South Sudan & the “Global Land Grab”: Implications for the Future of Food Security

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South Sudan & the “Global Land Grab”: Implications for the Future of Food Security

In Partial Fulfillment of the Requirements for the Degree

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By
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Under the guidance and approval of the committee, and approval by all the members, this thesis has been accepted in partial fulfillment of the requirements for the degree.

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Abstract

More than 870 million people across the world do not have enough to eat, 98 percent of them live in developing countries. While researchers disagree on the causes of hunger, they all agree that it is a pressing concern. South Sudan occupies some of the most fertile land with access to several major water sources -- all the ingredients for a thriving agriculture sector -- and yet, it is a net food importer. Worse, 60 percent of the population does not consume enough food to provide a nutritious diet. Why does a country with all the best natural endowments also have some of the poorest hunger indicators? This thesis will investigate this question through the lens of land ownership and management in South Sudan. One important aspect influencing food security is the use of land. In recent years, South Sudan has seen foreign investors leasing its prime land for industrial agriculture or resource extraction. Could these projects provide much needed infrastructure and development? What are the risks associated with this type of development model for the local population in South Sudan?
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Introduction

The recorded instances of hunger, malnutrition, and famine are on the rise in Africa. Hunger is a primary health concern across the globe as more deaths result from hunger than from AIDS, Malaria, and TB combined (WFP 2012). Furthermore, more than one in four Africans suffers from undernourishment. Food security -- a situation in which all people have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs-- has not been realized (Mwaniki 2012, 1).

Food security is affected by several social, ecological, and economic factors. These include unstable social and political environments that preclude sustainable economic growth, war and civil strife, natural resource constraints, poor human capital base, inadequate education, poor health, natural disasters, such as floods and droughts, and the absence of good governance. All these factors contribute to either insufficient national food availability or insufficient access to food by households and individuals (Mwaniki 2012, 1). The World Food Summit of 1996 defined food security as existing “when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life”. In Africa, these conditions are met far too infrequently.

Particularly surprising, food security is worst in Sub-Saharan Africa where the land is fertile enough to support sustainable food production systems. The region has some of the most fertile land for agriculture. During a recent presentation in Washington D.C., South Sudan’s minister of Agriculture and Investment made the case for her country’s agricultural potential, point out that over 95% of the land in South Sudan is considered suitable for agriculture and 50% classified as “prime agricultural land.” This fact is not surprising when
one considers the abundant water resources in the form of rivers and tributaries in addition to high annual rainfall (500-2000 mm). Despite the agricultural potential, less than 5% is currently cultivated for agriculture (IFPRI 2012, 1).

This fact begs the question of what causes food insecurity? Why, in a setting with the natural resources to support an abundant agricultural sector are 60% of Southern Sudanese unable to meet the minimal 2,100 calories per day?

One important aspect of creating a stable food supply is the management of agricultural land. Following the recent establishment of South Sudan as an independent state, and the end of the 22-year civil conflict, the government is focused on building political and legal infrastructure. Unfortunately, this focus on rebuilding political infrastructure often detracts attention from other important development plans.

In the context of a global economic and food crisis, countries and investors have been purchasing tracts of farmland, largely in developing regions. More than 180 deals have been completed since 2008, by governments attempting to increase access to food stocks and investors hoping to turn a profit on the global commodities market (Deng et al 2011, 5). The Oakland Institute reports that foreign investors have acquired more than 56 million ha of land globally by 2009 (Deng et al 2011, 5).

The term “land grabbing” has gained international traction in recent years, describing the phenomenon of wealthy countries and investors purchasing farmland from generally poor countries and communities. Proponents of these deals argue that it's a ‘win-win’ situation - the investors “win” profits and product to sell, and the host communities also “win” by getting benefits such as transfer of technological know-how, employment opportunities, and investments in social programs.
Others argue that, in fact, this type of investment further undermines local food security, and reduces local government effectiveness. Because of the way the contracts are structured, the benefits accrue disproportionately to the international investors (not the local communities directly affected). A typical example would work in the following way: an international industrial agriculture company is contracted to farm a tract of land in Southern Sudan (as in the Nile Trading deal). The goods produced are usually intended for export to the international food market. As a result of this supply chain, the investor reaps the profits of the sale, gains the benefits of a low-cost land lease, and still, is not forced to give compensation to local communities. The local communities, then, often receive little or no compensation for the deal, and worse, they must deal with the consequences of being relocated and losing access to important natural resources for their livelihoods.

