

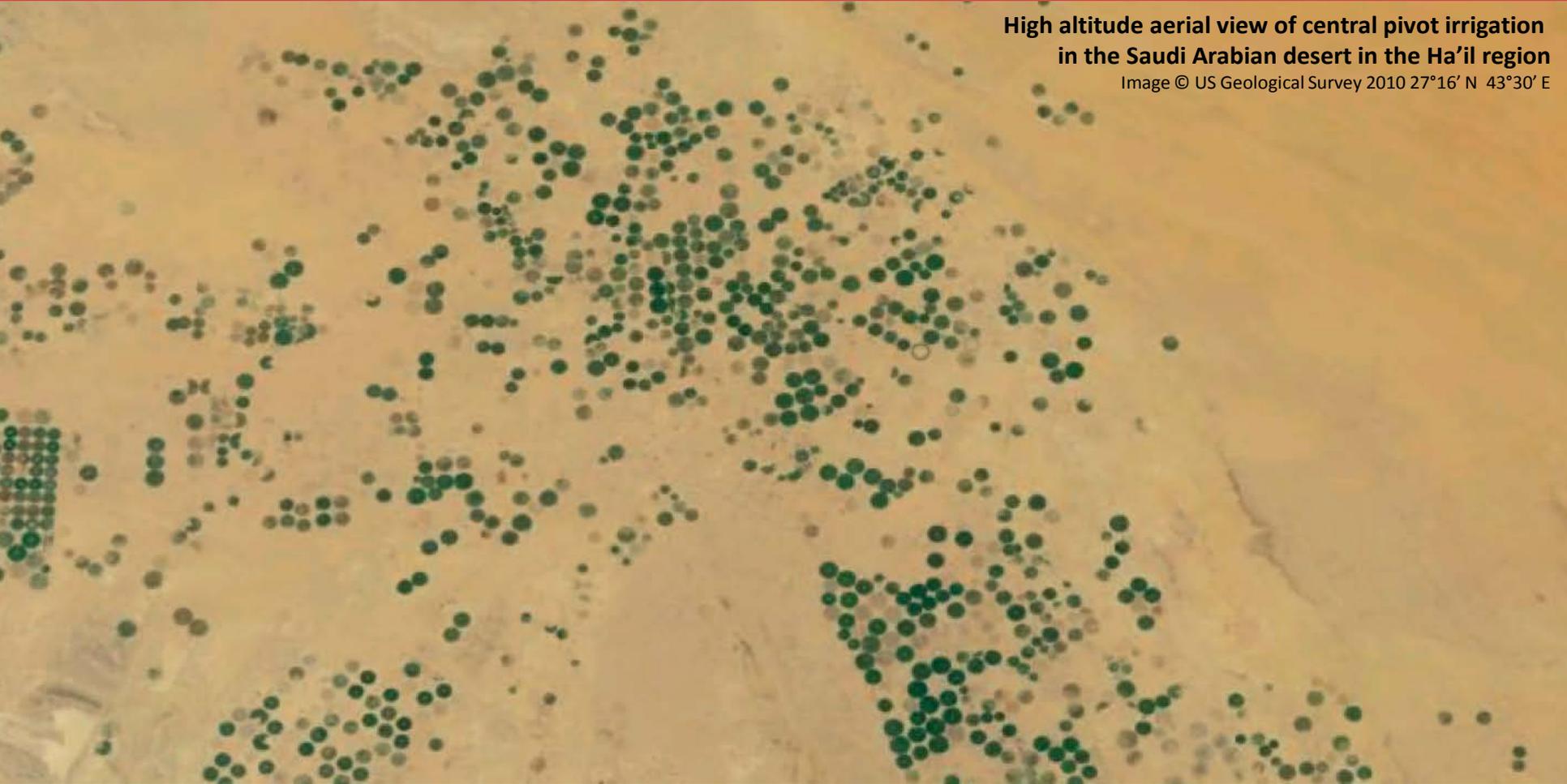
Gulf State Investments in Indonesia and The Philippines



Rosanne Rutten & Gerben Nooteboom

**High altitude aerial view of central pivot irrigation
in the Saudi Arabian desert in the Ha'il region**

Image © US Geological Survey 2010 27°16' N 43°30' E



Courtesy: Ben Shepherd



Closer view of central pivot irrigation in the al Kharj region showing encroaching desert

