

## **Globalization Commentaries**

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## What Happened to the Biggest Land Grab in Africa? Searching for ProSavana in Mozambique

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What if you threw a lavish party for foreign investors, and no one came? By all accounts, that is what's happening in Mozambique's Nacala Corridor, the intended site for Africa's largest agricultural development scheme – or land grab, depending on your perspective.

The <u>ProSavana project</u>, a Brazilian-and-Japanese-led development project, was supposed to be turning Mozambique's fertile savannah lands in the north into an export zone, replicating Brazil's success taming its own savannah – the cerrado – and transforming it into industrial mega-farms of soybeans. The vision, hatched in 2009, but only revealed to Mozambicans in 2013, called for 35 million hectares (nearly 100 million acres) of "underutilized" land to be converted by Brazilian agribusiness into soybean plantations for cheaper export to China and Japan.

In my two weeks in Mozambique, including one week in the Nacala Corridor, I had a hard time finding evidence of any such transformation. It was easy, though, to find outrage at a plan seen by many in the region as a secret land grab. That resistance, which has evolved into a <u>tri-national campaign in Japan</u>, <u>Brazil</u>, <u>and Mozambique</u> to stop ProSavana, is one of the reasons the project is a currently a dud.

## The new face of South-South investment?

I came to look at ProSavana because, out of all the large-scale projects I studied over the course of the last year, this one sounded almost plausible. It wasn't started by some fly-by-night venture capitalist, growing a biofuel crop he'd never produced commercially for a market that barely existed. That's what I saw in Tanzania, and such failed land grabs litter the African landscape.

ProSavana at least knew its investors: Brazil's agribusiness giants. The planners also knew their technology: Brazil's soybeans, which had adapted to the harsh tropical conditions of Brazil's cerrado. And they knew their market: Japan's and China's hog farms and their insatiable appetite for feed, generally made with soybeans. That was already more than a lot of these grand schemes had going for them.

I was also compelled by the sheer scale of the project. When first announced, ProSavana was to encompass 35 million hectares of land, an area the size of North Carolina. That would have made it the largest land acquisition in Africa.

ProSavana also interested me because it was not the usual neo-colonial megaproject promoted by the Global North. It was a projection of Brazil's agro-export prowess. This was South-South investment, the new wave of development in a multipolar world. Wouldn't Brazil do this differently, I wondered, with

the kind of strong developmental focus that had characterized the country's ascendance under the leadership of the left-leaning Workers' Party?

ProSavana's premise was that the soil and climate in the Nacala Corridor of Mozambique were similar to those found in the cerrado, so technology could be easily adapted to tame a region inhospitable to agriculture.

Someone should have gone there before they issued the press releases.

It turns out that the two regions differ dramatically. The cerrado had poor soils, which technology was able to address. That's also why it had few farmers, and those that were there could be moved by Brazil's then-military dictatorship. The Nacala Corridor, by contrast, has good soils, which is precisely why it is the most densely-populated part of rural Mozambique. (If there are good lands, you can bet civilization has discovered them and is farming them.)

Mozambique also has a democratic government, forged in an independence movement rooted in peasant farmers' struggle for land rights. So the country has one of the stronger land laws in Africa, which grants use rights to farmers who have been farming land for ten years or more.

The disconnect between the claims ProSavana was making to its investors and the reality of the situation reached almost laughable proportions. Agriculture Minister Jose Pacheco led sales visits to Mozambique, organized by Brazil's Getulio Vargas Foundation, which had put together the agribusiness-friendly draft "Master Plan" that was leaked to Mozambican civil society organizations in March 2013. Brazil's biggest farmers came looking for thousands of hectares of land, only to find three disappointments: they couldn't own land in Mozambique; what land they could lease was by no means empty; and it was far from the ports, with no decent roads to transport their soybeans. Brazil's soybean mega-farmers packed up their giant combines and went back to the cerrado, where there are still millions of hectares of undeveloped land.

## A kinder, gentler ProSavana

There are a few large soybean farms in Gurue, producing for the domestic poultry industry; but nothing like the export boom promised by ProSavana. According to Americo Uaciquete of ProSavana's Nampula office, Brazilian farmers came expecting 40,000 hectares free and clear. He told me no investor could expect that in the Nacala Corridor. The only foreign investors who will farm there, he said, are those willing to take 2,000 hectares and involve local farmers.

To me, that sounded like a very quick surrender on the ProSavana battlefield. Couldn't the Mozambican government open larger swaths of land?

"Not without a gun," Uaciquete said, clearly rejecting that path. "We are not going to impose the Brazilian model here." He went on to describe ProSavana as a support program for small-scale farmers, based on its two non-investment components: research into improved locally adapted seeds, and extension services to improve productivity.

In Maputo, the ProSavana Directorate did its best to polish up the new, development-friendly ProSavana. Jusimere Mourao, of Japan's cooperation agency, had it down best. She lamented that

ProSavana was "poorly timed" because its "announcement" (a leak) "coincided" with international concerns about land grabbing. Hmmm....

After taking civil society concerns into account, she said, the program had issued a new "concept note" and the Master Plan is under revision. "Small and medium producers are the main beneficiaries of ProSavana," she said. "We have no intention of promoting the taking of their land. It would be a crime." It's not about promoting foreign investment, she assured me; that is up to the Mozambican government.

The turnaround was stunning, and welcome, if not quite believable. It certainly had not quieted the coalition calling for an end to ProSavana until farmers and civil society groups are consulted on the agricultural development plan for the Nacala Corridor.

Luis Sitoe, Economic Adviser to the Minister of Agriculture, smirked when I told him I'd been in the region researching ProSavana. "Did you find anything?" For him, ProSavana had failed.

But lest I think anything profound had been learned from that experience, he reassured me that the Mozambican government remains firmly committed to relying on large-scale foreign investment to address its agricultural underdevelopment.

He pulled out a two-inch-thick binder to show me he was serious. It was the project proposal for the Lurio River Valley Development Project, a 200,000-hectare irrigation scheme right there in the northern Nacala Corridor. Was it part of ProSavana? Absolutely not. Had the communities been consulted on this ambitious project along the heavily populated river valley?

"Absolutely not," said Vicente Adriano, research director at <u>UNAC</u>, Mozambique's national farmers' union, which had just presented its own agricultural development plan, based on the country's three million family farmers.

The ProSavana directorate is still promising a new Master Plan for the project in early 2015. So it would be a mistake to think that ProSavana is dead. Large-scale land deals certainly aren't, however they are branded. Investors may just be waiting for the Mozambican government to bring more to the table than just promotional brochures. Things like land, which turns out to be rather important for a successful land grab. In the Nacala Corridor, that land is anything but unoccupied.

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