Particularly in a post-conflict society, such as South Sudan, the lack of regulation regarding the ownership of land makes it a perfect target for these investors. It also puts South Sudan in a precarious position. It certainly has the opportunity to develop land for agricultural purposes that may create a more advanced agriculture sector and ensure long-term food security. The challenge, though, is to make sure that the externalization of agriculture promotes local food production and compensates local populations fairly.

This paper attempts to analyze the recent trend of foreign land acquisitions in South Sudan. The first section will outline the theories explaining the causes of food insecurity. The discussion section focuses on the case study of South Sudan -- first discussing the economic climate and the trend of land purchases, followed by an in-depth analysis of the four largest purchases since the Comprehensive Peace Agreement (CPA) was signed in 2005.
Literature Review

This first section of this thesis addresses the body of literature that seeks to explain the causes of food insecurity. Most scholars agree that a complex and interrelated set of factors contribute to food insecurity, though they differ in their conceptual frameworks. For use in this thesis, I’ve divided the literature into two general camps: the “structural deficit” and the “social political dynamics” frameworks. I make this distinction to help clarify the dynamics observed in South Sudan, the case study included in this thesis.

The structural deficit camp includes authors that argue food insecurity is caused by a lack of infrastructure by which the state can ensure food supply. Authors such as Malthus, Easterly, Moyo, Sachs, and de Soto all broadly agree that the underdevelopment of government and a lack of institutional capacity create conditions ripe for food insecurity. Without formal legal frameworks, for example, rights to private property can hardly be guaranteed. Therefore, the rights of a farmer to produce food for his family hinge on the ability of the government to ensure the rights contained in the legal and political constitutions. If these rights are not explicitly stated and enforced through institutions and the government apparatus, they argue, a stable, long-term food system is unlikely to develop.

The social political camp includes an analysis of the politics of food security. This second camp of authors argues that food insecurity can be explained in part by technical deficits, but more completely by a complex network of strategies. In this view, there are beneficiaries of crises; there are those in a given region that have a stake in the creation or continuation of mass-hunger. The authors in this camp often analyze the structures of
incentives and punishments for perpetrators in a given situation. Broadly speaking, the theorists argue that mass-hunger should not be considered a collapse but as a system, in contrast to the structuralists.

Structural / Societal Deficits:

The discussion of famine and its link to a population must begin with Thomas Malthus. Anglican clergyman Thomas Malthus wrote several influential demographic and political papers in the late 18th century that dealt with the relationship between population growth and food supply. In opposition to the commonly held belief that humankind was on a steady march of progress towards a “perfect society,” Malthus argued that the dangers of population growth would preclude this progress.

If, Malthus argued, population grows at a geometric rate, and the food supply increases arithmetically, there will necessarily be a point at which one will limit the other. As he wrote: “I say that the power of population is indefinitely greater than the power in the earth to produce subsistence for man. A slight acquaintance with numbers will show the immensity of the first power in comparison of the second” (Malthus 1798, 11). In other words, he theorizes that population will necessarily outstrip food supply over time.

The natural extension of this argument leads to the point at which population exceeds food supply. Malthus argued that the “natural limits” on population growth are sometimes manifested in the form of mass starvation or famine. He wrote, “By that law of our nature which makes food necessary to the life of man, the effects of these two unequal powers must be kept equal. This implies a strong and constantly operating check on
population from the difficulty of subsistence. This difficulty must fall somewhere and must necessarily be severely felt by a large portion of mankind” (Malthus 1798, 11). When the population begins to outstrip the food supply, the “difficulty” (aka starvation, ill health, and often death) is often “felt by a large portion of mankind.” His argument explains food insecurity in a biological proportion. When population exceeds food supply, a “natural correction” takes place that re-balances the equation, “natural correction” meaning widespread famine and death. When the people in a given society exceed the food available, people starve.

