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Foreign Direct Investments or Economic Exploitation of Developing Countries? A Critical Discourse on the Concept of `Land grabbing' in Africa

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Abstract
Since 2008 there has been a dramatic increase in foreign direct investments in large-scale agriculture in Africa. This has manifested in the acquisition, by foreign entities, of millions of hectares of lands in African countries and has given rise to the concept of `land grabbing in Africa'. This article critically evaluates various existing studies on the concept of `land grabbing in Africa', and argues that the dramatic rise in foreign investments in agriculture in developing countries does not necessarily mean `land grabbing'. The article proposes a significant distinction between large-scale foreign investments in agriculture, which African countries direly need, and the concept of land grabbing as commonly used in existing literature. The article cautions that the resounding shouts about land grabbing should not drown the urgent whispers of the necessity of foreign investments in large-scale agriculture to the economic productivity and development of African countries. The article points the way forward for African governments to ensure that foreign investments in large-scale agriculture do not result to economic exploitation or land grabbing but contribute to national productivity and economic development of the continent.
Keywords: Large-scale agriculture, land grabbing, foreign direct investment, African development, economic exploitation

1. Introduction

Countries in Africa are variously labelled `underdeveloped', `developing' or ``third world' that need the interventions of their developed and advanced western counterparts. Historically, such interventions have been in the forms of colonialization, socialization, democratization and, in contemporary times, globalization. Stripped of their imperfections in methods and ultimate purposes, these interventions have helped Africa to receive western education, overcome dictatorial and authoritarian regimes, enthrone representative democracy, recognize civil liberties and human rights, and follow the pathways to economic growth and development. In particular, the last quarter of the twentieth century witnessed African countries embraced globalization and its concomitant national economic liberalization as recommended by the developed countries and their institutions (Oakland Institute, 2011). Economic liberalization has facilitated international trade and encouraged foreign direct investments which African countries need to surmount the challenges of underdevelopment such as poverty, unemployment, non-existent social infrastructure and technological backwardness.

Instructively, Africa is noted to have abundant high value but idle lands which need to be agriculturally harnessed if the continent must attain rapid economic growth and development (World Bank, 2011). However, agriculture has been mostly neglected in many African countries. For example, in spite of vast arable lands Nigeria, Africa's largest country, depends almost entirely on crude oil resources, and the crash in oil prices in recent years launched the country into unprecedented economic recession which re-vibrated in the whole sub-Saharan African region. Up till the end of the twentieth century, African countries had called for foreign investments in the establishment of manufacturing companies and industries that generated employment and stimulated economic productivity (Hall, 2011). For over three decades hundreds of foreign corporations in the construction, manufacturing, financial, oil and gas sectors of African countries have contributed to the growth and development of African economy.

But since the beginning of this twenty-first century African countries have been actively inclined towards harnessing their agricultural potentials to solve the problems of unemployment and poverty. This inclination is due to the awareness that the expansive arable lands in Africa give the continent a comparative advantage in agriculture and the economic dangers inherent in continued reliance mainly on fortuitous and non-renewable natural resources as clearly exemplified by the Nigeria's case. Consequently, African countries had intensified their calls and drives for foreign investments in agriculture with offer of adequate lands. But foreign interest in agricultural lands in Africa has increased dramatically since 2008, resulting in large-scale acquisitions of lands in several African countries by foreign entities.

The various factors responsible for this upsurge of interest have been identified by many studies to include; the sudden rise in food prices between 2007 and 2008; the global economic melt-down of 2008 which originated from the crisis in the US housing and financial markets; increase in demand due to global population growth; changes in climate and food consumption patterns; and the surges in oil prices due to the Arab Spring uprisings, leading to the demand for the production of biofuels through the cultivation of jatropha, sugar cane and oil palm in order to ensure energy security (Cotula, 2012; Friis & Reenberg, 2010; Von Braun & Meinzen, 2009). The unprecedented high interest of foreign companies, institutions and governments to acquire large swathes of agricultural lands in African due to any, or a combination, of these factors, have since then been roundly conceptualized as the `second scramble for Africa land' or `land grabbing in Africa' (Camody, 2012; Cotula, 2012; Friis & Reenberg, 2010; Von Braun & Meinzen, 2009).

