as unhelpful as naïve cheer leading for unconstrained neo-liberal capitalist investment. So what to do? A more analytical perspective helps sharpen our responses.

Principles and guidelines

Being debated this week is a series of options proposed for governing land grabbing: two in particular are the *Principles for Responsible Agricultural Investment* and the *Voluntary Guidelines on the Responsible Governance of Tenure and other Natural Resources*.

The Principles list the following:

- Existing rights to land and natural resources are recognized and respected
- Investments do not jeopardize food security
- Processes for accessing land and making associated investments are transparent, monitored and ensure accountability
- Those materially affected are consulted and agreements from consultations are recorded and enforced
- Projects are viable in every senses, respect the rule of law, reflect industry best practice and result in durable shared value
- Investments generate desirable social and distributional impacts and not increase vulnerability

- Environmental impacts are quantified and measures taken to encourage sustainable resource use, while minimizing and mitigating negative impacts.

Well, you couldn't disagree with any of these could you? The voluntary guidelines have similarly high sounding aims, although the process by which they have arisen has been more inclusive, thus conferring greater legitimacy and authority.

Importantly, the FAO guidelines are also rooted in a recognition of economic, social and cultural rights, with particular recognition of the marginalised, and so relate to wider binding commitments in international law – a point I will return to in a moment.

But both the guidelines and the principles are embedded in assumptions of technical-administrative-managerialism, and so in my view remain problematic. The assumption seems to be: if only we can get the governance mechanisms right, then all will be fine.

But this strikes me as naïve. The alliances of states and external capital driving land investments that disenfranchise the poor are strong, governance capacity is exceptionally weak in many places, and mechanisms for oversight monitoring and redress are often non-existent.

As experience with corporate social responsibility efforts has shown, voluntary agreements that urge the powerful to do good, rarely work alone. As historian and land researcher Robin Palmer asks rhetorically: would Cecil Rhodes have signed a code of conduct? Of course not!

So while broad international frameworks, with wide buy in, such as the FAO Guidelines have their role, they cannot be viewed in isolation. Given the scale and significance of emerging land deals – for biofuels, food production, mining, carbon sequestration and conservation areas – other action is required which holds governments and corporates to account.

A focus on rights

Rights to livelihoods, food and land will have to be defended hectare by hectare on the ground. This will require both mobilisation and the building of the capacities. What is needed? I want to highlight four priorities.

First, the creation of citizen led early warning, monitoring and response systems will be important, alongside support to national governments for documentation, review and assessment of land deals.

- Second, many of the levers for influencing land grabbing occur outside the policy domains of land and agriculture, and far from the mandates of the

FAO and the CFS. Yet they impinge very directly. A wider focus that encompasses improved deliberation on trade and investment policy options, alongside legislation on corporate investor accountability is needed. This is required at national and international levels introducing a rights orientation into the heart of economic and investment policymaking. Relevant areas of legislation – north and south – include subsidy/tax regimes, corporate acquisition policy, bribery and corruption legislation and fund management policy.

- Third, interventions are required in value chains that direct investment and align business models in favour of smallholder and labourers' livelihoods. External investment may best be focused at supporting farming by smallholders (say by improving market chains), rather than the focus of investment in the farms themselves. As has been seen many times before, in most conditions, smallholder production is more effective and efficient than the imposition from outside of large-scale commercial production systems.
- And, finally, fourth new alliances must be struck, breaking old divides. A new solidarity between agricultural producers and farm/plantation workers and between environmentalists and development-oriented groups is required if the processes of land grabbing are to be resisted.

In the process a new narrative is needed. This must reject techno-economic optimism, as well as simplistic administrative managerialism and the naïve populism of localist environmentalism in favour of a more savvy, politically-mature approach which recognises benefits as well as risks of land investments.

In many ways, this is a critical moment. I hope the CFS of the FAO are courageous and forward looking in their discussions this week. I hope that they do not revert to the dry, bland and ineffectual administrative-managerial policy solutions, but instead see guidelines and principles as part of a wider process of democratisation and rights claiming by land users across the world.