He argues, then, that food insecurity is fundamentally a food deficit. Population will continue to grow at a predictable rate. If the food supply doesn’t keep pace, it will deplete. And, without a fully developed agency to ensure the adequate production of food for the given population, food insecurity, or worse, famine, ensues. Malthus argued that the cause of food insecurity is based on a lack of adequate food supply through normal infrastructure. For this reason I’ve included his work in the “structural deficit” camp of authors.

More than 200 years later, Dambiso Moyo makes similar argument: weak political and economic infrastructure contributes to the instances of famine in Africa. In her book titled, *Dead Aid: Why Aid is not Working and How there is a Better way for Africa*, Moyo argues that foreign aid is not only ineffective at combating poverty, but in fact, worsens it. This is the case, she argues, because most of Africa’s states lack of functioning infrastructure to manage the incoming aid.

According to Moyo, the most aid-dependent countries over the past three decades have exhibited annual growth rates of negative 0.2 percent (Moyo 2010, 46). And, during that time, when aid was at its highest, poverty rate in Africa actually increased from 11
percent to 66 percent (Moyo 2011, 47). She questions, then, what purpose aid is serving, if not to decrease poverty rates.

Moyo’s critique of international aid is that the amount of non-emergency loans and grants has much the same effect in Africa as a “natural resource” -- that it encourages corruption and conflict and reduces the incentives for free enterprise (Moyo 2011, X). Without strong infrastructure to manage the inflow of aid (or in South Sudan’s case, investment), she argues that market mechanisms skew incentives towards corruption and further dependence on aid and away from free enterprise.

Moyo’s work points largely to weak government and economic systems as unable to manage aid as it is intended. Because of this mismanagement, societies experience rampant corruption and are often caught in an endless cycle of aid dependency and food insecurity. In her opinion, societies experience famine and other poverty-related misfortunes because they do not have sound economic or political systems to support development. Therefore, she defines famine as largely “structural.”

The Peruvian economist Hernando de Soto famously defended the value of state-led development. He worked throughout the developing world, South America in particular, and saw broken economies and unequal development schemes. He explained poverty and social problems on a lack of basic political and legal rights. He further argued that the impoverished represent “dead capital” to a society because they are unable to participate properly in the economic or political sphere (De Soto 2002 and 2003).

In most third world countries, according to de Soto, there exists a vast wealth of untapped productivity. In his book *They Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* de Soto claims when a country lacks formal processes, a
A large amount of business takes place “extralegally,” which can be hugely problematic. In order for a producer to conduct business—for example, to sell things, expand his business, take out a loan, use collateral, etc.—he needs legal documents. Without a formal system to provide both the legal process and the enforcement of the transaction, there can be no guarantee of validity. De Soto writes, “the disadvantage to extralegal arrangements is that they are not integrated into the formal property system and as a result are not fungible and adaptable to most transactions; they are not connected into the financial and investment circuit; and their members are not accountable to authorities outside their social contract” (de Soto 2003, 87). Extralegal producers, who are not involved with a property system, are themselves at an enormous disadvantage financially, as is the national economy because it is underutilizing its production potential. These “extralegalities” need to become institutionalized in order to create a better more capital rich economy. The dead capital, as De Soto suggests, is a good resource, but the nation lacks the institutions and responsive government to create wealth and an efficient economy from this dead capital, things like labor/skills, physical assets and productive impulses. The combination of private property and capitalism can create wealth and developmental growth, but governments need to install institutions and laws in order to protect these rights. So far, he argues, the third world hasn’t, and has “lost” the capital (de Soto 2003). Without building the proper institutions to protect the poor’s private property, the state misses out on capturing a large sector of potential productivity. Furthermore, since sustainable farming makes up the majority of the food system in many African countries, the lack of legal and political rights for this sector could prove devastating for future food security.
Perhaps the most well known “structuralists” is Jeffrey Sachs, who argues that foreign assistance can help build infrastructure, reduce incidence of disease, improve food security, in short, break the “poverty trap” (Sachs 2009). He famously describes Africa as facing a “triple whammy” in terms of obstacles to development in his book Common Wealth: Economics for a Crowded Planet (Sachs 2009, 227). He points to poor agricultural performance, disease burden and weak connectivity to world markets. He, like USAID, argues that these burdens can be overcome. He says:

