International land deals, local people’s livelihood, and environment nexus
(How to create win-win land deals in Ethiopia?)

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Following the global raise in demand for food and biofuel production, transnational companies are acquiring large scale agricultural land in developing countries such as Ethiopia. Considering land as one of the factors to be outsourced for development, the government of Ethiopia is supplying millions of hectares of land to transnational companies in the form of longterm lease. Many of the companies which engage in large scale land acquisition are of Indian, Chinese, Ethiopian diaspora, German, Malaysian, Italian, British, Dutch, Turkish, and Saudi-Arabian origin. The boom in the acquisition of farm land in the country has sparked an all-rounded debate among civil society groups, international institutions, nongovernmental organizations and independent development experts.

The common reflections concerning the land deals in Ethiopia and elsewhere contain much rhetoric and hype which lack analysis of the real situation ‘on the ground’ giving different connotations such as ‘land grabbing’, ‘agricultural outsourcing’, ‘neo-colonialism’, ‘agrarian colonialism’, and ‘land underdevelopment’. However, deforestation, soil degradation, marginalization of local indigenous communities, and minimally unfair gains from investment by the host country are among the real points of concern arising out of the long term land lease contracts. Scientific evidence is lacking concerning the pragmatic impacts of large scale agricultural land acquisitions by transnational companies upon the natural environment (forest and land), local peoples’ livelihood, and the contacting parties (the host country and the companies). The major objective of this study is to investigate the impacts in the context of Ethiopia, orienting to reinvent win-win land use models which constitute sustainable land use, local peoples’ livelihood and the company-host country interests. To achieve this overall objective, the study employs a number of methods and methodologies constituting both qualitative and quantitative data analyses at different levels of focus ranging from household and farm levels to national and transnational. The study focuses on the western lowlands of Ethiopia where there are many companies engaged in large scale commercial farming, where 75% of it is below 1500 m a.s.l with average annual temperature of 20-25°C and annual rainfall of 500-1800 mm. Some preliminary exploratory findings indicate that there is massive land use conversion (deforestation) and ‘voluntary’ displacement of indigenous communities, which requires further triangulation.

Key words: agricultural outsourcing; environmental services; land grabbing; sustainable livelihood; soil conservation