Image © US Geological Survey 2010 23°52' N 47°09' E

Courtesy: Ben Shepherd

Key questions on:

- Interests at stake of state actors at:
 - international,
 - national and
 - local level
- Both in Gulf States and recipient states
- (Geo)political – religious interests
- State ideologies and frames of legitimation
- Ambiguities



Research grant:



Netherlands Organisation for Scientific Research

Gerben Nooteboom University of
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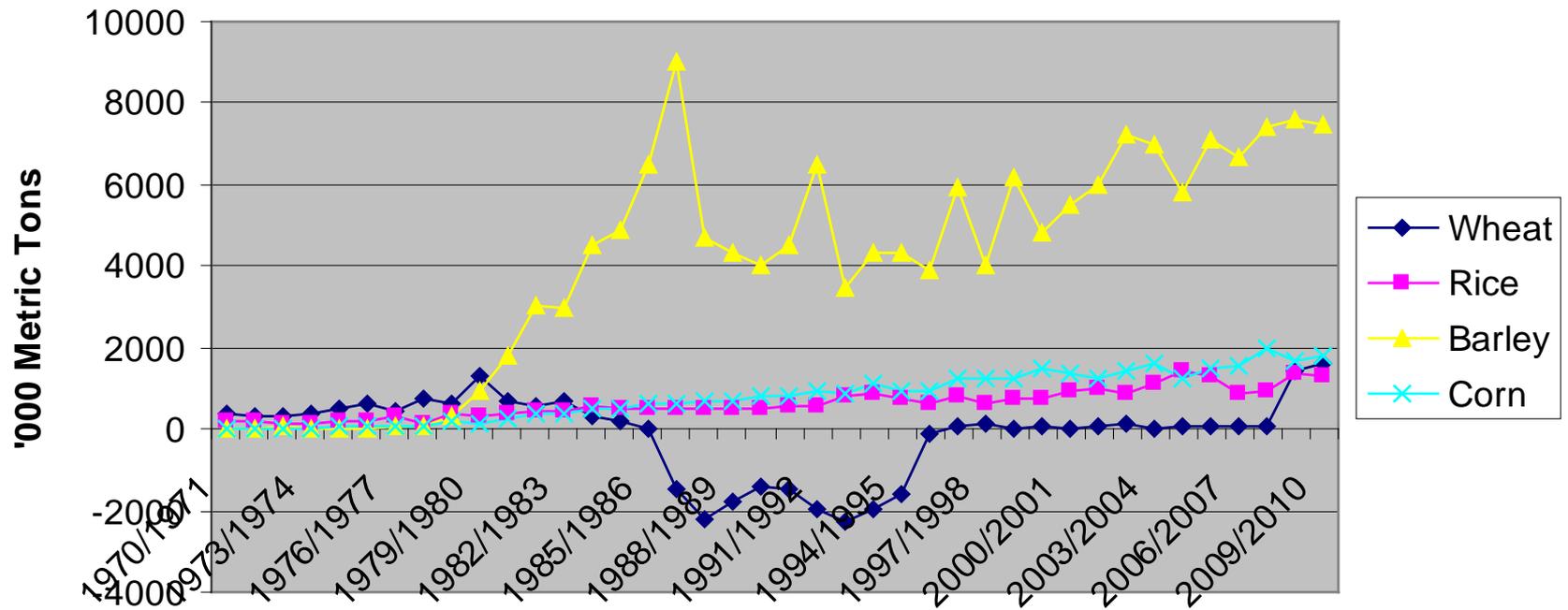
Beyond the stereotype:

Why do Gulf-States invest in land abroad?

- Little food production at home/rising food prices
 - Part of worldwide GCC investments (banking, ports, sports, etc.)
- Circumvent the world market
 - Distrust
- Internal policy shift – from subsidy to investment
 - Producers versus consumers
- Maintain the Gulf State developmental model (capital intensive & cheap labour)
 - Mutual dependency
- Third wave in outsourcing? (after manufacturing and information technology)
 - Double outsourcing - not farming themselves
- Geo political / religious interests?

