

'Land grabs' and foreign investments in agriculture in Mkushi District, Zambia

Jessica M. Chu

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## Creating a Zambian Breadbasket: 'Land grabs' and foreign investments in agriculture in Mkushi District, Zambia

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#### Abstract

While many arguments against 'land grabs' speak of investments in the face of resource scarcities and unused land (Hall, 2011), some may argue that Zambia is as a contrasting example: it contains one of Sub-Saharan Africa's lowest physiological population densities, with only 14 percent of arable land under cultivation (UNCTAD, 2011). The World Bank (Deininger and Byerlee, 2011) has cited Zambia as a country with high availability of land and a high 'yield gap' between agricultural yields and potential and water abundance. It is said that Zambia contains over 40 percent of Southern Africa's water resources, with much of its irrigation potential unrealized (UNCTAD, 2011). Yet, it remains to be seen if Zambia holds true as an ideal place for agricultural investments and if such commercial endeavours can provide new ways of conceptualizing agricultural development. Using ethnographic fieldwork from Mkushi district, this paper seeks to explore the conditions surrounding the accusations of 'land grabs' in Mkushi district, in order to navigate the various narratives of impacts from the rising interest of foreign investors in agriculture in Zambia.

The paper first explores the question of what *might* 'land grabs' be in Zambia, from the perspective of two important accusations of 'land grabs' in Zambia. It then more closely explores the discourses employed Chayton, before proceeding towards Mkushi itself, with a more detailed encounter with the residents of the Mkushi farm block. Here, investments in agriculture must instead, be understood through the existing development of commercial agriculture; the Chayton investment is not new or unique, in this case. Commercial agriculture, and the growing role played by foreign investments in this sector, is facilitated by the changes within Zambia itself, with growing urban consumption and dietary trends. The picture that emerges from Mkushi is that of the rise of agribusiness, the extension of international agricultural value chains, the increasing wealth to be sought in agriculture, and interest by foreign agricultural actors. These scenarios are not meant to justify the Chayton investment, but rather to demonstrate why such investments are able to persist in Zambia. Thus, this paper suggests that there is a need to reconsider what 'land grabs' are, and to consider cases such as Chayton as an 'inconvenient example' (Ferguson, 2006) in order to evaluate the ways in which they have purported to bring benefits to the Zambian economy and to the Zambian people.

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#### **1** Introduction

The world, and particularly sub-Saharan Africa, has witnessed a rise in the prevalence of large-scale land acquisitions. There is growing documentation of a number of cases whereby foreign investors have acquired large amounts of farmland, particularly parcels above 1,000 hectares (ha). A recent report by Oxfam (2011) has declared that the amount of land that has been sold or leased in developing countries is as high as 227 million ha, a significant increase from the World Bank's (2010) previous estimate of 56 million ha. These are commonly referred to as 'land grabs'; while they may contribute to investment and development in African countries, they may also pose a considerable risk to those who derive their livelihoods from the land.

Zambia is not exempt from this trend. The World Bank (2011) has cited Zambia as a case with a high 'yield gap' – a country with a large amount of land, yet with a low proportion of cultivated land and low population density. This categorization is indicative of the ways in which Zambia is viewed: an agriculturally fertile country with abundant, and importantly, empty or under-utilized land. Since economic liberalization in 1991, the Zambian government has pursued a path of investment promotion to boost economic development and to create employment opportunities. With an economy dependent on the ups and downs of the copper mining sector, agricultural development has been seen as a real alternative to provide economic diversification and stability. Efforts to centre economic development plans on land allocations rely precisely on this notion of Zambia as country of abundant land.

At the centre of this trend is the Mkushi farm block in Mkushi district in Zambia's Central Province. The farm block is 176,000 ha of land that was set aside by the colonial government in the 1950s for European tobacco farmers (Woode *et al*, 1979). Its success was never guaranteed; it was relatively isolated from Zambia's urban markets in Lusaka and the Copperbelt. However, in recent years, Mkushi has become Zambia's breadbasket, hailed as a 'showpiece of agricultural development' by Zambia's former President Rupiah Banda (Lusaka Times, 2009c). The Mkushi farm block has recently experienced a resurgence in the past ten years, and now produces the largest proportion of Zambia's wheat (40%), soybeans (21%), and is the sixth largest district maize producer<sup>1</sup> (GRZ, 2011).

The success of Mkushi is meant to be a model for other investment projects, such as the government-led Nansanga farm block project in the neighbouring Serenje district. The optimism for such projects derives from Zambia's current economic boom, largely due to the stable and high price of copper. 2011 marks the sixth consecutive year in which the economy has grown over five percent (ZDA, 2012b), particularly impressive, as much of the rest of the world has faced economic recession. Under such conditions, Zambia is not short of 'potential' – potential for growth, potential for poverty reduction, and potential for agricultural production.

The recent agricultural successes, coupled with Zambia's growing reputation as an investment site, have drawn the attention of investors, including that of Chayton Africa. In 2009, Chayton, a Britishbased investment fund, pledged a multi-million dollar investment into Zambia.<sup>2</sup> Chayton has been acquiring brownfield<sup>3</sup> sites for grain production for local and regional markets. Their plan is to 'feed Africa', or rather, to provide capital to help provide self-sufficient and sustainable food production for traditionally food insecure countries such as Zambia. Its ambition is widespread, with intentions

<sup>&</sup>lt;sup>1</sup> Data derived from the Zambia Ministry of Agriculture and Cooperatives Crop Forecasting Survey, 2010/2011. Figures are based on expected production, measured in megatonnes (Mt).

<sup>&</sup>lt;sup>2</sup> See Lusaka Times, 2009.

<sup>&</sup>lt;sup>3</sup> Brownfield sites can be defined as previously used, or underused land. The term is used in the context of town planning, but has also come to describe agricultural lands that had been either previously used as farm land, or is considered 'underutilized' farm land.

to acquire farm sites in over nine countries (Chayton Africa, 2009); however, as of 2012, its only investment was in the Mkushi farm block.

Yet, Chayton has been labeled as one of the new 'land grabbers',<sup>4</sup> as part of a number of different investment vehicles that are acquiring farmland and venturing into large-scale farming projects throughout sub-Saharan Africa. Attention to the global 'land grab' highlighted incidences of weak governance, corruptible politicians, and weak land rights. Many people and organizations around the world voiced concerns that such 'farmland deals' by investment funds would 'displace small farmers and cause environmental devastation, water loss, and further impoverishment and political destabilization of developing nations' (Oakland Institute, 2012: 15). Yet, Chayton has favoured Zambia for the opposite reasons – political stability, a parastatal that facilitates government interactions, and the availability of titled farmland. Thus, the Chayton example prompts us to ask the question of 'what if' – what if what is feared most about 'land grabs' is not actually happening? What if instead, such foreign investments could meet the desired conditions of the host country? Does Zambia stand out as an example in which foreign investments in agriculture have the potential to bring very real benefits to the Zambian people and contribute to economic growth and poverty reduction? But lastly, this paper asks, what do the farms of investment funds *do* and do they really *believe* that they can 'feed Africa'?

