



FOUNDATION FOR DEMOCRACY
AND SUSTAINABLE DEVELOPMENT

Land grab ‘in the public interest’: an issue of democracy and sustainable development, Lorenzo Cotula, 28 October 2009

When in 2008 the government of Madagascar [agreed a deal with Korean Daewoo Logistics](#) for the company to access 1.3million hectares of agricultural land to grow maize and palm oil for export, protests, political crisis and ultimately the fall of the government and the [cancellation of the deal followed](#). Madagascar’s citizens were not consulted.

In this guest post, IIED’s [Lorenzo Cotula](#) suggests that the ‘land grab’ phenomenon is a key issue of democracy and sustainable development.

Over the past year, large-scale land acquisitions for agrifood and biofuel investments in [Africa](#), [Asia](#) and [Latin America](#) have made headlines in media reports [across the world](#).

Lands that only a short time ago seemed of little outside interest are now being sought by international investors to the tune of hundreds of thousands of hectares – a phenomenon that the media has dubbed ‘land grabbing’.

A key issue is the way in which investors gain access to land for these projects. There is a perception that farmland is abundant in Africa, but the perception cannot always be substantiated. In many cases land is already being used or claimed – but by people who have no formal land rights. Agribusiness are usually interested in lands with greater irrigation potential or those closer to markets, which are more likely already to be in use.

So what happens if local people do not want to relinquish their lands?

Virtually all countries have legislation that enables government compulsorily to take (or ‘expropriate’) property if it is in the public interest to do so. In exchange, governments are usually required to pay compensation, and to respect certain procedural safeguards.

The idea is that if the government is to build a school or a hospital, individual rights must be reconciled with the interests of society at large. But in many parts of the developing world, legislation allowing compulsory acquisition of land in the public interest has been used to make land available not for schools or hospitals, but for commercial projects – in the mining, petroleum or agriculture sectors. Such commercial projects may very well be in the public interest – as they can promote economic development, and generate public revenues. And in any event, in the real world, lines between public and private interest may be blurred; for example where the public infrastructure project is built through a public-private partnership – so that public interest and profit motives can coexist (as in a toll road, for example).

But in principle, should purely commercial ventures be allowed to acquire land on a compulsory basis? If commercial projects and investors can generate greater economic benefits than current land users so as

to justify a public interest in the land changing hands, why should they not be expected to seek to “buy out” local people on a negotiated rather than a compulsory basis?

This issue is central to the democracy and sustainable development nexus. It’s about democracy, because use of public-purpose land acquisition or expropriations can enable governments to promise to transfer land to prospective investors before any consultation with local people takes place. And it’s about sustainable development because government efforts to attract investment are driven by concerns to promote economic growth, yet in a sustainable development framework these concerns would need to be balanced with possible social impacts. Loss of land access in contexts where local people crucially depend on land for their food security can be a major source of such impacts.

I would be very interested to receive comments.

Lorenzo Cotula is a co-author of *Land Grab or development opportunity? Agricultural investment and international land deals in Africa*