Decline of Domestic Agriculture

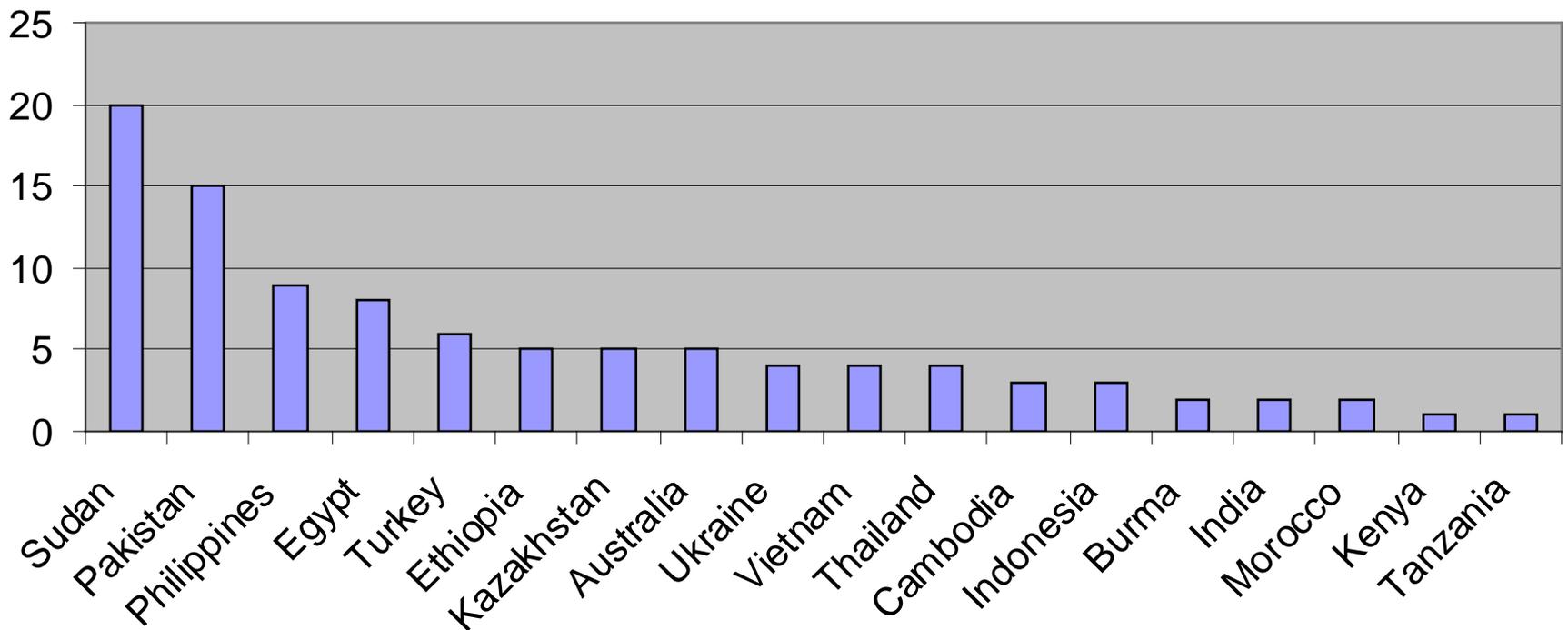
Cereal Net Imports Saudi Arabia



Source: USDA (courtesy Eckart Woertz)