2. Foreign investments in large-scale agriculture versus land grabbing: Conceptual clarifications

The concept of `land grabbing' has been commonly and indistinctly used in relevant studies to explain or illustrate large-scale acquisition of land for agricultural investments in African countries by foreign entities (Cotula, 2012; Friis & Reenberg, 2010; Von Braun & Meinzen, 2009). The concept invokes an unrestrained desire and an unfettered decision of foreign entities to enter and take up large expanse of agricultural lands in African countries for the purpose of economic exploitation; it does not accommodate the recognition that host countries, as part of national policy towards economic productivity, often invite or embrace large-scale investments in agriculture by foreign entities. For example, Zoomers (2010) notes that at the root of global land grab is the adoption of neo-liberal development models under which many national governments in the developing world began processes which liberalised their land markets, a major policy goal in the 1990s.

The concept of land grabbing also conjures some sort of urgent novelty or a rapid beginning of large-scale investments in agricultural lands in African countries by foreign entities; it suppresses the fact that foreign corporations have been engaged in large-scale agricultural investments in Africa for many years, and mostly at the behest of African countries and governments (Friis & Reenberg, 2010). According to Smaller and Mann (2009), as a result of enabling land policy agricultural investments in Africa in the past came from Western companies seeking comparative advantages in their production for the global market. Foley et al (2005) have also noted that the increased demand for food in the twentieth century was mainly met by increased productivity and intensification of investments in agriculture by foreign agro-allied companies operating in African and Latin American countries where adequate lands are available.

According to the World Bank (2011), many poor African countries have suitable land available that is either not cultivated or produces well below its potential therefore the need for investments in agriculture in these countries by wealthy and technologically advanced nations had become a development issue since the last quarter of the twentieth century. Large-scale farming systems by wealthy and foreign corporations have since then been considered as a veritable tool to promote sustainable agricultural and rural development in African countries. The belief is that increased volume of foreign investments in agriculture can bring potential benefits to host economies in terms of introducing new technologies and crops to expand the productivity of land (FAO, 2009b; Werf, 2012).

Though the scale of investments in agricultural lands in Africa by foreign entities has exponentially increased in recent years, large-scale expansion of crop land is not also new. From 1990 – 2005, it is recorded that the land cultivated expanded by 1.9 million hectares per year, for a total of some 1.5 billion hectares cultivated globally, mainly in Africa, Latin America and the Caribbean (World Bank, 2008). From the World Bank study (2011), were it not for advances in productivity, especially the development of land-saving technology, much larger areas would have been brought under cultivation. And according to the predictions of the study, population growth, rising incomes, and urbanization would continue to drive demand for arable land in developing countries, millions of hectares of additional lands will be brought into production each year to 2030, and two-thirds of this expansion would be in Sub-Saharan Africa and Latin America, where potential farmland is most plentiful (World Bank, 2011).

Therefore, investments in agriculture through large-scale acquisition of lands in Africa by foreign entities was not originally considered as `land grabbing', neither was the steady expansion of crop land and the intensity of cultivation. Large-scale acquisition of land in Africa for agricultural purposes by foreign companies constituted foreign direct investment which was expected to contribute to poverty reduction, rural development and overall economic growth and development of host African countries. On the other hand, the foreign investors were entitled to returns on their agricultural investments and such returns were not considered as economic exploitation. Thus, the concept of land grabbing has to be distinguished from foreign investments in agricultural lands in Africa which are mutually beneficial to host countries and the foreign investors.

