EDITOR'S INTRODUCTION: THE GLOBAL LAND GRAB

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To paraphrase an old Palestinian parable, "the war doesn't come when they steal your land or your life, the war comes when they steal your stories." *Grabbing Back* is a book full of stories penned by people resisting the theft of their lives and land. These stories, though unique in their own lineages and features, are linked together in a global struggle against what is called the New Scramble for Africa, the New Great Game, the Global Land Rush, and the Global Land Grab. Large transnational corporations based in the North Atlantic countries, the Saudi states, and the BRICS (Brazil, Russia, India, China, South Africa) are grabbing millions of hectares of land from small farmers and indigenous peoples in Africa, South America, and Asia. Smaller countries with developing populations, like Singapore and South Korea, are also competing for the land. Experts compare the lawlessness and exploitation of the New Scramble for Africa to the Wild West, echoing the troubling fact that the quantity of land grabbed in just two years, between 2008 and 2009, amounts to an area the size of the state of California, plus much of Oregon. If military occupations and coups are included in the data set (and as Ben Dangl shows in his rousing article on Paraguay, they absolutely should be), the land grabs that have taken place around the world since 2009 would encompass the entire Western United States.[1] But as authors such as *Monthly Review*'s Fred Magdoff have shown, it is not gold that is leading the new expansion—it's agriculture.[2]

According to the World Bank, 464 land acquisition projects commenced between 2008 and 2009, and 22 million hectares were subject to acquisition between 2010 and 2011 alone. An important reason for these land grabs is that global power brokers want to bring food security to population-dense countries faced with erratic growing seasons (such as

1 This claim is based on the central position of natural resources, inter-imperialist rivalries, and agricultural lands in the political gambits of the Mali invasion, the Paraguay coup, and the overthrow of Bozize's regime in the Central African Republic. Counting the oil land leased in the Ecuadorian Amazon, these lands together equal nearly nine-hundred thousand square miles.

2 Fred Magdoff, "Twenty-First-Century Land Grabs: Accumulation by Agricultural Dispossession," *Monthly Review* 65, no. 6 (2013).

China, India, and South Korea). A vast majority of these massive global acquisitions took place in only seven African countries where land can cost less than $1 an acre. In Ethiopia, more than 25 percent of available, appropriate land was sold off between 2007 and 2008. By 2011, the Bank counted over fifty-six million hectares under acquisition in total, with the *Economist* citing a larger figure of eighty million hectares, and the International Land Coalition locating a whopping 203 million hectares of land grabs in a land matrix referencing the years 2000–2010.[3] But how and why did this all start?

There are five main reasons for the Global Land Grab: climate change, speculation, the Great Recession, resource scarcity and the ideology of "extractivism," and the history of colonialism. Each of these feeds off of the other, forming a feedback loop. The recession has generated the apparent need for further sources of revenue, thus bringing increased investment to extractive industries both domestically and in formerly colonized countries; however, due to over-extraction and growing urban populations, resources are becoming scarce, so there is a rush to open up new territory, cutting down more trees and pushing forward new production facilities that contribute to climate change. For instance, Brazil reported in 2013 that deforestation of the Amazon Rainforest had increased by 28 percent in just one year—chiefly due to encroaching infrastructure projects and farms. Climate change and industrial expansion put added strains on resources like water, which is a crucial factor in the refining and production processes of most resources and commodities. While hunger crises escalate, land grabs for resources such as water, food, fuel, and minerals will become increasingly brutal and violent. As climate-change-related disasters grow (such as Typhoon Haiyan, which left more than a million homeless and cost several thousands of lives), the triage will become more obvious: the powerful states will privilege industry and finance over people, while the effects of climate change will be borne by the poor and less fortunate.