Using ethnographic fieldwork from Mkushi district, this paper seeks to explore the conditions surrounding the accusations of 'land grabs' in Mkushi district, in order to navigate the various narratives and the impacts of the rising interest of foreign investors in agriculture in Zambia. The paper begins with a bit of contextualization for the research that was conducted, including an explanation of the theoretical and methodological frameworks employed for the fieldwork. It then proceeds towards ethnography of 'land grabs'. I first explore the question of what *might* 'land grabs' be in Zambia, from the perspective of two important accusations of 'land grabs' in Zambia. I then more closely explore the discourses employed by Chayton. Finally, the paper proceeds towards Mkushi itself, with a more detailed encounter with the residents of the Mkushi farm block in order to match both the accusations and the justifications with the agricultural context in which they are situated. It is particularly important to understand the history and context to which investors such as Chayton have arrived in Mkushi district in order to understand if and why such investments can succeed, not only in providing their stated returns to their investors, but also in fulfilling their promises of providing employment, food security, and agricultural development.<sup>5</sup>

In order to further understand the Chayton case, and all its different perspectives, the case is then set in the context of rising foreign investments in agriculture in Zambia, and the role they are meant to play in economic development. The case is also contextualized against the important question of what do such investments, in this case, the farms, *do*. For this, the case is understood through the lens of Zambia's changing consumption and diet trends. These scenarios are not meant to justify the Chayton investment, but rather, to demonstrate why such investments are able to persist in Zambia.

#### 2 Background

This paper forms one case study within a larger PhD project that seeks to explore the rise of incidences of an interest in 'land grabs'. This research examines three sites of foreign investments in agriculture in Zambia's Copperbelt, Lusaka, and Central Provinces, each with their own accusations of 'land grab'. It seeks to explore the question of agricultural and social change that is embedded in the rise of and the processes of foreign investments in agriculture in the Zambian context.

<sup>&</sup>lt;sup>4</sup> Chayton has been placed on GRAIN's 2012 list of 'Who's behind the land grab?'. See GRAIN, 2012b.

<sup>&</sup>lt;sup>5</sup> These are arguments made by Chayton Africa's (former) managing partner. See Tonelli, 2011.

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#### 2.1 Framework

Several questions have emerged in research on 'land grabs' topics. A number of studies have employed a political economy approach (White, 2010; Cotula, 2012), in addition to questions of agrarian political economy<sup>6</sup> (Bernstein, 2004; 2010). Yet, another set of questions emerges from the point of view of an anthropological study: how does one define 'land grabs' and according to whom is land being 'grabbed'? Whose voices are heard and not heard in the cries of 'land grab'? These are questions of representation. 'Land grabs' have simultaneously precipitated outcries from the media, non-governmental organizations (NGOs), and civil society movements alike, but have also equally been lauded as the new way forward for agricultural development models by others. I want to suggest that, in the question of representation, there is an emergence of a gap between what is said and what is occurring.

These questions lead to an approach that attempts to build on the political economy perspectives employed thus far. This framework is tentatively labeled as a 'cultural economy' approach, which encompasses both a methodological and a theoretical framework. Shipton (1990) writes of a cultural economy perspective in studying African food systems as 'not fixating on a particular unit of analysis (the individual, household, ethnic group, nation), but observing the changing bonds and alliances among the units or levels" (1990: 353-354). Shipton applies the term 'cultural economy' to progress both the anthropological understandings through the incorporation of the economy, and the economic understandings through the application of culture. In its application, it places equal weight on understanding not just one single actor or subset of actors, but the multiplicity of levels and degrees of actors in any given event, and indeed, not simply 'who' the actors are, but 'how': how they relate to each other, how they interact, and what is the nature of the interaction.

There are several inspirations for this framework. In her 'ethnography of global connection', Tsing (2004) explores the ways in which connections occur between global ideas and local contexts concerning deforestation in Indonesia. Within these connections is 'friction'; this is not meant to connote points of conflict, but rather, points of contact. They are 'awkward, unequal, unstable and creative qualities of interconnection across difference' (2004: 4). Points of 'friction' are the relationships and the interactions of several actors and bodies, rather than the study of a single group. Wedel and Feldman's 'anthropology of public policy' is another way of considering such research. It follows 'processes that connect actors, organizations and institutions and [asks] how policy discourses help to sustain those connections even if the people involved are never in face-to-face contact' (Wedel and Feldman, 2005: 1). As with Tsing, Wedel and Feldman's method of studying such a wide topic is to focus on interconnections, over identifying the facets and characteristics of each individual group alone (2005: 2).

Thus, this is a study of connections – connections between people, between ideas, and between places. Therefore my research explores 'land grabs' as complex sites where a number of interests and discourses intersect. For Tsing, these 'zones of awkward engagement' are places where 'words mean something different across a divide even as people agree to speak' (2004: xi). Such a study takes into account histories, media, as well as the chance encounters of fieldwork. In such a way, the connections between the global aspirations for 'food security' can be connected with the daily struggle for basic nutrition; the policy research of the World Bank can be connected with the haphazard ways that colonialism has shaped land laws. And perhaps, the intentions and strategies of investment firms with the livelihoods of smallholder farmers in Zambia.

<sup>&</sup>lt;sup>6</sup> These can be summarized as: 'who owns what, who does what, who gets what, and what do they do with it'; White *et al.* (2012) add to it by asking 'what do they do to each other' and 'how do changes in politics get shaped by dynamic ecologies?'.

#### 2.2 Methodology

This paper is based on ethnographic fieldwork that took place in Zambia between 2011 and 2012, in Lusaka and in Mkushi district. It relies on semi-structured interviews, as well as analysis of key publications and articles in the media. These provide the basis for understanding the perspectives and public voices of a number of the key stakeholders in the questions of foreign investment in agriculture, including commercial and smallholder farmers, those employed in agribusiness in Zambia, and development organizations. Interviews, with commercial farmers, smallholder farmers, civil society organizations and actors, as well as a number of government figures, were sought to provide an overview of a number of key interests in the question of land acquisitions, for the purpose of understanding the overview of the web of relations created by foreign investments in agriculture.

The case of Mkushi district, Central Province is one of the three case studies that constitutes my larger PhD project. As such, these preliminary thoughts presented here are attempts to make some sense of my own ethnographic encounters by focusing on the cultural economy of 'land grabs' in Mkushi district, Zambia. Much of the wider context, historical, political and economic, is omitted from this paper. These include both the contextualization of 'land grabs' within Zambian history and contemporary times, as well as situating my research amongst a long line of noted anthropologists (such as Richards, 1939; Colson, 1971; Pottier, 1988; Moore and Vaughan, 1994; Ferguson, 1999; Cliggett, 2004) who have studied agricultural and social change in Zambia.

The limitations to the paper, of course, have been the hesitation of corporate investors, such as Chayton, to participate in research projects such as these. Such hesitation may derive from the backlash of previous media engagement.<sup>7</sup> I sought interviews with company representatives and to visit the Chayton farm in Mkushi, but these requests were politely declined. Instead, the paper focuses on the public media interviews available in newspapers and online; although these may reveal only the superficial aspects of the companies operations, closer scrutiny to the discourses employed equally reveals the ways in which certain kinds of information is deployed and the ways in which this information is taken up by others.

#### 3 An ethnography of 'land grabs' in Zambia

#### 2.3 What are 'land grabs' in Zambia?

In 2012, the non-governmental organisation, GRAIN, released a report titled, *Who's behind the land grabs?* A look at some of the people pursuing or supporting large farmland grabs around the world (2012b). GRAIN had previously defined 'land grabs' as the acquisition by corporations or states of large areas of farmland (over 10,000ha) in another country for a long-term basis (30 – 99 years) for the production of food stuffs for export (GRAIN, 2011b). Chayton, and more specifically, Chayton's CEO Neil Crowder, was recently placed on this list; GRAIN's list of grievances against Crowder, aside from a few de-contextualised quotations, appeared to be the thoroughness of Chayton's investment strategy, in aggregating farmland, modernising technology, and employing MIGA political risk insurance. GRAIN quoted an interview with a local farmer with the BBC (Keane, 2011), in which the farmer complains of the lack of employment opportunity from Mkushi's commercial farmers.