According to relevant literature, land grabbing is `the acquisition or long-term lease of large areas of land by investors' (De Schutter, 2011) or `large-scale, cross-border land deals or transactions that are carried out by transnational corporations or initiated by foreign governments' (Zoomers, 2010). Studies have identified 2008 as the birth year of land grabbing in African and proffered various factors driving the phenomenon since that year. In `Land Grab or Development Opportunity: Agricultural Investment and International Land Deals in Africa', Cotula, Vermeulen, Leonard and Keeley (2009) noted that the immediate factors which underpin land grabbing are attributed to the escalation of food prices which spiked in 2007 to 2008.

Other structural factors, according to Chamberlain and Rogerson (2009) in `Agricultural Land Grabs in Africa: Scope, Patterns and Investors', include the expansion of demand occasioned by the continued growth of global population; increased competition for land from the advance of urbanization processes; changing consumption patterns for food, and a slowdown in the rate of increase in agricultural productivity consequent upon soil erosion and depletion of water sources due to climate change. Von Braun and Meinzen-Dick (2009), in `Land Grabbing by Foreign Investors in Developing Countries: Risks and Opportunities', also identified these same factors of land grabbing beginning from 2008. Since that year, a growing influx has occurred of private investment into the agricultural sector in general and in farmland in developing countries in particular (Blumenthal, 2009).

As noted by Blumenthal (2009) in `Investors' Perspectives on Farmland. In: Land Grab? The Race for the World's Farmland', with the collapse of the financial derivatives market in 2008, portfolio diversification has been a major driver in channelling more funds into agriculture in developing countries where land costs in relative terms have been cheap. Carmody (2012) argued in `A Global Enclosure: The Geo-logics of Indian Agro-investments in Africa' that the phenomenon of land grabbing is a feature of the current round of globalization related to the deepening commoditization of land. Similarly, in `Globalisation and the Foreignisation of Space: Seven Processes Driving the Current Global Land Grab', Zoomers (2010) opined that liberalisation of land markets in developing countries as a result of globalization was accompanied by rapid increases in foreign investments in agriculture which triggered the appearance of new actors in the control and use of land.

However, in `Land Grab in Africa: Emerging Land System Drivers in a Teleconnected World, Friis and Reenberg (2010) divided the driving forces of land grab in Africa into direct or proximate and indirect or underlying driving forces. Proximate causes are human activities or actions that alter land use in a given locality, such as expansion of crop land while underlying driving forces are, in contrast, the forces and processes in society which constitute the basis of the proximate causes. The authors argue that underlying driving forces operate at the regional, national or global levels such as changing market conditions, population growth, institutional factors or changes in resource property rights. The proximate and underlying driving forces are interlinked in complex positive and negative feedback mechanisms and the land use outcome of a number of given factors depends on the context.

For example, according to Friis and Reenberg (2010), the globalization of the economy implies that local land use changes are increasingly driven by demands for products that are part of commodity chains with a large spatial span. And as noted in a World Bank study (2011), local human needs and local capital input are not necessarily as important determinants for land use decisions as was the case in many land use systems before the global acceleration of the economy, and in addition, the globalization of communication and knowledge has influenced global land use patterns through technological changes and developments. Consequently, from the different factors driving land grabbing in Africa as identified by the various studies, the phenomenon is dependent upon time and space continuum.

As an instance, the World Bank study (2010) `Rising Global Interest in Farmland: Can it Yield Sustainable and Equitable Benefits?,' noted that while the 2008 commodity boom dramatically increased interest in agricultural lands as a potential investment, especially in Sub-Saharan Africa, a key reason for this was that policy distortions against agriculture, especially exports and low public investment in rural areas, had reduced foreign investment incentives, thus limiting the development of Africa's agricultural potential. Structural issues arising from long-standing neglect of technology, infrastructure, and institutions also limited interest in large-scale agricultural investments and these issues, in many cases, contributed to disappointing performance of foreign-sponsored commercial cultivation of bulk commodities, where Sub-Saharan Africa has a comparative advantage. But the elimination of many of these structural deficiencies over the past two decades has allowed agricultural growth to accelerate and paved the way for renewed foreign investors' interest in agricultural lands in Africa (World Bank, 2011).

