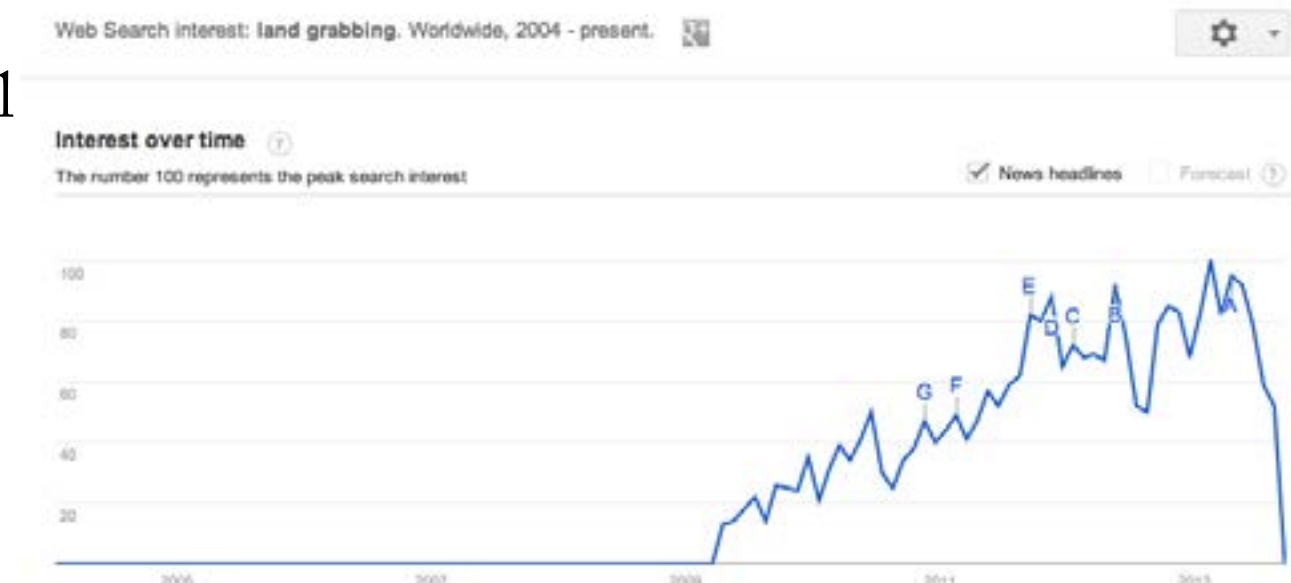


# Agricultural land leases in Ethiopia: a case study in narrative spread

## Abstract

Recent press and scholarly interest has examined large-scale land acquisitions in Africa as a new enclosure movement,<sup>1</sup> a speculative land rush,<sup>2</sup> a virtual water grab,<sup>3</sup> a strategy for (foreign) food security, or an agricultural modernization development strategy, among other angles. Much interest has focused on Ethiopia as being “on the forefront of handing out land”<sup>4</sup>. Within this interest, attention has centered upon Ethiopian “land grabs” involving biofuels<sup>5</sup> and land deals involving Indian investment.<sup>6</sup> This poster examines key arguments around the nature and motivation of these deals / grabs. It maps out the spread of discourses about land grabbing and the actors involved in their transmission, including the role of numbers. The purpose is to 1) understand the key arguments being made about the nature of “land grabbing” and the evidence for them, and 2) understand the network of actors disseminating ideas about the topic and their discursive influence. Both of these can contribute to the recent debate on methodologies<sup>7</sup> for researching large scale acquisitions.