Another comprehensive campaigning report on recent 'land grabs' in Zambia, or, large-scale land acquisitions, is from the Oakland Institute (2011), which used Zambia as one of its seven country case studies on land investment deals in sub-Saharan Africa. It emphasizes Zambia's abundant land and highlights its natural resources as well as investment climate as reasons that investors have looked to Zambia. It also identifies Zambia as an impoverished country, stating that Zambia is one of three countries that have lower scores in the 2010 UNDP Human Development Index than in 1970, the

<sup>&</sup>lt;sup>7</sup> See, for instance, the interview conducted by Keane (2011) on Chayton's investments in Mkushi. Land Deal Politics Initiative

other two being the DRC and Zimbabwe, which have both faced war and political unrest. It further highlights several other facets of Zambian social and economic life: corruption, HIV/AIDS, poor human rights records, lack of media freedom, and food insecurity. These are all very real facets of life in Zambia, but the context in which they described are to portray Zambia as a place of vulnerability, rather than a place of potential. It provides a very thorough understanding of the land system in Zambia. It focuses on the insecurity of customary land tenure and describes the 'gradual erosion of traditional land rights in favor of private investors' and points to the process that has led to the 'privatization of land' in Zambia (2011: 2). This, of course, is an assumption raised by many of those concerned over global 'land grabs', who take exception to the conversion of customary to state land and incidences of displacement resulting from the acquisition of customary and communal land into private hands.

The Oakland Institute report, like the report by GRAIN (2012b), focuses on the role of hedge funds and pension funds as 'significant and growing players' in land acquisitions in Zambia. The report points to Zambia's commercial farming history, stating,

Zambia has had a longer history of commercial agricultural production than many other African nations, due to a combination of factors including its colonial history, its relatively stable path to independence, and its location between the Zimbabwean and South African farming areas.

Oakland Institute, 2011: 18

These two reports provide brief glimpses into the grievances of NGOs against investment fund acquisitions of land in countries like Zambia; in particular, Chayton has been singled out as an example of 'land grabber'; but already, there is a tension between the accusations of 'grabbing' insecurely tenured land, or essentially, the unequal power balance that is created by corporate land interests, and the history of commercial farming in Zambia and its historical role in Zambia's economic development.

Instead, the case of the Chayton investment demonstrates incidences, not of conversions of customary land, but of the relationship between Zambia's commercial farming history and new players (particularly investment funds) in foreign investment in agriculture that have taken place on statutory land. This precise process is important in understanding the impacts of the arrival of hedge funds and private equity investments in agriculture in Zambia. This discussion is not meant to provide a critique of the reports, but attempts to dissect the understandings presented on investments in agriculture in Zambia. If these reports remain the most comprehensive source of information on the scope and scale of foreign investments in agriculture, then the picture that is painted is bleak and rife with confusions and contradictions. However, as the question of 'land grabs' is wrapped up in historical efforts to boost Zambia's agricultural development and the rise and success of large-scale foreign investments in agriculture, this seems the next direction to proceed.

#### 2.4 'Our goal is to feed Africa'

At the 2009 UK-Zambia Investment Forum, themed 'Enhancing economic growth through competitiveness, diversification and infrastructure development', held in London, Chayton Africa Chief Executive Officer Neil Crowder announced his company's investment of \$50 million USD in Zambia's agriculture infrastructure and transport (Lusaka Times, 2009a). Soon after, the company signed an Investment Promotion and Protection Agreement (IPPA) with the Government of Zambia (GRZ) (ZNBC, 2009). But before this moment, one needs to understand who and what Chayton Africa is, and how it, as a British-based investment fund, came to find itself in Mkushi, Zambia.

Formed in 2006, Chayton Africa is a division of a larger London-based private equity fund, Chayton Capital. Chayton Capital offers 'innovative, high return alternative investments and asset management solutions to institutional and high net worth investors';<sup>8</sup> essentially, the company seeks to draw upon private investors to locate capital in order to invest in other established private companies. They can perhaps be seen as part of the emergence of a growing number of private equity funds who have found a safe place to invest their funds, through the buying or leasing of agricultural land (Merian Research and CBRM 2010).

At the centre of Chayton Africa<sup>9</sup> is Neil Crowder, a former Goldman Sachs partner, whose interest lies in building 'sustainable agriculture ventures', according to his online biography on the Chayton website.<sup>10</sup> Chayton's investment in Zambia took place through a joint venture agreement with a local company called Atlas investments, the brainchild of two white Zimbabwean farmers. The partnership was formed for Atlas' extensive experience in commercial farming in the Southern Africa region (Nkonde, 2009). The resulting company is Chobe Agrivision, through which their operations in Zambia are run. The various names of the successive companies are not particularly important, other than that they are referenced variously in the media, in registered legal documents, and online. The story is made even more complex by the fact that another company, South African based Zeder Investments, has recently purchased majority shares (81 percent) of Chayton. These complex financial decisions and business strategies have provided another means in which mystery and miscommunication are furthered between the corporate and NGO world.

The story of Chayton's investment was reported in the Lusaka Times, an online source of Zambian news. The online reactions to the story were divided: some were skeptical about the contribution to Zambia ('We will be seeing agri products being exported while we starve, the west's population is booming and they need food so sleepy people will either be kicked out from their lands or just killed just watch....[sic]'), while others were hopeful ('\$50 Million is a huge sum, let's hope it brings about visible, positive development') (Lusaka Times, 2009a).<sup>11</sup> It was the first sign of Chayton's commitment to see Zambia as its first target for its African investments. Chayton's intentions were to invest, over a five-year time frame, to grow wheat, soya and maize, in a series of farms from 'Monze to Mkushi'<sup>12</sup> (ZNBC, 2009; The Post, 2009). They boldly stated that they intended to develop 10,000 ha of farmland, growing 60,000 tonnes of wheat, 45,000 tonnes of maize, and 15,000 tonnes of soya per year; Zambian media reported that these investment figures and production intentions would make Chayton one of the largest agribusinesses in Zambia (ZNBC, 2009).

What are the conditions that made Zambia a key investment site? Or rather, what are the perceived conditions? Chayton sought out markets for political stability, natural resources, infrastructure, economic growth, corruption, and agricultural potential. Of these conditions, Chayton cited high agricultural potential, the commitment demonstrated by the Zambian government in agricultural development, and governance, political stability, and property rights as the reasons for selecting Zambia in particular (Chayton, 2009). The perceived political stability and government support for investors were key factors for Chayton's investment, yet, of their investment, Chayton committed only an initial \$50 million USD, with a further pledge of \$200 million USD in the future, pending the success of the initial investment.

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<sup>&</sup>lt;sup>8</sup> As quoted from their website, <u>www.chaytoncapital.com</u> (accessed 1 July 2012).

<sup>&</sup>lt;sup>9</sup> Chayton Africa will henceforth be abbreviated to 'Chayton'.

<sup>&</sup>lt;sup>10</sup> Available at <u>www.chaytonafrica.com</u> (accessed 1 July 2012).

<sup>&</sup>lt;sup>11</sup> Comments are visible online at the Lusaka Times article webpage at <u>http://www.lusakatimes.com</u> (accessed 25 February 2012).