Food production can be increased; diseases can be controlled; education and literacy can be expanded to ensure universal coverage of the young; and infrastructure –especially roads, power, water, and sanitation – can be put in place. Indeed, these things can happen rapidly if the projects can be implemented. While in a handful of cases the limiting factor is poor governance, in most cases it is finance...That is where foreign assistance comes in. A temporary boost of aid over the course of several years, if properly invested, can lead to a permanent rise in productivity. That boost, in turn, leads to self-sustaining growth. (Sachs 2009, 229).

In Sachs’ view, issues of food insecurity can be overcome via temporary boosts of aid. Not only will this *temporary* influx of capital overcome the listed burden, but it will also lead to *permanent* boosts in productivity, he argues. Like USAID’s position, Jeffrey Sachs’ is based on the assumption that the issues confronting the Sub-Saharan African region are mechanical in nature – that with only a boost in foreign aid, these obstacles can be overcome and sustained growth will follow. Development aid delivery is the tipping point in the development process, in Sachs’ model. Not all theorists agree that aid money and development projects play such a straightforward role in the process of treating and preventing conditions of food insecurity and poverty, more broadly.
In defining the causes of food insecurity as technical deficits -- as not enough food, poor market structures, and under-developed infrastructure -- we risk overlooking several crucial components that cause and prolong famines. Amartya Sen provides one of the earliest, and best-known arguments that contradicts the “structuralist” view of famine.

In his 1981 book, *Poverty and Famines*, Sen articulates the “entitlement” map for a given individual in a society with functioning social and political rights. He articulates the influences on an individual’s ability to consume resources in a society:

(1) Whether he can find an employment, and if so for how long and at what wage rate; (2) what he can earn by selling his non-labour assets, and how much it costs him to buy whatever he may wish to buy; (3) what he can produce with his own labour power and resources (or resource services) he can buy and manage; (4) the cost of purchasing resources (or resource services) and the value of the products he can sell; (5) the social security benefits he is entitled to and the taxes, etc, he must pay. A person’s ability to avoid starvation will depend both on his ownership and on the exchange entitlement mapping that he faces.” (Rangasami 1975, 1799).

By examining historical examples, Sen found that famines occurred in times when there should have been enough total food to feed the given population. Sen documented the Bangladeshi Famine of 1974 in one of his case studies to highlight his argument mentioned above. Paradoxically, he notes, the year prior to the outbreak of famine saw record high rice production numbers. This observation led him to investigate whether the 1974 famine was caused by a lack of food, concluding that this was not the case. He looked at the three worst affected areas: Mymensingh, Rangpur and Sylhet, and found that these each showed...
an increase in rice output from 1973 to 1974 (Keen, pg. 101). In at least this example, we can see that famine is not necessarily caused by a food shortage.

If there was enough total food, why did this area experience such widespread famine? Sen pointed to other factors that conspire to create food insecurity. As he concludes, “a person may be forced into starvation even when there is plenty of food around if he loses his ability to buy food in the market, through a loss of income (for example, due to unemployment or the collapse of the market for goods that he produces and sells to earn a living)” (Sen 2001, 161). During the Bangladeshi famine of 1974, Sen notes that the purchasing power of wage-laborers in these regions drastically declined through a “loss of income.” Because the floods reduced wage-earning opportunities, many laborers were out of work, or accepted reduced wages. We can at least see that purchasing power and/or individual income plays a role in giving individuals access to food via the marketplace. The lack of entitlement to purchase food in a market can impede food security; on a larger scale, this can lead to famine.

Sen points out that “On the other side, even when food supply falls sharply in a country or a region, everyone can be saved from starvation by a better sharing of the available food (for example, through creating additional employment and income for the potential famine victims)” (Sen 2001, 161). To measure the success of “better sharing” of the food supply in times of crisis, Sen analyzed the Great Bengal famine of 1943 that killed ~3 million people under the rule of the British. He found that during a time of rampant inflation, low food supply, and panicked hoarding by consumers, there was government protection for some people. The government sent disbursements to certain groups, mainly in the central part of the state (near Calcutta). The much stronger purchasing power of
those living in the central areas also meant food was being directed away from the periphery. As a result, many could not afford to buy food from the market. This situation certainly does not qualify as “better sharing.” In fact, rather than more fairly disbursing the existing (although reduced) food supply, the government intervened in the market so that certain areas or groups would benefit, thereby worsening the food scarcity that already existed for millions and improved the lot for others.