Therefore, in determining whether large-scale agricultural investments in lands by foreign entities amount to land grabbing, what is to be considered ought not to be the factors that contributed to the dramatic increase in foreign investments in agriculture in African countries since 2008. Such increase had been rightly predicted in light of globalization and the unfolding developments in national policies such as economic diversification in agriculture, and improvements in land laws and governance of African countries prior to the global coincidences of 2008. A more realistic understanding of the concept of land grabbing has to be based on the salient features or characteristics of large-scale agricultural investments in lands in African countries by foreign entities.

Accordingly, a different perspective from relevant literature is that in determining whether rising investment in large-scale agricultural lands by foreign entities is effectively land grabbing, it is its features such as the type of investors, the objectives of investments and the manner of foreign acquisition of agricultural lands that ought to be considered, and not the increase in scope or volume of investments which are dependent on local, national, regional and global dynamics. This is a conceptual clarification or distinction between increase in large-scale agricultural investments that benefit host countries and land grabbing which is a form of economic exploitation. The distinction is significant as it enhances a clearer understanding that increase in large-scale investments in agricultural lands by foreign entities does not necessarily imply land grabbing. Put conversely, land grabbing is not necessarily the increase in large-scale investments in agricultural lands by foreign entities but by the salient features of such foreign investments. In the next section, these features such as the type of foreign investors, the objectives of investments and the manner of foreign acquisition of large-scale agricultural lands are considered in order to properly determine the concept of `land grabbing in Africa'.

3. The concept of `land grabbing' in Africa

Global land grabbing, White (2010) noted, is an epitome of an on-going and accelerating change in the use of land; from small-scale, labour-intensive uses like subsistence agriculture, toward large-scale, capital-intensive, resource-depleting uses such as industrial monocultures, raw material extraction, and large-scale hydropower generation – integrated into a growing infrastructure that link extractive frontiers to metropolitan areas and foreign markets. Thus, land grabbing needs to be seen in the context of the power of national and transnational capital and their desire for profit, which overrides existing meanings, uses and systems of management of the land that are rooted in local communities (Daniel & Mittal, 2010; White, 2010). According to Wily (2012), contemporary practice of land grabbing in Africa involves the purchase or lease of large tracts of land by foreign nations and companies for agricultural production. These land acquisitions differ from most foreign agricultural investments of the past because the investors are mainly resource seeking instead of market seeking (Wily, 2012). Therefore, the foreign investors are effectively using the land of a country solely for economic exploitation and not foreign direct investment that is mutually beneficial to the investors and host countries and communities. This is because such acquired lands are used in harmful ways and for exclusive purposes. For example, agricultural uses include monocultures and non-agro-ecological methods while other uses include land speculation, commodification, resource control and extraction, with the effect that local peoples do not benefit from the resources (Daniel & Mittal, 2009). Land grabbing is therefore the capturing or control of relatively vast tracts of land through a variety of mechanisms and forms that involve large-scale capital that often shifts resource use orientation into extractive character, mostly for international purposes, as capital's response to the convergence of food and energy crises leads to increase in demands for resources from newer hubs of global capital (European Coordination via Campasina [ECVC], 2013).

The comprehensive definitions of land grabbing by the Tirana Declaration (2011) and the ECVC (2013) bear out the salient features of land grabbing to be about those that acquire large-scale agricultural lands, how they are acquired and the type of use or investment to which the agricultural lands are put. According to Mcnellis (2009), the range of investors is diverse; governments, sovereign wealth funds, large private investors, agro-businesses, and investment funds such as hedge and pension funds. But originally, as noted by Carmody (2012), private agro-companies gained control over lands in foreign countries to take advantage of suitable growing conditions for cash crops, and while these plantations still exist, new players with different investment objectives have emerged. There is therefore a great diversity of new international investors with different selfish investment objectives in large-scale agricultural lands that answer to the definition or description of land grabbing. For example, it is shown that Middle Eastern countries like Saudi Arabia, Qatar, Kuwait and United Arab Emirates have become the biggest investors in African agricultural lands (Cotula, Vermeulen, Leonard, & Keeley, 2009).