<sup>&</sup>lt;sup>12</sup> The distance between Monze and Mkushi districts is close to 700 km.

In 2010, Chayton received support from the World Bank's Multi-lateral Investment Guarantee Agency (MIGA), which provided insurance for political risk guarantee – in other words, if political unrest and collapse were to occur, Chayton would be insured against this. On their end, the World Bank stated that they supported the fund because of the fund's promotion of 'strong developmental impact including technology transfer, employment and food security' (MIGA, 2010a). For the World Bank, it was an investment that fell strongly within their ideas of an African farm that would serve to feed Africa and act as a catalyst for economic development, very much in line with the 'agriculture for development' idea from their 2008 World Development Report (World Bank, 2007). The response from the GRZ was strong. Statehouse reposted an article that appeared in one of the government–run newspapers, the Times of Zambia, which painted the investment in a positive light (Times of Zambia, 2010); more importantly, it praised the government's role in the investment. It quotes Crowder in saying,

We believe that foreign investment is important to developing economies across sub-Saharan Africa and we have found a welcoming investment climate in Zambia, where the Government is encouraging foreign direct investment in sectors like agriculture, which should help to diversify and strengthen the national economy.

Times of Zambia, 2010

By 2010, it was becoming clear that Chayton was making a number of large promises for its contributions to Zambian development. This rhetoric satisfied both the GRZ and multilateral donors such as the World Bank. It is also around this time that Chayton began promoting their 'feed Africa' model. In an article from MIGA, Crowder says, "The important thing to note is that we are focusing on investments that will serve the continent's own growing consumer market. Our goal is to feed Africa" (MIGA, 2010b).

More details about the project were revealed in 2011. It announced that their farming strategy would consist of zero-tillage methods, double cropping using centre-pivot irrigation, and new technologies such as GPS and satellite tracking to ensure 'precision farming'. These ideas were developed with the expertise of Crowder's two partners, former commercial farmers from Zimbabwe who manage the farming operations from Zambia; Crowder's investment and financial expertise was matched by his partners' 'African' farming expertise (Hedgenews, 2011).

Rumours placed Chayton's land acquisitions in Mkushi district. Its first acquisitions took place through the transfer of deeds of two plots of farmland in 2011. The total land holding size for their first two acquisitions was about 2,500 ha.<sup>13</sup> However, a number of news articles and reports stated that Chayton held a total 25,000 acres of farmland (approximately 10,147 ha), without any references as to where this land or these numbers referred (Baldauf, 2011; Keane, 2011). The acquired farms consisted of statutory land; although the land formally falls under the ownership of the Zambian government, statutory land can be leased to individuals, who are then able to sell the deeds onwards. This is how all the land within the Mkushi farm block is held. Statutory land is leased by the government for up to 99 years, according to the Lands Act (1995) (Adams, 2003); however, the Zambia Development Agency (ZDA) can offer 14-year leases with the signing of an IPPA.

There were no set obligations as to what Chayton would grow; in its first season of operation in 2010, they planted soya and wheat as it had indicated. Its use of zero-tillage techniques, crop rotation, double cropping, and centre-pivot irrigation, were not unlike many of their commercial farming

<sup>&</sup>lt;sup>13</sup> These figures were verified from the public records held by the Ministry of Lands' Land and Deeds Registry for plot numbers 2380 and subdivision B of plot 3283, both registered to Chobe Agrivision. These were the two assets declared by Chobe Agrivision in their company registration files, also publically available from the Patents and Company Registration Agency (PACRA) of the GRZ.

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neighbours. Its irrigation strategy included the construction of three dams, each of which were approved by the Zambia Environmental Management Agency (ZEMA).<sup>14</sup> Chayton began further operations on another set of four plots of existing farmland in Mkushi district, for which leasehold was being negotiated. These additional plots would contribute another 1,589 ha to Chayton's land holdings,<sup>15</sup> still only bringing their total land holdings to 4,000 ha. Labour remains the most contentious issue for Chayton. Early interviews with Chayton representatives made claims to provide 1,600 employment opportunities (ZNBC, 2009; Times of Zambia, 2010), even so far as to specify the provision of exactly 1,639 jobs (The Post, 2009). Yet, when later probed, Chayton staff revealed that job provision was much less than expected, particularly due to the mechanised nature of wheat and soya production (Keane, 2011).

#### 2.5 The real Chayton?

Chayton very publically declared its intentions for its farming operations, as outlined in the previous paragraph, and it has essentially operated along similar lines of what it intended to do in planning and in practice. Its farming operation plan deviated little from its 2009 plan and has been monitored by both ZEMA and the World Bank, making them remarkably well-monitored and transparent for a commercial farming project. Chayton vehemently denied the label 'land grabber'. 'How do you differentiate your strategy from the 'land grab' stories we read about in the press?' reads an imaginary question posed to Chayton on the frequently asked questions (FAQs) section of their website.<sup>16</sup> Their response to such firstly points out that their investments have been in an established commercial farming area (the Mkushi farm block), and have been in brownfield sites – pre-existing and 'underperforming' commercial farms. Lastly, it emphasises its development imperative: to provide food for the largely food insecure region, as well as to build infrastructure, expand local access to markets, and provide skill transfers, while practicing sustainable farming, creating employment, and working with the local community.

Another important facet of the Chayton case is the fact that investors are not static – they adapt and they learn from their experiences. Keen to be taken seriously, early interviews with the Chayton team emphasised quantities, such as quantities of production and of employment opportunities. When it became evident that it would be difficult to match the numbers they proposed, it changed the topic to address their critics. It placed the emphasis on the acquisition of brownfield sites, which were located on statutory land, and their compliance with government laws. With the increasing global dialogue on the role of weak governance and land tenure, Chayton found that it was able to place itself on the positive, non-'land grabbers' side. In 2012, the company was bought out by South African Zeder Investments, a publically listed investment company focused on the agribusiness sector. This allowed Chayton to transition from a private equity fund to a holding company; the intention of the transaction was to help provide funds to continue Chayton's expansion and to help secure a long-term future (Private Equity Africa, 2012).

Much of what Crowder speaks of presents Chayton as a sort of pioneer. In 2010, he said, 'institutional investors are wary of committing capital to Africa for a number of reasons. We believe we have a role to play in dispelling widely-held misperceptions about the risks associated with investing in Africa' (Times of Zambia, 2010). Another interview demonstrates the same mentality: "[i]nvestors need to be continually educated about Africa', [Crowder] said, citing himself as an

<sup>&</sup>lt;sup>14</sup> See ZEMA approved EIA reports for the Whispering Hope II dam, the Beckett dam, and the Munshimwembe dams. These are also available through the MIGA website at: <u>http://www.miga.org/projects/index.cfm?esrsid=51</u>.

<sup>&</sup>lt;sup>15</sup> These details were made available from the Environmental Impact Statement for Chayton's Amesenga project from the MIGA website at: http://www.miga.org/documents/Amasenga\_final\_EIS.pdf.