Therefore, Sen argues, “[s]tarvation is the characteristic of some people not having enough food to eat. It is not the characteristic of there not being enough food to eat. While the latter can be a cause of the former, it is but one of many possible causes’ (Sen 1981, 1). In other words, it is not the total quantity of food in a society that matters, but whether individuals have the right to obtain enough food. The structuralists would argue that famine happens when the food supply runs out. Sen challenges this claim. He points out that through an “entitlements” program, the individual should still be food secure even in times of low food supply. What matters is the distribution of food, not necessarily the total supply of food. This distribution should be guaranteed through the social contract between society and the government.

Sen would argue that while malfunctioning markets are often symptomatic of famine (as the structuralists argue), the inability to access food is ultimately an issue of the political contract between the individual and the state. He writes that famines are likely “where entitlements collapse and states fail to take measures to protect entitlements” (Keen 2008, 103). Sen allows that failed markets sometimes exist. In the case of a skewed or weak market, the government should intervene to support those in need. This process is evidence of a society that values democracy and freedom of individuals. He writes, “The
focus has to be on the economic power and substantive freedom of individuals and families to buy enough food, and not just on the quantum of food in the country in question” (Sen 1981, 161). In times of either reduced purchasing power, or reduced food supply, when the state fails to take proper action to protect the individual’s right to access an adequate food supply, famine can occur.

Sen’s argument assumes that there is some sense of community and value in “shared prosperity.” The state is obligated to distribute food fairly in times of crisis because there is a sense that this distribution will be “beneficial for all groups” (Dreze and Sen 2002, 14). This assumption can be problematic, particularly in the context of civil war (Keen 2008, 104). In fact, there are several reasons that certain groups would prefer that the government withhold assistance from certain other groups.

One of the first authors to discuss the role of “beneficiaries” of food insecurity is Amrita Rangasami, an Indian sociologist and activist. Rangasami was credited with first expanding Sen’s definition of famine to include a broader and more complex analysis of stakeholders. She wrote an article in Economic and Political Weekly in 1985 in response to Sen’s above study where she argued that famine and food insecurity aren’t caused so much by shortages as they are by unfair distribution. Simply, Rangasami argues that a decrease in the food supply does not, alone, cause famine. Much like Sen, Rangasami overall argues that food security depends on an individuals ability to obtain food.

Rangasami, though, critiques Sen’s definition of food security. She argues that Sen’s definition of famine was too narrow -- by defining famine in terms of starvation to death, one misses crucial insight into other factors that contribute to earlier stages of hunger. One of her most profound insights, therefore, was that politics, culture, economics, and military
force played a large role in creating food insecurity: “Famine can therefore be defined as a process during which pressure or force (economic, military, political, social, psychological) is exerted upon the victim community, gradually increasing in intensity until the stricken are deprived of all assets including the ability to labour. This is famine: The ‘pressing down’” (Rangasami 1975, 1749).

Rangasami reasons that during the colonial period in India, crop decline was not the only cause of food security. In fact, several areas were overlooked explanations of famine:

“(1) The importance given to prices and the movement of prices.
(2) The relationship of prices to wages.
(3) The consideration of mass unemployment as the prime indicator of ‘distress’.
(4) The notion that famine was considered as persistent mass unemployment.
(5) That it was a distress that enveloped all classes.
(6) The devising of the ‘annewari’ or the anna value of the crop, primarily as a gauge of inability to pay land revenue and not, as is widely supposed, as a gauge of fall in yield.” (Rangasami 1975, 1799)

By including variables such as economic and political factors in her analysis of the causes of famine, Rangasami clearly belongs in the social-political camp. Unlike the earlier “structuralists,” Rangasami argues that there are many diverse actors that influence and prolong food insecurity. It is not simply caused by a natural disaster (as is popularly believed) or weak institutions (as the structuralists argue). Instead, she argues that famine is often caused and worsened by more complex social and political factors.