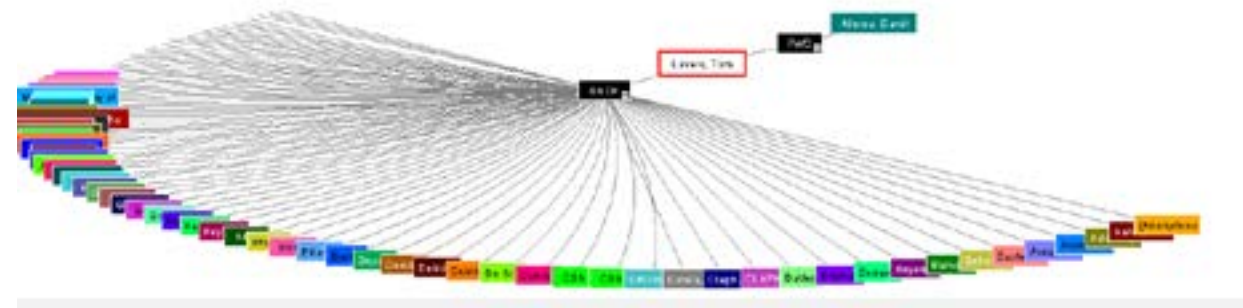


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1 (Makki and Geider (2011). Development by Dispossession: Land Grabbing as New Enclosures in Contemporary Ethiopia. Paper presented at International Conference on Global Land Grabbing, April 2011.  
2 Li (2012) What is Land? Anthropological Perspectives on the Global Land Rush. Paper presented at International Conference on Global Land Grabbing, October 2012.  
3 Bues, A. and Theesfeld, I. 2012. Water grabbing and the role of power: Shifting water governance in the light of agricultural foreign direct investment. *Water Alternatives* 5(2): 266-283; Bossio et al, 2012; Rulli et al, 2013)  
4 Abbink, Jon (2011): 'Land to the foreigners': economic, legal, and socio-cultural aspects of new land acquisition schemes in Ethiopia, *Journal of Contemporary African Studies*, 29:4, 513-535  
5 (Beyene, 2011; African Biodiversity Network, 2010; Temam, 2010; Lager and Nilsson, 2012; Moges, 2010; Negash, 2012)  
6 Carmody (2013): A Global Enclosure: The Geo-Logics of Indian Agro-Investments in Africa, *Capitalism Nature Socialism*, 24:1, 84-103; Rowden, 2011; Oakland Institute, 2013)  
7 See for example the 2013 papers by Scoones et al, "The politics of evidence: methodologies for understanding the global land rush", Edelman, Oya in the *Journal of Peasant Studies* 40:3.

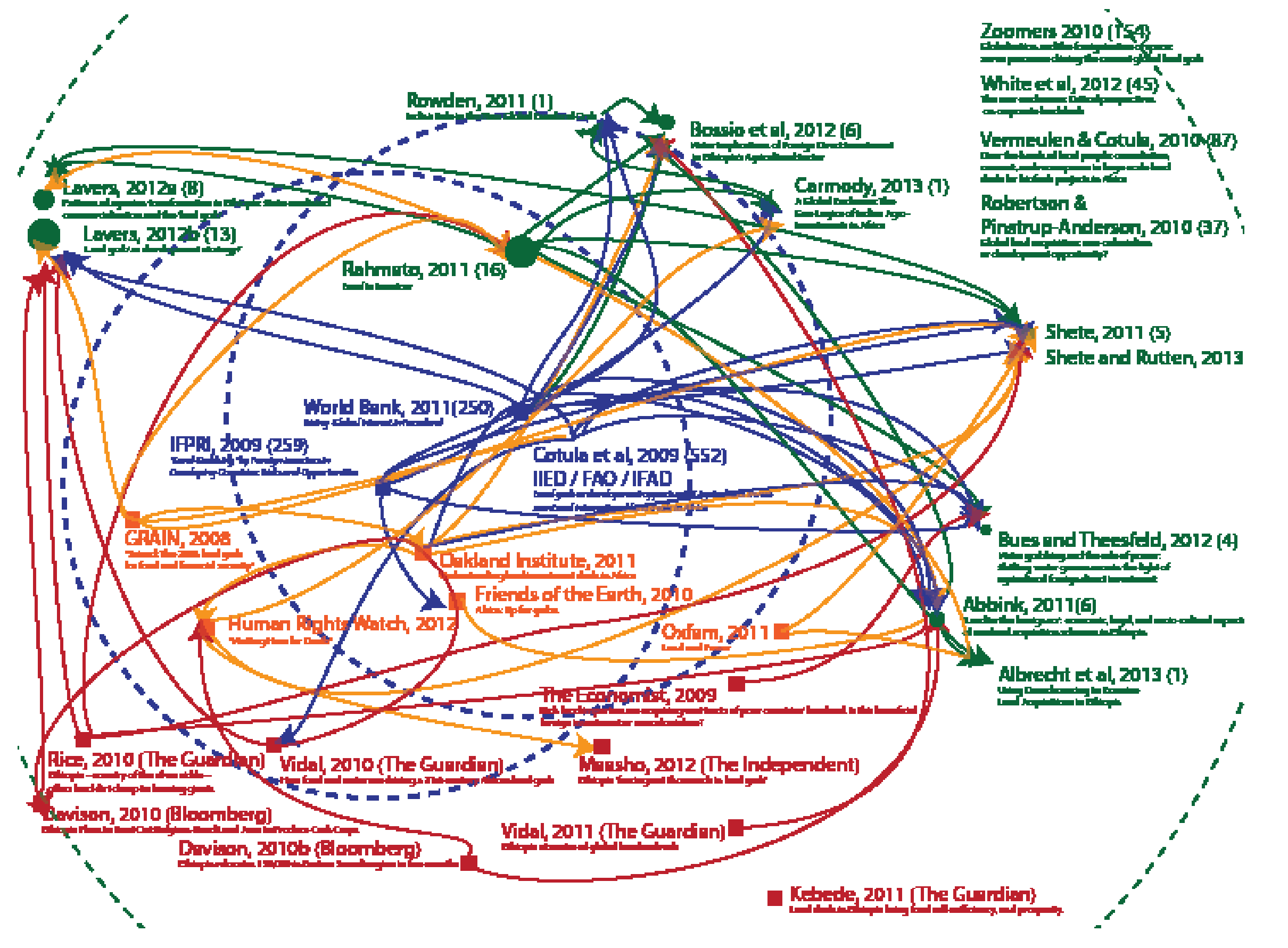
## Conceptual Diagram: citations and information flows