Origins

1. Climate Change

One key reason for land grabs is food security. In 2008, the UN counted more than sixty countries hit by food crisis. In 2010, forty countries

3 Ward Anseeuw, Liz Alden Wily, Lorenzo Cotula, and Michael Taylor, *Land Rights and the Rush for Land* (International Land Coalition, 2012).

had entered into dialogue with the World Bank, due to skyrocketing food prices. That year, scorching drought and torrential floods belted Africa, from the Sahel valley to the Ethiopian plains, and the climate-driven famine had not relented, causing increasing crisis situations for the people. But the food crisis was not restricted to the South. Seeing dwindling grain stocks within its own borders, Russia placed an export ban on its wheat in 2010, further constricting the supply of food to the South, and causing prices to increase. In 2012, drought reduced crops in Russia by 25 percent, while obliterating a third of the harvest in Ukraine, leading to another export ban. The same year, the US experienced the heaviest dry spell in fifty years. Climate change is not only burning a hole in the breadbaskets of each continent; it is also causing increased flooding. In 2013, China imported more than 60 percent more wheat from Australia than it had done the year before, necessitated by heavy rainfalls. The list goes on, making more powerful countries increasingly concerned about their food security.

Food security brings national stability, so the race for land is often tied to keeping rebellion at home at bay. The impacts of the food crisis boiled over into the food riots of 2007, leading to brutal clashes between protesters and police in more than twenty countries. These mass movements were still simmering two years later as a hundred thousand protesters marched through the streets of Copenhagen in bright blue and green blocs to protest the COP15 climate change conference. Reasons for protests against COP15 were twofold: not only were protesters from the South, including *campesinos*, peasants, and indigenous peoples, frustrated with the lack of real solutions to carbon emissions, but they also expressed contempt for the financial industry of the North, which drove food prices up while trying to make money off of increasing food prices.

2. Financial Speculation

Beginning with the food crisis in 2007–8, global finance began to purchase growing plots of land while trading wheat futures in the short term to make money off of incremental rises in prices. This process is equivalent to buying grain in hopes that the investor can sell high at a later date. The commodities market, then, behaves like the stock market, with investor actions often causing volatile price changes, bubbles, and recessions. However, the commodities market is not like the stock exchange, because it deals with a finite resource, like wheat or corn—real things that people need to survive. A rapid increase in futures contracts often drives futures prices up, leading to concomitant trends in the cost of commodities, namely the price of food among starving populations. All of this even though the financial transactions usually do not entail any commodities physically changing hands. None of this would have been possible before the intervention of neoliberalism and financial deregulation, which several Third World leaders and organizations recognized as neo-colonialism long in advance.

Through the intervention of global financial institutions, developing countries were told to deregulate their protected markets. As the US deregulated its own financial system, beginning with the repealing of the Glass-Steagall Act, the US Treasury and the Big Five banks collaborated to add Financial Services Agreements (FSAs) to free trade agreements enforced by the World Trade Organization. Through the FSAs, banks could "open up markets" to derivatives trading—the same practice that created the housing bubble that led to the Great Recession. At the same time, the Commodity Futures Modernization Act was passed through US government, allowing traders to circumvent the Commodity Futures Trading Commission, which was essentially the only US institution that monitored and regulated commodity trades. The deregulation of financial institutions around the world drastically increased the US "over the counter" (deregulated) commodity trading from investment banks, hedge funds, pension funds, etc. Investment in commodities other than gold and metals rose from $5.85 trillion in 2006 to $7.05 trillion in 2007 to $12.39 trillion in 2009.[4] When the recession led investors to temporarily scale back their investments across the board, food and other commodity prices fell. However, after the bank bail outs, investment abroad increased again, and prices reflected the speculation, rising sharply again during the food crisis of 2010.[5]

3. The Great Recession

The connection between land grabs in the South, commodity prices, and the housing market in the North is not a new one. As early as 2003,

4 Bank for International Settlements, *BIS Quarterly Review*, September 2010, http://www.bis.org/publ/qtrpdf/r_qt1009.htm.

5 Jayati Ghosh, "Speculation and the food crisis," World Development Movement, October 2010, http://www.wdm.org.uk/sites/default/files/Commodity%20speculation%20and%20food%20crisis.pdf.