<sup>&</sup>lt;sup>16</sup> Their website can be found at: <u>http://www.chaytonafrica.com/html/faq.html</u> (accessed 5 July 2012). Land Deal Politics Initiative

example of a well-educated US citizen who four years ago would not have been able to locate Zambia on a map' (West, 2010). Another quotes Crowder saying, 'the opportunity is not difficult to understand, the world needs food and Africa has a lot of natural resources that can provide that' (Wright, 2010). It is also interesting to view that Crowder, quoted in a number of different sources, from Zambian media to business investment magazines, remains consistent in his discourse. The discourse promotes the idea that investment is needed in Africa, but not simply for the food security imperative. Such a moral imperative basically guarantees a market and thus, a profit. He said, at the 2010 Agribusiness Investor Summit in South Africa,

This is big business; the important thing is to get a return on money. From an investment point of view, we need to find a product that will work, that will take the money that's available and meet the needs. You've got to be specific about the product; have a specific mandate with a specific target, model and track record.

Wright, 2010

A rosy picture of Chayton indeed, but herein lies the problematic issue: the issues against which NGOs such as GRAIN have grievances, such as incidences of mass displacement, the seizure of commons, weak governance and corruption, short-term profit making and extractive behavior, resulting in rising hunger and food insecurity, do not seem to be happening at the site of the Chayton investment. The media is divided; media sources deriving from the business and investment sector praise Chayton's 'innovative investment approach'; in 2012 they were awarded 'Best Corporate Governance' by Private Equity Africa, a UK based journal,<sup>17</sup> and 'Investment Climate Initiative of the Year' for 2011 by another publication, the Africa Investor.<sup>18</sup> Zambian state media have thus far celebrated the positive role played by the state in attracting such a prestigious (and wealthy) investor. Reporters from North America and Europe have been attracted to the idea of the novelty of commercial farming in sub-Saharan Africa, particularly when juxtaposed against hunger and food insecurity in rural Zambia. That is not to say that poverty and food insecurity do not exist in Zambia, but the importance is in the assumption of such without any assessment, and the moral imperative to address this hunger balanced against corporate consolidation of farmland and food production.

2.6 The district of Mkushi

<sup>&</sup>lt;sup>17</sup> <u>http://www.privateequityafrica.com/</u>

<sup>&</sup>lt;sup>18</sup> http://www.ainewswire.com/



Figure 1: Approximate location of Mkushi district, in red, located within Zambia (Source: adapted from United Nations, 2004).

In order to understand Chayton's participation in Mkushi, and to evaluate its potential and contribution to food production and security, there must be an understanding of Mkushi district itself. Mkushi presents itself as a contradiction, a contrary image to perceptions of sub-Saharan Africa. As you enter into the district, a sign confronts you. *WELCOME TO MKUSHI'*, it proclaims, *'CENTRE-PIVOT COUNTRY'*. On the left hand side of the road, you see the usual images of small villages crouched by the side of the road. On the right hand side, you are greeted, depending on the time of the year, by a lush green soya crop, or swathes of golden wheat, with large-scale centre pivot machines slowly rolling across cleared farmland. 'One might as easily be standing on the plains of the American Mid-West or among the grain fields of the Ukraine,' writes Fergal Keane, the BBC reporter, upon his visit to investigate the 'land grab' case of Chayton (Keane, 2011). The contrast remains, for visitors like Keane, at the 'fields of plenty' with assumptions of food insecurity and poverty that remain of places such as Zambia.



Figure 2: 'Welcome to Mkushi'. Photograph taken by the author.

Yet, Mkushi was not always the prosperous commercial farming hub that you might see today, with brand new bank branches, petrol stations, and a plethora of agricultural input stores. Mkushi has been part of many government efforts to expand commercial farming production into the economy, time and time again. The history of Mkushi and the farm block is pertinent, not only to the discussion of 'land grabs' and foreign investment in agriculture, but also of the role of the Zambian government in this facilitation and attraction of foreign investment. And importantly, understanding the connections between the actors in the farm block over history and the present day commercial farming successes may be key to understanding the conundrum of Chayton's role in Zambia's agricultural development.

Mkushi lies approximately 95 km from the railway line that leads from Zimbabwe and the town of Livingstone in the south, to the cities and mines of the Copperbelt province to the north. It was along this railway line that the colonial government in the early twentieth century envisioned commercial agriculture to take off, allocating much of the land surrounding this corridor to European settlers. The Mkushi farm block was surveyed for development between 1950–1951, as the last major commercial farm block to be alienated by the Northern Rhodesian colonial government (Woode et al, 1978). 176,000 ha of land was converted to state land for the promotion of settler agriculture, with about 94 percent of the area divided into 163 farms intended for cattle and tobacco production. Such farm blocks had been developed in order to encourage, but regulate European settlement and to reduce colonial dependence on food imports; in the 1940s, Northern Rhodesia was producing only 60 percent of its meat needs, 40 percent of wheat needs, and 16 percent of dairy requirements. Thus, the creation of farm blocks was multi-fold: attract settlement in a controlled manner, while growing more suitable crops for the burgeoning colonial community. To attract settlers, the government demarcated plots within each farm block; within each plot, 16 ha of suitable land was cleared and boreholes were dug. The initial response from potential settlers was slow. After the first year, the only farming activities undertaken were by the family of the original surveyor, Unwin Moffat. By 1961, a number of ex-British servicemen took up a number of the plots. By 1964, a total of 74 farms had been taken up (Woode et al, 1978); the period before independence saw the greatest influx of

European settler farmers to Northern Rhodesia. Little is mentioned in the account by Woode *et al* (1978) of any local communities that were moved for the demarcation of the plots.<sup>19</sup>

Farmers'	1964			72	1980	
Name	No.	%	No.	%	No.	%
British	55	76.4	41	52.6	33	32.3
Afrikaans	16	22.2	10	12.8		
Greek	0	0	16	20.5	14	13.7
Other European	0	0	1	1.3	1	1.0
Indian	0	0	2	2.6	3	2.9
Zambian	0	0	8	10.3	51	50
Not known	1	1.4	0	0	0	0
TOTAL	72		78		102	

Table 1: Farmers in the Mkushi farm block by surname, 1964-1980.

Source: Adapted from Woode et al (1980).

The history of the Mkushi farm block changed in the post-independence period; while initially dominated by European settlers, the status and identity of the farm block varied over time. Woode *et al* (1978), using analysis of the surnames from cadastral map records, estimate that by 1972, 53 percent of the farm block had British heritage, while 10 percent were Zambian, and the remaining of various other European descent. By 1980, British numbers were reduced to 32 percent, while Zambian figures had increased to 50 percent (see Table 1). In present times, identification as 'Zambian' has become much more complex, particularly with the number of second-generation farmers from the original European settlers; but in 2012, there are only two commercial farmers in the farm block without European heritage.

The history of the Mkushi farm block has always included waves of new farmers arriving and leaving, inextricably linked to the political events in surrounding countries. European settlers first arrived in the 1960s, particularly ex-British servicemen, encouraged by the British colonial government. Greek refugees from Tanzania moved in during the 1970s. Urban Zambians re-established themselves in the late 1970s, purchasing deeds for vacated plots as commercial farming became less economically viable and land became cheap and available. Commercial farming in the 1980s struggled, as did most of the Zambian economy. In the 1990s, a wave of South African farmers arrived, hoping to take advantage of the commercial farmland available. Data available from ZDA (2012a; see Table 2) showed an influx of South African investments in agriculture, particularly in 1993-1998, following the end of Apartheid and the invitation by the Zambian government (Sjaastad et al, 2010). Yet, in 2012, Mkushi residents reported that only two South African farmers remained in the farm block from this wave (cf. Sjaastad et al, 2010). Zimbabwean farmers were the next group to arrive in Mkushi, following the fast-track land reforms under Mugabe. A total of 31 farmers from Zimbabwe arrived in Mkushi and purchased deeds for farms that had largely been brownfield sites, never fully developed into commercial farms by their previous owners (Sjaastad et al, 2010). The stories of the waves of immigration and how these farmers came to Mkushi have been discussed in greater detail in the work of Sjaastad et al (2010); however, the influx of Zimbabwean migrants to the area provided a number of questions of contention, particularly with regards to the arrival of 'foreign investors'.