This diagram illustrates some of the key literature on land grabs / land leases in Ethiopia. Each of these academic papers cites about 80+ others, leading to a diagram looking like the one on the right for Lavers' 2012 paper, if you were to map out all the connections. However, it is rare for a paper itself to be cited 80 times: 10 or 20 citations per paper is more likely. You can see that Cotula et al's 2009 FAO / IFAD report had 552 citations (numbers derived from Google Scholar). The diagram below is merely a conceptual illustration which incorporates not just academic papers (green), but newspaper articles (red), NGO reports (orange), and institutional research (blue). The papers in the upper right are frequently cited papers on land grabbing more generally. Things to notice:



— Academics draw from all sources, but not all sources draw from academics: researchers or specialists have a hard time reaching the public sphere

— Press articles often draw on NGO reports, but then get cited by academics



## By the numbers

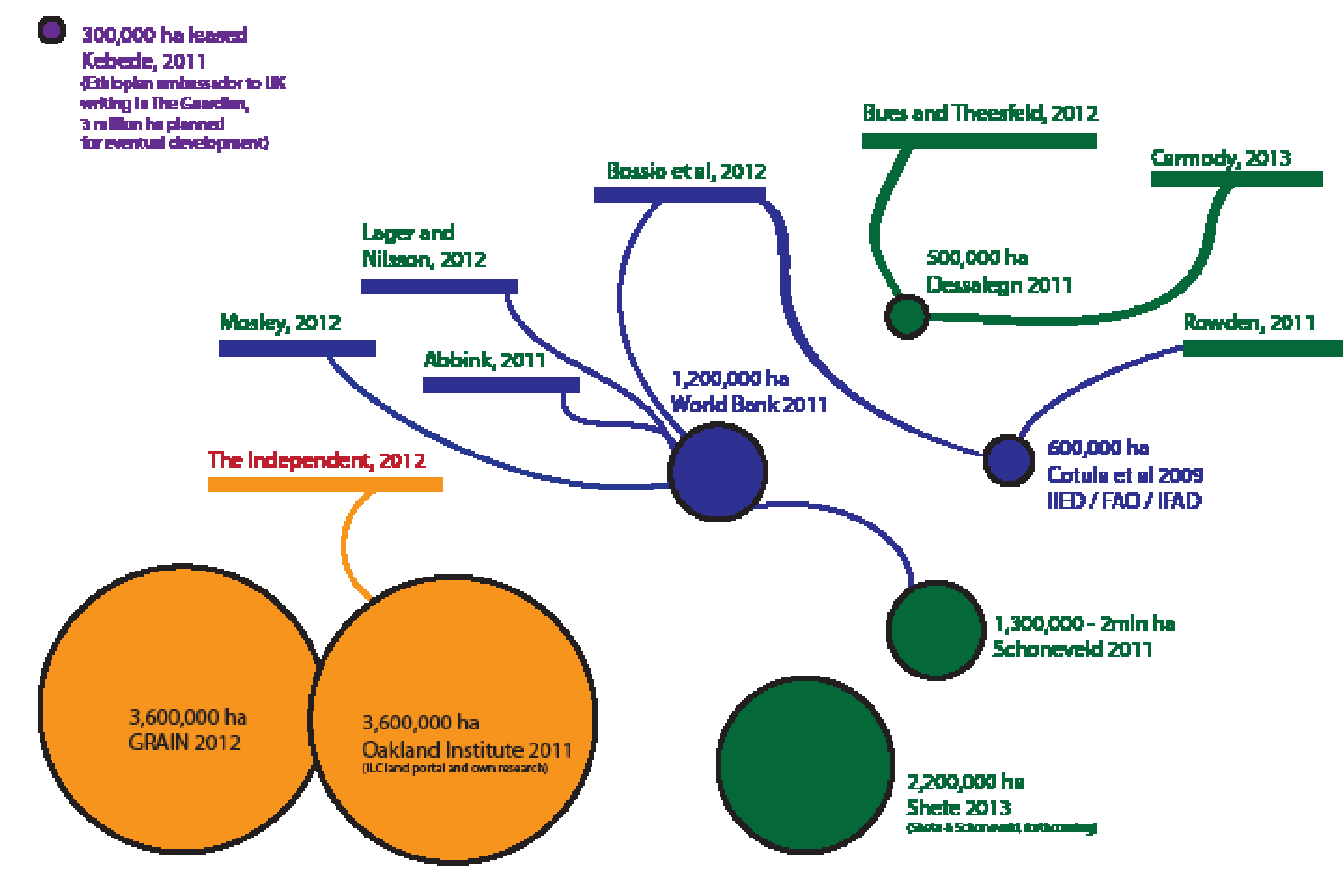
Estimates of the amount of land leased in Ethiopia range widely. This simple visualization illustrates the variability of the figures, and how papers which focused on land acquisitions in Ethiopia have cited these numbers.

