



Globalization, Large Scale Agricultural Investments and Local Discontents in western Ethiopia

The Forum for Social Studies (FSS) is a none-for-profit making, non-governmental organization engaged in development related policy research

♣ ♣ ♣

FSS disseminates its research outputs to policy/decision makers and other stakeholders, organizes public forums, and promotes policy dialogue.

♣ ♣ ♣

FSS has radio programs on FM 97.1 in Addis Ababa and Fana FM 103.4 in Shashemene that deal with a variety of public issues.

♣ ♣ ♣

Use our email address to send us your comments on the topics of this issue of the Policy Brief.

♣ ♣ ♣

email: fss@ethionet.et
website: www.fssethiopia.org

Introduction

Globalization, defined as the expansion capitalist modes of production and consumption, is penetrating to deepest frontiers of Ethiopia. This is especially the case in the form of land investments, as witnessed in the post-2008 peak of demand for agricultural land in the Global South. Based on desktop review of the available literature focusing on western Ethiopia, this policy brief argues that such modes of globalization processes ‘nullify’ society and production relations at the local level, and as such are very costly to the local community.

It should be stated that Ethiopia is peripherally integrated to global economic (as well as political and security) processes. Furthermore, insertion of Ethiopia to global dynamics will reinforce existing national level center-periphery relations and facilitate the center’s resource interests at the periphery. It will not be an exaggeration to state that, to Ethiopia’s technocratic elite of all regimes, the country’s vast western lowlands constitute an untapped resource ready to be exploited for the national good, as defined by the center . This ambition of turning the lowland peripheries under the control of man (and technology) has been an enigma since the early 20th century. This attempt invariably flew in the face of the dominant local cultures, livelihood and resource use regime.

The intention of this brief is to make the point that doing the same thing

time and again will not bring new results. Following the commercial farms in the Awash Valley of imperial times and state farms of the Derg times and without taking the major lessons from the factors which contributed to their failures, the Ethiopian Peoples’ Revolutionary Democratic Front (EPRDF) led government had its turn since the late 2000s. The EPRDF spotted an opportunity in what some called the global triple-F crises (fuel, food price and financial) of 2008, and aimed to outbid competitors in the rest of the developing, mainly African, world. As such, Ethiopia has ‘risen’ to be called “the epicenter of land grabs for food exports in Africa”. Indeed, Ethiopia won the race to the bottom: among others by having the cheapest land lease rate, putting no cost to water, and implementing a range of incentives.

The greatest majority of the investors were urban-based Ethiopians and the Diaspora, and very few foreigners. In terms of total land area leased however the few foreign investors hold the upper hand. In Gambella, for example, of the 420 investors who leased land until July 2012 only 12 were non-Ethiopians, while these very few investors amassed more than half of the nearly 400,000 ha of land leased in the region (Fana, 2016). One investment alone, the Karuturi Global, was leased 100,000 ha of land.

These investments which came with the hope of profiting from global crises were not harbingers of good news to the local agro-pastoral communities. They viewed it as dispossession,

a continuation of the dominant mode of their interaction with the Ethiopian state. Conversely, the government viewed the local community as an ‘impediment’, which had to be ‘removed’ by a scheme dubbed ‘voluntary villagisation programme.’ In Gambella and Benishangul-Gumuz regions—where large proportions of the regions’ land was put up for leasing in the first Growth and Transformation Plan period (2010/11-2014/15), as part of the more than 3.3 million hectares slotted to be transferred to investors in this period (Ministry of Finance and Economic Development 2010)—the entire rural population was scheduled to be villagised (Fana, forthcoming). The lack of trust of the government’s intention and the undertaking of the villagisation with little consultation translated into local resistance, and as such was implemented under subtle or blatant coercion.

In the peripheral western lowlands, land deals and villagisation constituted crucial aspects of the deployment of the Ethiopian developmental state. Despite the immense political commitment and huge financial investments, and the conducive international climate for this, the schemes failed miserably, including by the government’s own assessments. The failure could be attributed to a range of root causes, including corruption, infrastructure related challenges, weak follow-up and support from the government, and resistance of the local community. One of the major factors for this dismal failure is the resistance of the local community. Resistance took the form of ‘weapons of the weak,’ including ambushes, arson, evasion, false compliance and foot-dragging. While these modes of resistance could be placed at the center of the failure of the villagisation scheme, in the case of commercial farming these modes of resistance at the very least made large scale agricultural investments a riskier and costlier endeavor, and contributed to failure. The costs of the endeavors on the local community were immense: ranging from killings, becoming refugees and displacements, and food insecurity.