	South African	British	Zimbabwean	Other European	Zambian	Other	Total
1993-1998	15	2	0	4	3	1	25

#### Table 2: Pledged Investors in agriculture in Zambia 1993-2010.

1999-2003	2	1	9	1	3	0	16
2004-2010	3	1	10	3	1	0	1 8

Source: Adapted from data made available by ZDA (2012).

Although some of these farmers have left since, those who remained injected Mkushi with a new vigour and dedication for commercial agriculture livelihoods. Many newer farm owners in Mkushi recounted that the plots they acquired were largely still 'bush', uncleared land. When I asked longtime farmers in Mkushi about this period, they said they regarded the new residents with skepticism; so many farmers had come and gone without any success in farming. Older inhabitants initially looked up the Zimbabweans with uncertainty, unsure of the nature of competition that would arise from new farmers with new skills and financing. Zimbabweans were sought after by tobacco companies, who worked in conjunction with banks in London and Harare to provide financing for the newly arrived Zimbabwean farmers to start up new tobacco farms. Importantly, in 2002 electricity was finally expanded into Mkushi by the Zambian government, allowing for irrigation, through centre pivots, to be financially viable. While tobacco was still a dominant crop in the area, mechanization allowed for maize, soya, and wheat to be grown on a large scale. Dams were built by the farmers to help sustain their irrigation-led farming (Lusaka Times, 2009b); they symbolized the farmers' renewed determination to settle in Mkushi with permanent structures. A number of financial factors facilitated the growth of commercial farming in Mkushi, including a certain amount of financial liberalization that encouraged banks to begin lending to the commercial farmers. The efforts soon paid off, as by 2009, Mkushi was at the forefront of Zambian agricultural production, as Zambia became a net grain exporter, particularly in wheat (GRZ, 2011).

#### 2.7 The 'corporates'

Commercial farming was not always easy in Mkushi, as evidenced by a high rate of leavers, but the present day success was made from the efforts of various waves of farmers. This brief history helps provide some context for the arrival of new foreign investors in agriculture, of which Chayton is only one, but is the most prominent. The new corporate investor-led farm projects, or the 'corporates' as they were frequently called by a number of the Mkushi commercial farmers, could be thought of as the newest wave of farmers to arrive. They occupied similar sized plots of land, and ran commercial farming operations of similar sizes, growing similar crops. Thus, while in Mkushi, my research question came to be, what were the perspectives of the established commercial farmers in Mkushi to the arrival of the new corporates?

When I spoke with farmers in Mkushi, I was told of a certain tension between the farmers of Mkushi and the new corporates. Particularly amongst the Zimbabweans, there was a certain sense that the corporates would not last; one farmer said to me that he would rather back a farmer like himself, someone who was vested in the success of his farm, rather than the corporates, for whom if the farming venture did not work, they could leave. For family farmers, as the majority of the established commercial farmers were, their farm was their home and livelihood. But, for all the similarities that might exist in the structure of their commercial operations, the most frequent distinction that the Mkushi farmers made between themselves and the corporates concerned their relationship with the neighbouring smallholder farmers.

If we recall the earlier discussion on Chayton's view of its contribution to Zambia, this mainly focused on the ability to provide needed food to Zambian markets. It changed its dialogue on labour provision upon realising that it was not one it could guarantee in the global media. In the BBC's spotlight on Chayton (Keane, 2011), the reporter, Fergal Keane, immediately points to Chayton's failure to provide more jobs. The Chayton representative interviewed, responds, 'The less skilled jobs, yes, as a result of mechanization, some of that work goes away. But over time, what we are able do through building a large-scale business, is train people up to do higher value added, highly skilled jobs that they can either continue to build a career in agriculture or they can transport those skills into other sectors as well.'

Quoted in Keane, 2011

The attention to job provision was quickly deflected instead towards a more abstract future vision of employment opportunities. Yet, for the Mkushi farmers, interaction and work with smallholder farmers was part of the process, something that they naturally engaged with, and were not actively publicizing. There was no self-promotion involved, one farmer told me; it was just something that they did. In the same BBC interview, one smallholder farmer interviewed in Mkushi claimed that there was no interaction between the smallholders and commercial farmers (Keane, 2011). Yet, discussions of labour and smallholder farmers were naturally the centre of my discussions with the Mkushi farmers. Each had their own opinion about their neighbouring smallholder farmers, but most agreed that the well-being and stability of their workers community were crucial to their commercial farming success. Even if a smallholder farmer was not directly employed by a commercial farmer, the network of the family members and the community of small businesses that are dependent on those employed on commercial farms was widespread; interaction, even if not direct, was inevitable. Government programmes in Zambia, such as extension services, operate on the assumption that farmers lack agro-ecological knowledge. Commercial farmers, on the other hand, told me that smallholder farmers lack a different kind of knowledge – business skills. Most often, commercial farmers thought that the barriers faced by smallholders included knowledge of finance and accounting skills, and forward planning skills.

The way that commercial farmers and the corporates see their daily interactions with smallholder farmers is, at the moment, the largest decider of their ability to help address, or mitigate negative impacts to, local rural poverty. These assumptions either cast smallholder farmers as recipients of 'development' who need to be fed, or as aspiring commercial farmers. Commercial farmers saw the crucial need for more food and believed in the need for food for the future. However, they did not see the corporates as part of the answer to providing this food. The answer lay in creating more commercial farmers, or scaling up smallholder farmers. The Zambia National Farmers Union (ZNFU) in Mkushi has been active in promoting a new mentorship programme between emergent farmers and commercial farmers. For promising farmers who have the agronomic knowledge, mentorship with an established commercial farmer could help provide the transfer of key business management skills, such as forward-planning and saving. With such skills and agricultural success, there would no longer be the tendency for smallholder farmers to sell their land or to be displaced without repercussion by new corporate farms.

But despite these differences, the corporates are here to stay in Mkushi. Interacting with the other members of the Mkushi community provided a reminder that while certain aspects of the new investors remained 'corporate' and anonymous, fundamentally, in the case of Chayton in Mkushi, this corporate farm is run by individuals and commercial farmers, two Zimbabweans who, like the other Zimbabweans in Mkushi, saw an opportunity for a new home in the farm block. The corporate identity provides some anonymity, but there is a growing acceptance of the corporates, simply because the commercial farming community saw an increasingly diminishing distinction between the corporate farm and the identities of the two farm managers. What allows the commercial farmers, smallholder farmers, and the corporates to co-exist at the moment is the insatiable appetite of the Zambian market. Despite the accusations of 'land grabs' by NGOs, the perception of investment funds acquiring customary land, displacing local communities, and exporting food has not held up in Mkushi district. Chayton and the other farmers of Mkushi district are providing food to a 'local' market, meaning within Zambia.