Do the numbers matter? Yes, if there are just a few investments with large acreages and those end up collapsing: a seemingly widespread phenomena falls away rather quickly in that case. A large number of smaller investments constitutes much more of a pattern to interpret.

Ethiopia had a few “star” investments which were large and high-profile; other countries may have scores of smaller investments which is a different type of “land grab”. Basing an analysis on a few small investments can lead the analyst into an anecdotal fallacy, where a pattern is extrapolated from limited information.

### How much is a hectare?

Ithaca: 1580 ha  
Tompkins County: 123,000 ha  
Adirondack park: 4.8 million ha  
NY State: 14 million ha



## “Zombie land grabs”: failed deals that continue to be reported

— **Emami biotech**: pulled out of a deal for 40,000-hectare biofuel plantation a year after signing. “On December 22, 2010, the company wrote to the Oromia Investment Commission, claiming that only half the land initially allotted to Emami was suitable for agriculture, and even that land didn't have enough water. ... As per the letter, the company invested \$1.5 million in the project, dug several bore wells, and constructed a check dam. It also tried to grow maize, pulses, soybean and sunflower, “but all our hard works becomes in vain [sic],” the letter said” (Sethi, Oct. 2012, in *The Hindu*).

“[In Ethiopia] the cost of clearing land and making it into a farm is about \$1,500 per hectare,” said Bharat Kulkarni, Director, Stalwart Management Consultancy Services, a firm that advises those looking to invest in Africa. “Unfortunately, investors land up in Ethiopia without actually realizing this challenge.” Other factors include the high internal cost of transport, the absence of trained labour, government inefficiencies and the high costs of equipment.

— **Chadha group**: planned a 100,000 sugarcane project in August 2008; left in 2009 sans harvest (Sethi, Dec. 2010).

— **Global Energy Plc**: This castor outgrower scheme, operational from 2008–2011, involved 20,000 households. It failed due to poor weather and lack of farmer knowledge (interview, Addis Ababa, 2013) or poor yields (Lager and Nilsson, 2012), but provided fuel for many papers (Moges, 2010, Lager and Nilsson, 2012, Negash and Swinnen, 2012).

— **Karuturi's 300,000 ha**: The most infamous of land grabs in Ethiopia, the plantation in Gambella is frequently cited as “300,000 hectares” or 100,000 ha “with the option” for 300K. The lease was renegotiated in 2010 for 100,000, and out of that, just 5 percent is developed as of June 2013. According to the Minister of Agriculture, “We would like to get the land developed in a short period of time... [but] Karuturi, Saudi Star and the like, their implementation is not to our satisfaction” (Sethi, June 2013). Karuturi is severely in debt, and its stock price has tumbled.