Contemporary foreign investments in agricultural lands in African countries are increasingly driven by the overriding desire to secure lands for the domestic food and energy needs of the different foreign investors (Smaller & Mann, 2009). Unlike private corporations and agro-business that ventured into few of African countries since the last quarter of the twentieth century, the new investors are predominantly oil-rich but food-insecure Gulf States and populous but capital strong countries in Asia like China, South Korea and India, including Malaysia and Singapore (Görgen, Rudloff, Simons, Üllenberg, Väth and Wimmer 2009; Von Braun & Meinzen-Dick, 2009; Smaller & Mann, 2009). But before these latter entrants in large-scale investments in agricultural lands in Africa, it had been pointed out that most acquisitions of agricultural lands in Africa were by European corporate investors. In particular, corporations from the United Kingdom were reported to have interests in agricultural projects across African countries such as Madagascar, Malawi, Kenya, Ghana, Mozambique, Tanzania and Zambia (Werf, 2012).

But unlike European corporations, investors from the Gulf States and Asia are mostly government sovereign wealth funds and state-owned enterprises with massive presence in Sudan, Ethiopia, Cameroon, Somalia, Mali and the Democratic Republic of Congo (Friis & Rogerson, 2012). Cotula (2011) has reported that North Atlantic states also sponsor foreign government-driven investments in large-scale agricultural lands in Africa through the enforcement of rules allowing for a greater financialization of capital that increased speculation in food markets, and through key policies, such as those related to mandatory agro-fuel blending in petrol and diesel. It is these types of investors that have changed the objectives of foreign investments in millions of hectares of African agricultural lands in a way that has become known as land grabbing in Africa. A close examination of these investors and their investments reveals that the increase in foreign investments in African agricultural lands in recent years is mainly for the economic benefits of the foreign investors and to the grave socio-economic disadvantages of host countries.

For example, relevant studies are agreed that the interest of the Gulf States and Asian countries in African agricultural lands was spurred by the desire of these food importing countries to prevent or reduce their dependence on the market for their food supply (Chamberlain & Rogerson, 2012; Cotula, et al, 2009; Friis & Reenberg 2010; Von Braun & Meinzen-Dick, 2009; World Bank, 2011). According to De Schutter (2010), the global food price rise of 2007 to 2008 convinced many food importing governments that international markets would be less reliable and more volatile in the future, and that these markets could not be trusted to provide a stable supply of food commodities. In order to achieve food security or stability of supply, buying farmlands – outsourcing food production – was seen as more assuring than buying on the international markets (De Schutter, 2010).

Therefore, as noted by Zoomers (2010) food-insecure governments reliant on imports of food to supply their domestic populations sought to outsource their domestic food production by buying or leasing vast areas of farmland abroad for their own offshore food production. For example, in order to secure direct control over food supplies the Qatar government established Hassad Food, part of the Qatar Investment Authority, which considers the achievement of food security for Qatar as the first point of its strategic mission (Cotula, et al, 2009). It has been asserted that it is the objective of food security that also underlies the increase participation of China, India and South Korea in investments in large-scale agriculture in Africa (Cotula, et al, 2009).

With similar selfish economic objective, the pattern of investments of European companies in African agricultural lands has shifted from the original food crops to industrial crops for the production of biofuel towards ensuring energy security. According to Cotula, et al (2009), driven by expected supply constraints and price volatility, especially due to political instability in oil-rich Gulf States, and negative climatic impacts, Europe and North America embarked on investments in finding alternatives to fuel. Even with fall in oil prices in the last few years, its notorious volatility and increased global awareness and commitment to clean energy continue to drive Western investments in biofuel. This has led to increase in the demand for the production of biofuels and therefore, European and American corporate investors in large-scale agriculture in Africa countries have expanded their land holdings mainly for the cultivation of biofuel crops like jatropha, sugar cane and oil palm (Cotula, Dyer, & Vermeulen, 2008; Cotula, et al, 2009; Weis, 2010). According to Sorda, Banse and Kemfert, (2010), in order to stimulate producers to reach targets, financial incentives have been put in place such as favourable tax rates and subsidies, hence the rush for more lands by the foreign companies.