#### 4 The cultural economy of 'land grabs'

While Chayton has ambitions for vertical value-chain integration, it does not appear that they have reached that level yet. They, like other farmers in the area, rely on the same storage and milling facilities, and similar transportation systems. While Chayton has large ambitions of 'feeding Africa', the reality appears to be at the moment that they are simply feeding Zambia. Farmers in Mkushi stated that demand continued to be high for their products, particularly soya and wheat. Mkushi has grown to be Zambia's breadbasket, a trend that has grown from foreign investments, but not necessarily from the corporates. Such an imperative to 'feed Africa', or feed Zambia, has thus far been filled by the commercial farming success of Mkushi district. Thus, this section seeks to situate the events taking place in Mkushi district within the wider trends throughout the Zambian food system.

#### 4.1 The role of foreign investments in Zambia

The copper mining sector in Zambia, first developed by the British colonial government, has played a disproportionately large role in the country's gross domestic product (GDP), creating a high reliance on a volatile and unpredictable commodity. Breaking this reliance on the copper sector, and encouraging growth in agriculture has always been on the economic agenda. But seeing this shift in practice has not yet been successful. Yet, in recent years, there has been a resurgence of vigour to see Zambia's agricultural sector rise. Zambia's size (752,614 km<sup>2</sup> or 75,200,000 ha) and population (12,935,000 people as of 2009) meant that it has a population density of approximately 17.2 people/km<sup>2</sup> (UN, 2010). This is perceived to be a low population density figure, and this idea of a large country with few people and low land pressures, combined with a low yield gap (Deininger and Byerlee, 2011) has provided impetus for the GRZ to follow a model of agricultural expansion in order to diversify its economy. As such, the GRZ pursued a number of strategies to promote growth in the agricultural sector, enshrined in such policy plans as successive Fifth and Sixth National Development Plans (GRZ, 2006; GRZ, 2011) and the National Vision 2030 (GRZ, 2005a). Each of these documents has placed a high priority on the role of investment, both foreign and national, in agriculture.

The government has further facilitated efforts to attract investment in agriculture through the bolstering of the 'one-stop shop' ZDA, formed in 2006. ZDA is at the frontline of outward investment promotion in Zambia as the facilitator of the actual processes of investment. ZDA cites three reasons to invest in Zambia: an investment-friendly climate, market access, and resources and opportunities (UNCTAD, 2011). It facilitates the finding of appropriate targets for investment and organizes the transfer of land, registration of companies, the filing of taxes, and even the application for work permits. The steady rise in investment in Zambia is perhaps partially a testament to their success. ZDA is the main facilitator of land acquisitions for foreign investors, with their mandate to attract investors from all around the world. For ZDA, investment brings growth. It brings foreign direct investment and money into Zambia, which will translate into jobs and economic growth.

While Zambia makes it easier for investors to arrive, the growing international attention to global food prices and economic uncertainty has led investors to re-envision agriculture as a stable and growing sector to place investments. Foreign investors, such as Chayton, have echoed the conceptualisation of Zambia as a place of 'potential', as voiced by both the GRZ and international organisations such as the World Bank (Deininger and Byerlee, 2011). Zambia has been part of a growing trend throughout sub-Saharan Africa towards the foreign acquisition of farmland. Zambia can perhaps be seen as part of the trend in Southern Africa identified by Hall (2012), whereby much of the growth in the agribusiness sector has been facilitated by South African farmers and value chains. South African actors have been key in the facilitation of the growth of agribusiness in Zambia and thus in foreign investment in farmland. Other organizations, such as FIAN, have pointed to the role of European Union countries in the 'global land grab' (2012). Mkushi remains an important

window into the ways these transnational flows are implicated in the recent trend of large-scale land acquisitions. With South African agribusinesses, Zimbabwean farming expertise, and European capital, Mkushi has emerged as the commercial farming hub of Zambia.

The most concrete example of such trends in the GRZ's attempts to attract foreign investment has been their new farm block project. Farm blocks are not new in Zambia, farm blocks had been created throughout Zambia's history, both colonial and post-independence governments, in order to provide incentive for people to return to the land through various resettlement schemes. These were mostly taken up by professionals and bureaucrats, urban dwellers, and retirees, with some larger schemes of commercial-sized plots for tobacco dominated by a number of farmers coming in from South Africa or Zimbabwe. The new farm block plan, as laid out in the 2002-2005 strategy, envisions a farm block of approximately 100,000 ha in each of Zambia's provinces (GRZ, 2005b). The government facilitates investment by building feeder roads, installing power lines, and building dams. On this front, this does not necessarily provide a new strategy for the Zambian government, as this is similar to the intentions set forth in the Mkushi farm block over sixty years ago. The difference may lie in the design of the farm block; the emphasis lies on taking advantage of investor interests in large core ventures, and the success of schemes such as the Nakambala Sugar Estates, a sugar plantation started in the 1970s with an outgrower model. The government has designed the first of its new farm blocks, the Nansanga farm block in Serenje district, about 60km up the road from Mkushi. It consists of a core venture, several commercial plots, and a number of smaller outgrower plots. Seeing the success of Mkushi district no doubt persuaded the government to focus on neighbouring Serenje as its pilot project, with its similar soils and similar distance from urban centres and transportation routes.

ZDA held bids for investors for the core venture part of the Nansanga Farm Block. Ten companies were shortlisted as potential investors: six foreign companies and four Zambian companies. Some of the companies initially shortlisted were the usual suspects in agribusiness in Zambia, including South African companies SeedCo and Afgri, and one of the companies that was shortlisted was, of course, Chayton (Nyati, 2011). They did not pursue the farm block plots past this initial stage and eventually the farm block was allocated to another firm.<sup>20</sup> The development of farm blocks and investments such as Chayton's in the Mkushi farm block are linked; both have been possible because of the government's strategic efforts to allocate land to boost agriculture in Zambia, of which Chayton is amongst the largest (ZDA, 2012), have prioritized existing commercial farming areas, such as Mkushi. It is not the *insecurity* of customary tenure that makes Mkushi and Zambia an attractive investment hub, but precisely the *security* of commercial farming in statutorily land tenured areas.

The case of Mkushi District in Zambia makes this contradiction clear. Yet, also importantly, it shows that in order to truly understand the direction prompted by large-scale land acquisitions, we must also look at the realities of when agricultural sectors do grow and succeed. The optimism in the agribusiness sector in Zambia continues to remain high – not simply based on speculative expectation, although this has a role to play, but because despite the growth in the sector, there continues to be potential for growth for the business sector. Zambia's middle classes are once again growing, and although differentiation continues to occur amongst the different classes, there remain opportunities to address this growing gap.

#### 4.2 Who does Chayton feed?

Despite Chayton's claims to 'feed Africa', the reality is that investors such as Chayton are really

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<sup>&</sup>lt;sup>20</sup> Although it is difficult to corroborate, the majority of sources and anecdotes points to the Bonafarm Group, based out of Hungary. See Ng'uni (2012).

feeding Africa's growing urban middle classes, and this is where the opportunity for growth lies. The key to understanding recent agricultural growth in Zambia is the recent rise of copper prices. Being a landlocked country, much of the space for growth in markets for agricultural production in Zambia lies firstly, in growing domestic consumption. The rise of products such as wheat and soya correspond to increasing demand for foodstuffs indicative of growing domestic middle class consumption in products such as bread and meat. Analysis of the 2007/2008 urban consumption study conducted by the Central Statistics Organization of the GRZ reports that meat and eggs now form the greatest consumption share amongst urban households, while wheat has now surpassed maize consumption amongst urban families (Mason and Jayne, 2009). Additionally, accompanying the pattern of increased urbanization is greater disposable income for urban residents (Mason and Jayne, 2009). The recent resurgence in the mining sector, creating greater spending power for those in urban centres such as Lusaka and the Copperbelt, help account for the growing domestic market on which recent agricultural investors have capitalized.