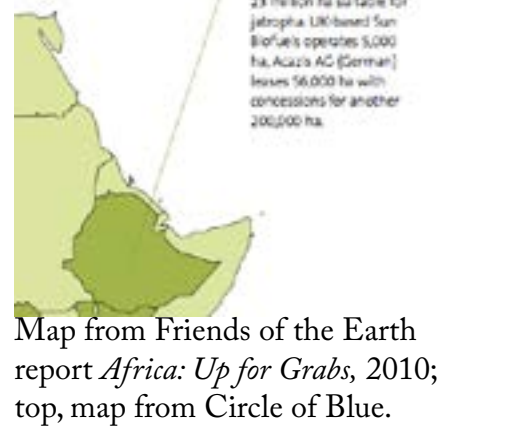
These examples, and interviews with researchers, journalists, and former entrepreneurs in Addis in May/June 2013, have led me to a tentative conclusion that it is very difficult to turn a profit growing large-scale cereal or biofuel crops in this context at this point, and the “land grab in Ethiopia” story is an artifact of a (very) recent era (i.e. 2008) when access to capital was cheap and fuel and food prices were high. However, that doesn't mean the story or interest in land grabs in Ethiopia is disappearing soon. The narrative has its own inertia.



## The shelf life of information in the contemporary media ecology

Information lasts. The brokerage of deals is often more newsworthy than their failures, and hence Google makes it easier to find info on the creation of a deal. Sometimes information gets absorbed into other platforms that don't get updated, as in this map application from Circle of Blue based upon GRAIN data, which still includes the failed Chadha deal.

Other times information that isn't quite valid gets replicated. The Ministry of Energy wrote a strategy document in 2007 which stated that Ethiopia had 23.3 million hectares available for biofuels. This was copied into reports, like this one from Friends of the Earth (2010), and persists even though the original document has hence disappeared.



## Spread & lifespan of stories - key narratives

— **Food and water security narratives, e.g. India is grabbing land because of food and water insecurity** (e.g. Rowden, 2011). However, India has had bumper crops that have been rotting in storage; this is more of a speculative (neo-Malthusian) argument than a presently existing situation, and ignores the difference between the Indian state and specific Indian companies interested in accruing capital.

— **The Ethiopian government is “doling out land” freely**. Less attention has been given to the extremely strict terms of the leases— companies have fixed time limits within which to produce products, otherwise they break the terms of the lease. This is designed to prohibit speculation—the GoE is interested in foreign exchange revenues, so it wants its lands in production. It doesn't serve its plans to dole out land freely. A minister in the Ethiopian embassy to India called activists “paternalistic” and wrote about the “condescending outlook reflected by many western institutions doubting the capability of African states to sincerely advocate the interest of their citizens” (Tadesse, 2013).

Stories that could be further explored include:  
— The role of domestic investors in land acquisitions (e.g. sesame, cotton)  
— Forced relocation around dams versus increasing domestic sugar production and electricity production

There are certainly many research needs regarding land in one of the world's most rural countries. This poster does not seek to minimize the research needs; merely to ask if research attention is being focused in the best places.

## A risk management framework for land acquisition research?

Most land acquisition researchers are aware of the limitations of their data, but proceed to publish anyway with the limited data they have. It could be better to look at the issue through a risk management framework. This implies two things:

- 1) Researchers can ask: is it more likely that this project will or won't happen? Researchers could write about proposed deals as if they are risks, not inevitabilities, and assess chances of success.
- 2) Researchers must aware that research does in fact produce risks. Firstly, there is a risk that writers are using attention that could be directed in other places (risk of missed opportunities elsewhere). Secondly, there is a risk that increased attention goes to help “perform” the land rush and, ironically, make speculative investments more attractive. Storylines about food or water or land scarcity, when made “official” or legitimized and spread to investors, help make these investments more attractive. The stakes for getting the evidence right are therefore quite high.

What can this study of the Ethiopian literature rush indicate for global land acquisition research?

- 1) The “global land grab” is heterogeneous. Local context— from the ambitious Growth and Transformation Plan of the Ethiopian government to the fact that it is landlocked— matters.
- 2) The “global land grab” may be as much moment as process or phenomenon. Further research into how and why deals fail can illuminate whether or not this is the case.
- 3) Greater attention to the actors and motivations producing “killer facts”, as called for in Edelman (2013) or Borras et al (2013), is key.