The lessons from these past experiences should not be for policy makers to simply ‘sit idle’ and disregard the state’s governing responsibilities in the western lowland peripheries, including of the land and water resources. This will be wrong on many levels: 1) without concerted policy attention the dismal level of access to public services will remain unchanged. It is mainly the economic opportunities that will

animate policy maker’s attention, by contributing to making such services affordable and accessible; 2) considering the food insecurity, high inflation of food prices, and huge unemployment, with its local and national implications (both on conflict dynamics as well as irregular migration) it will be irresponsible to not work towards utilization of these resources to produce food and to create jobs; and 3) if seen from the perspective of the western lowlanders, the pressure is already felt in a haphazard manner, and is likely to increase and intensify with the emerging economic liberalization/privatization. Therefore, policy attention will only be regulating and streamlining the already happening phenomenon, but with possibility of better care to the needs and concerns of the local communities.

Success in utilizing the western lowland resources sustainably and to the benefit of the local communities and other Ethiopians will be premised on reshaping the persistent mode of state-society relations undergirding the policy making process. The dominant view of the state towards local communities residing in the western lowlands is as irrational, backward and as in need of saving, which justifies the lack of consultation, and determined move to change their livelihoods. This needs to change, and to take them as capable, skilled and rational beings and communities to reason with (Gabbert, forthcoming). Minus this crucial social aspect of the work, focus on technological, capacity and infrastructure aspects of the deficits contributing to the failure will not bring the desired outcome of improving the life conditions of local communities and contributing to national economy. The simple, but very consequential, reason for this is that such investments take land areas much larger than one could secure against a dissatisfied local population. Accordingly, the following three major policy recommendations are made:

1) Development policy and practice should be centered on needs and interests of the local people

In past practices, local peoples’ needs and interests were either ignored or seen as peripheral to the main policy intentions. Thus, local people were required to adapt to policy ideas and the investments pushed from/by the center. The prevailing norm was convincing the local communities over an already decided issue rather than genuinely consulting them to enrich and adapt the policy thinking process to

local needs, let alone getting their consent. As such, delays and insecurity cloud sites of large-scale commercial farming. The central reason for this was mainly cultural, i.e., the thinking that government knows what is best and what works, and that the local communities do not. This needs to change if a genuine consultation and partnership is to be built. Moreover, past interactions between the Ethiopian government and communities invariably centered on economic issues. But land is much more than that, particularly if one adopts local perspectives to land. Identity and social organization to many communities in the lowlands get anchored to land. Thus, consultations should be much wider in the scope of issues to be deliberated on and of composition of the local community to be involved.

2) *Conduct comprehensive long-term land use planning*

Past experience shows that such investment projects were not implemented following a detailed, multi-scaled, comprehensive planning. A mainly piecemeal approach was applied. For example, when the Gibe III dam was under construction there was no publicly announced plan to establish the large sugar estates in the lower Omo valley. In Gambella, the plan for constructing and accompanying studies for a hydro-electric dam came after the land deals already peaked. Moreover, a detailed land use study (which is yet to be completed and made public) was carried out after sizeable investment was made

in Gambella;¹ ideally a study which should have preceded all works. Such a study will identify and allocate a land use type to all parcels of land, in a participatory manner. As such, it will help meet the delicate balance between contending interests: for example, conservation/environmental concerns, needs of the local community and large scale agricultural investment. Such detailed land use studies conducted at a river valley or regional level, although expensive and time taking, will help prevent many of the socio-economic and political challenges surrounding the large scale agricultural investment sector.

3) *Promote on-site value creation*

Industries utilizing agricultural inputs (such as cotton) produced in the western lowlands are far removed from the sites of agricultural production. While this could be justified by socio-economic and infrastructure related hindrances, the practice will help sustain and rigidify the already tangible gaps in various indicators between Ethiopia's highland and lowland regions. The promotion of on-site value creation will preclude the 'trickling up' of off-farm benefits of agro-industrialization to the highlands, and rather solidify economic gains in the western lowlands. While this promises economic gains at local levels, care should be taken to regulate large scale unregulated labour migration to the western lowlands, primarily considering its conflict implications.



Fana Gebresenbet (Dr.)

Source:- ፋና ገብረሰንበት (2012) ሰላላዊነት፣ ሰፋፊ የእርሻ ኢንቨስትመንቶች እና የአካባቢው ነዋሪዎች ምላሽ

Acknowledgment and Disclaimer

This Policy Brief has been published with the financial support of Open Society Initiative for Eastern Africa (OSIEA). The contents of the Policy Brief are the sole responsibilities of the author and can under no circumstances be regarded as reflecting the position of the OSIEA or the FSS.

Forum for Social Studies (FSS)

P.O.Box:- 25864 code 1000 Addis Ababa: Ethiopia

Tel:- 0111545605/06 Fax:- 0111545607

Email:- fss@ethionet.et

Website:- www.fssethiopia.org