Examples from relevant studies include: Somdiaa, a French based sugar company, which grows sugar cane in four West African countries; GEM Biofuels Plc, a UK corporation with hundreds of thousands of hectares of land holding in Madagascar; and the Norwegian based ScanFuel Africa, which has signed a deal for 400,000 hectares in Ghana for the production of jatropha (Chamberlain & Rogerson, 2009; Cotula, et al, 2009). Foreign companies that have diversified from food crops to industrial crops, and more demand for lands, include Malaysian company, Sime Darby, with plans to establish rubber plantations in Liberia and Cameroon, and Singapore-based Olam International which has signed a land deal in Gabon covering 700,000 hectares for timber and palm oil production (Friis & Reenberg, 2010; Von Braun & Meinzen-Dick, 2009). For the purposes of food security and energy security, all these foreign investments in agriculture are targeted toward developing countries where land is abundant and production costs much lower. But evidence in available studies reveals that African countries are mostly targeted both for the production of food crops and biofuel crops (World Bank, 2011).

However, the way these foreign investors acquire large-scale agricultural lands for their selfish investment objectives constitute the most defining element that qualifies their foreign investments in agricultural lands as `land grabbing'. Acquisitions are mostly done with only the connivance of governments and public officials without informing the local communities whose lands are been re-allocated until the foreign investors come to site for commencement of the projects (Peluso & Lund, 2011). For example, Borres, Fig and Suarez (2011) found that part of the vast land allocated to a foreign company, ProCana, in southern Mozambique was already assigned to the relocation of people previously living in the newly formed Limpopo National Park; and the fact that ProCana was nonetheless allocated the land in conflict with pre-existing land use planning raises issues as to which of the competing interests – biofuels, natural park or resettled communities – were being prioritised. The affected communities were not informed during the formal contract, and at the commencement of the project the company was also reported to have encroached on the land the local population used as source of wood to build their houses. The Mozambican government has however closed down the ProCana operations less than three years after the allocation due to non-compliance with the investment plan (Borres, Fig & Suarez, 2011).

In Nigeria, an American company, Dominion Farms Limited, acquired 30,000 hectares of lands that had, for countless years, provided major ecological and hydrological functions, and are a major source of livelihoods for the people and farmers of Gassol, and other neighbouring communities in Taraba State of Nigeria (Environmental Right Action/Friends of the Earth Nigeria [ERA/FOEN], 2015). The acquisition was brokered only by the Nigerian and Taraba State governments' officials without public knowledge while the local communities were not informed. According to the Center for Environmental Education and Development (CEED, 2015), the acquisition clearly undermined the capacity of the local farm communities to produce food and earn their livelihoods. The affected communities were said to have resolved to mount a combination of legal resistance, peaceful protests and demonstrations to stop the project from going ahead (CEED, 2015). Such protests by local communities have been responsible for the cancellation of agricultural projects by foreign investors. For example, Daewoo Logistics had signed a lease agreement with the Malagasy government for 1.3 million hectares but protests by the local communities against loss of access to land forced the company to cancel the project (Uellenberg, 2009).

4. Socio-economic impact of land grabbing in Africa

It is the type of investors, the objectives of investments and the manner of acquisition of large-scale agricultural lands in African countries by foreign investors that can support the concept of land grabbing in Africa. From the discussions in the preceding section, the socio-economic impact of land grabbing is self-evident; displacement of local communities and loss of source of their livelihoods, giving away arable land gratuitously or far below its potential value for national use, generation of negative economic and social externalities, encroachment on lands not transferred to the investor thereby depriving local communities access to land for agricultural purposes, amongst others. Relevant studies show that, so far, the impact of land grabbing on rural poor communities and ecosystems has been largely negative (Chamberlain Rogerson, 2012; Cotula, et al, 2009; Friis and Reenberg 2010; Von Braun and Meinzen-Dick, 2009; World Bank, 2011).