The Case of Gulf State Investments

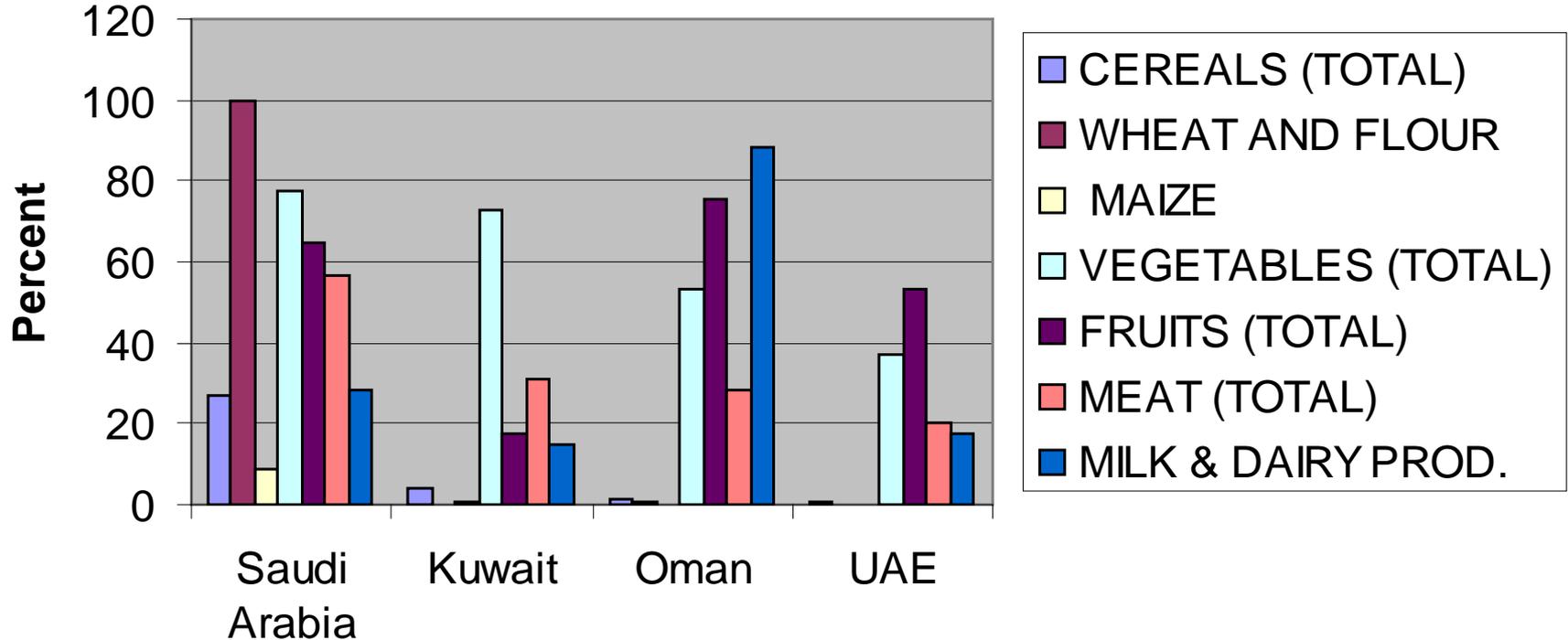
Number of Announced GCC Agro Investments Abroad



Source: GRC, based on press reports (courtesy Eckart Woertz)

Gulf Food Security

Self Sufficiency Ratios 2006



Source: Arab Organization for Agricultural Development (AOAD) (courtesy Eckart Woertz)

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Gulf discourses on investments

- National food security first
- Subsidies to importers/investors (KSA)
- Distrust & blackmail
- Political unrest
- Trade blocks
- Move East: Food – fertiliser - oil deals
- Cooperation for peace and foodsecurity

Philippine and Indonesian discourses:

Pro

- Attract Gulf State investments
 - Rural development investments
 - Cultural ties (migrants, 'nanny's')
 - Investments for peace
-
- Muslim brotherhood
 - Developmentalism
 - State paternalism
 - Religious influence, political ties

- Luthfi Hasan Ishaq



- Minister of Agriculture



Philippine and Indonesian discourses: Anti

- Poorer groups lose land
- Threat for indigenous people's
- New jobs are taken by migrants from elsewhere (i.e. Javanese in Papua)
- Disruption of social cohesion and cultural identity
- Increase of conflict and protest
- Displacement of local populations
- Environmental damage
- Food insecurity for local populations

State autonomy & authority

- States hand over important forms of authority
- Have we entered a new phase of globalisation?
- It will affect poor farmers and indigenous communities who are not organised well
- Reversal land reform and weakening protection of indigenous peoples'
- The undermining of local people's domestic food base

New forms of resistance?

- Local forms of (peasant) resistance are expected to rise – new repertoires of violence?
- The promise of development causes ambiguities and weakens base for resistance
- Separatism?
- Creation of alternative repertoires of rural production?
- Does a strong civil society make a difference?

- Paradoxes in national state development plans and local ideas offer spaces of opportunity. Who is going to fill these spaces?
- Spaces:
 - Developmentalism and state paternalism
 - Religion
 - Legal ambiguity at all levels
 - Indigenous rights?

Is it really new?

A short historical comparison

Colonial times

- Coffee & tea estates, rubber, palmoil
- Long leases prevail
- Foreign capital
- Educated management (foreign/local)
- Control of local labour
- Foreign extraction of benefits
- Part of wave of liberalisation & globalisation (1870-1929)

Now

- Commodity & Food estates
- *Energy and Food regimes*
- Long leases
- Foreign & *local* capital
- Educated management (foreign/local)
- Control of local labour
- Foreign and *local/elite* extraction of benefits
- Part of new wave of liberalisation & globalisation (1990s -

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