When foreign investments in agriculture, such as the Chayton case, are more closely examined, this same trend can be seen. A growing number of such investments extend beyond primary production – there has also been notable growth throughout the value chain both upstream and downstream, much needed factors for the development of Zambia's agricultural sector. Although, these sectors remain nascent in comparison to the interest in farms, these sectors are needed for the success of commercial farms. Chayton's Crowder has argued that investments are not placed on the land itself,<sup>21</sup> as reports such as that of GRAIN and Oakland Institute may have assumed. Instead, Crowder argued that land plays one small role in the investment and that the commercial agriculture infrastructure and equipment put in place by the investment takes up the majority of the capital, and that it is the returns created by this on which the investors are seeking to capitalize.

What is seen in Zambia is a growth in the entire value chain of agriculture, of which agribusiness and foreign investors play a big part. This growth is evident in daily life in urban areas; greater consumption (for some) is possible due the expansion of South African food giants, such as supermarket chains Shoprite and Pick. Meanwhile, one is never far from a number of international fast-food chain restaurants within Lusaka. New shopping malls host these grocery stores, as well as brand new food courts and restaurants. Thus far, the farming projects that have taken off in Mkushi, such as the Chayton project, have done so in a relatively unobtrusive manner. Companies such as Chayton have adapted, in recognition of the growing attention to land grabs; it is important to note the changeability, flexibility, and adaptability of such investments, and to recognize that they too are not static beings. Yet, the potentials for positive impact remain just so – potentials. As the projects gain footing, they will have more opportunity to enact positive changes to the local communities – or alternatively not.

There are a lot of good intentions voiced by investors and the national government in these largescale farming projects. ZDA, and investors such as Chayton, demonstrated real desire for economic growth (for themselves and for Zambia as a whole). These good intentions are not necessarily a function of altruism; economic, not social growth, continues to likely be the main driver, but the social functions of this growth, or the social benefits, derive from the ways in which these projects envision the future of farming in Zambia and conversely, *who* farms in Zambia. Projects such as Chayton's produce a vision whereby Zambia's smallholder farmers are paternalistically linked to large commercial farms; smallholders would work hand in hand with large farms. However, it remains to be seen how likely these projects hold true to these original visions, and if others believe these visions to be possible and achievable.

<sup>&</sup>lt;sup>21</sup> As he argued during his presentation to the 2012 'Agribusiness Congress', held in Lusaka, Zambia from 5-6 September, 2012.

#### **5** Conclusion

The aim of this paper was not to evaluate the positive and negative impacts of cases of 'land grabs', and in particular, the Chayton investment in Mkushi. Rather, this paper suggests that foreign investments can take place without displacement of local communities. There are genuine questions about land consolidation and food sovereignty that have been posed and that still need further evaluation. However, if 'land grabs' and the data behind the discourses surrounding the arguments of both the accusers and the accused are subjected to closer ethnographic scrutiny, some of the easy assumptions of what is considered a 'land grab' begin to fall apart.

While Chayton remains only one case, it is a model in which other notable private equity funds, such as Altima and Emergent Asset Management (Oakland Institute, 2011), have followed in Zambia. If the focus of NGOs, such as Oakland Institute (2011) and GRAIN (2012b), is to remain on the ways in which corporate investors with private equity funding are choosing to invest, then the nuances of such investments in statutory land must be taken into account in finding mitigations and safeguards against the negative impacts of such investments. Perhaps the Chayton case can be thought of as an 'inconvenient example' (Ferguson, 2006); though the Chayton case does not conform to the ways that many other 'land grabs' have proceeded throughout sub-Saharan Africa, and indeed, throughout the developing world, that does not mean that it should be dismissed. Rather, it prods us to rethink the way we conceptualise 'land grabs' in the larger picture of changing food systems.

White *et al* suggest that 'large-scale land deals, while sensational, are only the most recent and visible manifestation of a growing agrarian crisis around the world, reflected in heightened levels of food insecurity, poverty, landlessness and environmental degradation' (2012: 626-627). This trend includes high food and fuel prices, their role in precipitating events such as the 'Arab Spring' and a number of 'food riots' throughout 2007-8, as well as longer-term trends in climate change and environmental degradation.

While 'land grabs' may be a useful term to encompass these growing anxieties, an ethnographic analysis reveals *how* large-scale agricultural investments have taken place in Mkushi in Zambia; the rise of agribusiness, the extension of international value chains, the increasing wealth to be sought in agriculture, and interest by foreign agricultural actors points to the need for a thorough evaluation of the ways in which they have purported to bring benefits to the Zambian economy and to the Zambian people. If history repeats itself and copper prices once again fall, the real impacts of such trends towards large-scale investments in agriculture and large-scale commercial agricultural ventures will be seen. In these lean years, Zambia will most strongly feel the impacts of the alienation of land from smallholder farmers and rural communities.

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#### **LDPI Working Paper Series**

A convergence of factors has been driving a revaluation of land by powerful economic and political actors. This is occurring across the world, but especially in the global South. As a result, we see unfolding worldwide a dramatic rise in the extent of cross-border, transnational corporation-driven and, in some cases, foreign government-driven, large-scale land deals. The phrase 'global land grab' has become a catch-all phrase to describe this explosion of (trans)national commercial land transactions revolving around the production and sale of food and biofuels, conservation and mining activities.

The Land Deal Politics Initiative launched in 2010 as an 'engaged research' initiative, taking the side of the rural poor, but based on solid evidence and detailed, field-based research. The LDPI promotes indepth and systematic enquiry to inform deeper, meaningful and productive debates about the global trends and local manifestations. The LDPI aims for a broad framework encompassing the political economy, political ecology and political sociology of land deals centred on food, biofuels, minerals and conservation. Working within the broad analytical lenses of these three fields, the LDPI uses as a general framework the four key questions in agrarian political economy: (i) who owns what? (ii) who does what? (iii) who gets what? and (iv) what do they do with the surplus wealth created? Two additional key questions highlight political dynamics between groups and social classes: 'what do they do to each other?', and 'how do changes in politics get shaped by dynamic ecologies, and vice versa?' The LDPI network explores a range of big picture questions through detailed in-depth case studies in several sites globally, focusing on the politics of land deals.

#### Creating a Zambian Breadbasket: 'Land grabs' and foreign investments in agriculture in Mkushi District, Zambia

The paper first explores the question of what might 'land grabs' be in Zambia, from the perspective of two important accusations of 'land grabs' in Zambia. It then more closely explores the discourses employed Chayton, before proceeding towards Mkushi itself, with a more detailed encounter with the residents of the Mkushi farm block. Here, investments in agriculture must instead, be understood through the existing development of commercial agriculture; the Chayton investment is not new or unique, in this case. Commercial agriculture, and the growing role played by foreign investments in this sector, is facilitated by the changes within Zambia itself, with growing urban consumption and dietary trends. The picture that emerges from Mkushi is that of the rise of agribusiness, the extension of international agricultural value chains, the increasing wealth to be sought in agriculture, and interest by foreign agricultural actors. These scenarios are not meant to justify the Chayton investment, but rather to demonstrate why such investments are able to persist in Zambia. Thus, this paper suggests that there is a need to reconsider what 'land grabs' are, and to consider cases such as Chayton as an 'inconvenient example' (Ferguson, 2006) in order to evaluate the ways in which they have purported to bring benefits to the Zambian economy and to the Zambian people.



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