

A09 - Are large scale land acquisitions leading to "commons" and "resilience-grabbing"?

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Panel Convenors:

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This panels addresses the issue of institutional change in the property regimes of common pool resources related to land in various contexts. It extends the view on the Large Scale Land Acquisitions (LSLA) by focussing on the impact of LSLA on land and related common pool resources such as water, forestry, non-timber first products, pasture, game etc. European Investment often pays attention to voluntary guidelines and CSR policies in which a) land owners shall be compensated and b) former land users shall profit from getting access to wage labour. However, evidence from 11 research projects at the University of Bern on the issue indicate a dual type of institutional change with problematic consequences:

First, investments in the global south, namely but not exclusively in African contexts, is based on a transformed notion of property: Whereas in pre-colonial institutions land and related common pool resources did not belong to single individuals but rather collectively by group of members coordinated by leading actors, this notion is transformed to a notion of "customary tenure" that is de facto privatization of land controlled by leaders and their heirs who were part of the colonial administrative system. The second transformation takes place in the institutional change of land related common pool resources from common property to state property followed by a process of institutional fragmentation and disconnect of resources, which are interrelated in ecosystems: Common pool resources are since colonial and post-colonial times managed in separated administrative organisations (ministries) that base their governance on fragmented formal institutions (legislation on water, forests, agriculture/veterinary services, fisheries, conservation etc.), often without coordination.

Under these two conditions LSLAs create a double effect: First, access to former communally held lands is no longer possible as former members of a territory are excluded from the land now controlled by the elites and thus cannot ask for compensation when LSLA takes place. Second, access to common pool resources, which is often crucial marginalized members of communities (differences by wealth, age and gender) is no longer possible or not viable anymore as common pool resources deteriorate as a result of LSLAs off site effects namely of reduced or more variable water resources availability. Under LSLA constellations it is the state that provides investors the right to use common pool resources (especially water) or to reduce common pool resources that make way for alternative uses of the land (pasture transformed into irrigated fields, forests cleared, wildlife reduced etc.). Former commoners and related user groups (f.e. pastoralists) therefore find themselves excluded. These changes challenge food security and reduce the capability of actors to meet cash needs from common pool resources, while wage labour is absent (f.e. direct sale of fish and veldt products or sale of secondary uses (access to pasture provide milk for sale and access to water that provides options of vegetable production for sale, etc).

LSLAs seem to undermine these strategies and we look for papers which unpack these processes in concrete case studies. But we are equally interested in unpacking local strategies of collective action, resistance and possible options for institution building in the context of water governance affected by European investments, but papers dealing with other cases are welcomed as well.

Effects of foreign direct investments on water resources and its relevance for common pool resources

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Despite numerous articles on the drivers of large-scale land acquisition (LSLA) and its impacts on societies, the economy, and natural resources, the effects of agricultural investments in land on water resources have received only limited attention. Based on a journal article [1], this paper examines the validity of the assumption that international large-scale land acquisition (LSLA) is motivated by the desire to secure control over water resources, which is commonly referred to as 'water grabbing'. To this purpose, we analyse the effects of 475 intended or concluded land deals recorded in the Land Matrix database on the water balance in and how these effects relate to water stress both host and investor countries. The analysis shows that implementation of the LSLAs in our sample would have the potential to further increase water savings through virtual water trade by 8.7%. However, this study also clearly shows that the effects of LSLA on water resources risk further aggravate competition over water in a number of host countries, namely in 15 sub-Saharan states. From an investor country perspective, the analysis reveals that countries often suspected of using LSLA to relieve pressure on their domestic water resources – such as China, India, and all Gulf States except Saudi Arabia – invest in agricultural activities abroad that are less water-intensive compared to their average domestic crop production. Conversely, large investor countries such as the United States, Saudi Arabia, Singapore, and Japan are disproportionately externalizing crop water consumption through their international land investments. Statistical analyses, among others, show that land investments originating in water-stressed countries have only a weak tendency to target areas with a smaller water risk. To better deal and mitigate the negative effects of LSLAs on water resources a major policy challenge is to find appropriate governance mechanisms for investments in agricultural land. These mechanisms must be able to deal with the specificities of water as a resource, which is by nature variable over time and moves across administrative levels, political boundaries, and biophysical contexts. From a local perspective, adequate regulatory or legal provisions for guiding investments and for ensuring availability of and access to water for other user groups at different geographical locations are often lacking. A promising way of tackling LSLA-related water issues is offered by the principle of subsidiarity, which requires that policies and instruments at local and basin scales are complemented with regional and global regulations and binding guidelines on investment in agriculture, including specific provisions for water as a common pool resource.

References: 1. Thomas Breu, Christoph Bader, Peter Messerli, Andreas Heinimann, Stephan Rist, Sandra Eckert. 2016. Large-scale land acquisition and its effects on the water balance in investor and host countries. PLOS ONE (in press)