According to McCarthy, Vel, and Afiff (2012), local people are being expelled when their land is needed, but their labour is not, and what often follows if promises have been made, is a trail of broken agreements around such issues as payment for damages, resettlement in improved conditions, and compensation. In cases of expulsion, the loss of land which at least provided a minimum subsistence is one of the biggest losses possible for people living at the margins (World Bank, 2011). As noted by Friis and Reenberg (2010), in many of the recipient African countries land tenure systems are customary and the local people rarely hold formal legal rights to the lands they depend on for subsistence living. Land is state property, providing the government with the rights to lease or sell land that is in reality used by local farmers. Many of the land acquisition contracts include infrastructure development or other technical improvements, opening up to a potential conflict between the economic interest of the host country government and its poor agricultural population (Von Braun & Meinzen-Dick, 2009).

The impact of land grabbing can thus be severe on the local population and the environment, resulting to agricultural intensification, forest degradation, increase in local food insecurity and hunger. According to Cotula, et al (2009), the potential for increase in poverty in host countries is that there are no institutional mechanisms in place to prevent the total export of the harvest from food crops production and in the case of biofuel crops these are in direct competition for resources with food crops. Therefore, rather than increasing the food security of the host countries, they are adversely affected, particularly as some host countries are themselves already faced with food security challenges. The impact of land grabbing on food security, forceful dispossession and displacement of local communities in host countries also undermines the human, socio-cultural and economic rights of the affected people under international Covenants and legal norms (De Schutter, 2010).

5. Preventing land grabbing and encouraging foreign investments in large-scale agriculture in Africa

Land grabbing has dire socio-economic impact but Africa countries need foreign investments in large-scale agriculture because of its potential to contribute to job creation, infrastructure development, improvement of rural livelihoods, and national economic productivity and development (Wily, 2010; World Bank, 2009a; 2010; 2011). Therefore, the task is how to encourage foreign investments in large-scale agricultural lands in Africa and prevent the type of investors and the objectives of investments that make foreign acquisition of large-scale agricultural lands become economic exploitation or land grabbing. The World Bank (2011) is a leading voice in the proposition that the recent increase in foreign investments in large-scale agriculture in developing countries in Africa and other continents constitutes a potential opportunity for economic productivity and rural development under certain conditions that minimise or avoid its possible negative social, economic and environmental impact.

In a comprehensive study which carefully (and rightly, in the view of this author) avoided the use of the term `land grabbing', and instead referred to it as `rising global interest in farmland', the World Bank (2011) favoured foreign investments in large-scale agricultural lands in developing countries but advocated for its regulation between governments and the foreign investors. Its advocacy is premised on the belief that foreign investments in large-scale agricultural lands can ensure that benefits from the investments are shared between the investors and the local communities if good governance is guaranteed through strengthened property rights, environmental and labour standards, greater community consultation, and the use of some international governance mechanisms such as transparency and accountability in agricultural land deals.

In collaboration with other international development partners (FAO, IFAD, UNCTAD, 2009b; 2010) the World Bank (2011) has therefore formulated seven principles that all stakeholders in foreign investments in large-scale agricultural lands should adhere to for such investments to do no harm, be sustainable, and contribute to socio-economic development of host countries. These principles are: (a) Respecting existing rights to land (b) Ensuring food security (c) Ensuring transparency, good governance, and a proper enabling environment (d) Consultation and participation (e) Responsible agro-investing (f) Social sustainability and (g) Environmental sustainability (World Bank, 2011). Essentially, these Principles encourage governments of host countries and the foreign investors to recognize and respect the land rights of local communities who already depend on lands to be acquired, and that they are consulted in order to obtain their consent which should be documented and enforced.

Consultations and the entire processes for acquiring agricultural lands and making the investments should be transparent and the accountability of all stakeholders should be incorporated within a legal and regulatory framework. Foreign investors should accordingly ensure that agricultural projects are executed within such framework while investments should be economically viable so as not to jeopardize food security, social and environmental sustainability, and local communities' livelihood. While these principles are aimed at ensuring that foreign investments in large-scale agricultural lands are mutually beneficial to host countries and the foreign investors, institutionalizing the Principles can also effectively prevent the phenomenon of land grabbing in Africa.

The suggestions and recommendations towards preventing land grabbing in Africa as contained in relevant studies are strikingly similar to these World Bank-led principles for Responsible Agro-Investment (RAI). For example, Cotula, et al (2009) recommended that a careful assessment of local contexts is critical, as well as long-term engagement with local interests, not just elites only, before deals of foreign investments in large-scale agricultural lands are concluded; that state-of-the-art assessments of the social and environmental impacts of proposed agricultural investments are carried out so that land contracts can be structured to maximise the investment's contribution to sustainable development and; that collective registration of community lands can be a potential powerful tool for protecting local land rights vis-à-vis foreign investors, while international development agencies should assist to address the lack of clear and easily accessible information on land acquisitions and agricultural investments.

Other similar recommendations include making local people to be aware of their rights, the value of their land, and ways to contract, and have assistance in analysing investment proposals, negotiating with investors, monitoring performance, and ensuring compliance (World Bank, 2011). Also, rights to land need to be recognized, clearly defined, identifiable on the ground, and enforceable at low cost; these include rights to lands managed in common areas, state lands, and protected areas. This is to ensure that local people benefit from foreign investments in agricultural lands and that the foreign investors enjoy tenure security that encourages them to make long-term investments (World Bank, 2011). These suggestions and recommendations have been made not for the purpose of ending or preventing foreign investments in large-scale agricultural lands but to ensure that such investments would mutually benefit both the investors and host countries.

Therefore, what is instructive is that the increase in foreign investments in large-scale agricultural lands in Africa countries should not be commonly conceived as land grabbing. Such conception intrinsically denies or undermines the necessity and benefits of foreign investments in large-scale agriculture to African countries. Also, such conception is capable of restraining potential investors while halting existing investments. Rather than such common but faulty conception, the collective focus of African countries and governments should be on ensuring that the type of investors and the objectives of investments are those that would contribute meaningfully to the overall economic growth and development of host countries. And also, that the manner agricultural lands are acquired by foreign investors does not undermine the livelihoods and social-economic well-being of local communities.

6. Conclusion

For many years in African countries, the importance of the agricultural sector was not appreciated hence there were no serious governments' investments in the sector. The availability of vast arable lands however attracted foreign investors who were subsequently encouraged to expand their investments, mainly in food crops production, by liberal trade policies, improved land laws and other enabling structural and institutional reforms. These reforms and other incentives were introduced to attract large-scale foreign investments in the agricultural sector when African governments realized the importance of agriculture to national productivity and economic growth and development. But the dramatic increase in foreign investments in large-scale agricultural lands in African countries has been conceptualised as land grabbing in Africa. This article reveals that it is not the increase in foreign investment in agricultural lands that amounts to land grabbing in host countries but its salient features such as the type of investors, the objectives of investments and the manner in which agricultural lands are acquired by foreign entities. These features of foreign investments in large-scale agriculture indicate investments that are mainly for the economic interest of the foreign investors hence the concept of land grabbing. The implication of land grabbing in Africa is the economic exploitation of host African countries.

However, a clear distinction needs to be made between land grabbing and foreign investments in large-scale agriculture that benefits host countries. Such distinction is imperative so that the resounding shouts about land grabbing do not drown the urgent whispers of the necessity of large-scale foreign investments in agriculture to the economic growth and development of African countries. Therefore, Africa must encourage foreign investments in large-scale agriculture due to its potential to contribute to employment, national productivity, rural and infrastructure development, and the overall economic growth and development of the continent. But African governments must institute appropriate legal and regulatory framework to prevent the type of foreign investors, the objectives of investments and the manner of foreign acquisition of agricultural lands that result to economic exploitation or the concept of `land grabbing in Africa'.

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