Alex de Waal also challenges the structuralist definition of food insecurity. His work provides some of the most knowledgeable and lasting analyses of famine and famine relief industries in Africa. Pushing further than either Rangasami or Sen, de Waal challenges the
traditional conception of famine, particularly the quasi-scientific explanations common in the structuralist camp. The first part of his book *Famine that Kills* stresses the "politically regressive" implications of the current famine and famine relief paradigm. He argues, "the unexpected consequences of humanitarian action are mo[st] significant. An exploration of the principles that drive ‘actually existing humanitarianism’ reveals that its power is exercised and its resources dispensed at the cost of weakening the forms of political accountability that underlie the prevention of famine" (De Waal 1997, 4). He argues that the tendency to view famine as a failure of food policy (i.e. the “structuralist” view) -- and thereby requiring additional humanitarian action -- can actually *undermine* alleviating or preventing famine.

To explain how food insecurity is prevented, De Waal introduces the concept of the "political contract." In his framework, the political contract represents the concept that "social and economic rights are considered sufficiently important that they are guaranteed by political process" (de Waal 1997, 11). The political contract "is the result of a popular movement successfully articulating a new right, and forcing a reluctant government to comply with its claims" (de Waal 1997, 11). This contract is forged to represent the political and economic rights of constituents, including rights to access food, land, private property, etc. “In the most effective anti-famine contracts, famine is a political scandal. Famine is *deterred*. The contract is enforced by throwing out a government that allows it to happen or otherwise punishing those in power” (De Waal 1997, 5). Importantly, this political contract would also hold governments and other actors accountable.

Furthermore, de Waal argues that this process of creating a political contract is largely social and should be taken up by the local population. The development of a
contract requires the mass-mobilization in support of ensuring these rights. De Waal argues that it should not include mobilization of international NGOs, but, rather, local populations. And, foreign aid aimed at providing technical development displaces power out of the hands of the locals and into the political elites and international actors. Technical skill is important and crucial to overcoming many of these hurdles Sachs articulates. However, when foreign aid shifts the power dynamic in favor of foreign NGOs or governments, the development process is incomplete. Though international groups may have the technological know-how, or the scale to finance large-scale projects, the relief industry often usurps power from the affected populations. He argues:

“Technical mastery -- especially in public health -- is important. But these processes represent a leaching of power from those who suffer famine. Generalized, internationalized responsibility for fighting famine is far less valuable than specific, local political accountability. The struggle against famine cannot be the moral property of humanitarian institutions. An important step in that struggle is for those directly affected by famine to reclaim this moral ownership” (De Waal 1997, 5).

Though, technical solutions are important to the process of crisis management and establishing food security systems, it is important that the solutions come from within a country, rather than from foreign actors. Ultimately, de Waal argues that food security is the result of an inclusive political contract between individuals and the state that guarantees basic rights and freedoms. He would argue the “interventionist” policies of most humanitarian efforts does not solve long-term hunger, in fact, it serves to undermine the local efforts. Rather than depending on foreign humanitarian efforts to “fix” instances of extreme hunger, de Waal stresses the importance of localized, long-term solutions. Because he challenges the structuralist model of international humanitarian aid and technological
“fixes” to hunger, de Waal, is grouped with the social - political camp. His argument centers on the political contract that ensures basic rights and holds leaders and governments accountable. This mode of thinking cements his argument in the second group of theorists for this thesis.

Another theorist necessary to the social - political framework is James Ferguson. Like de Waal, Ferguson argues that the international aid discourse, however well intentioned, produces negative outcomes for the host country. These consequences, Ferguson argues, complicate the “development” process and often fail to address the core causes of poverty and, in this case, food insecurity (Ferguson 1994). The first problem, he posits, starts with the classification of countries or regions as “less developed.” He reasons, “the ‘development’ version goes as follows: (1) poor countries are (by definition) ‘less developed’; (2) less developed countries are (by another definition) those which have not yet been fully brought into the modern economy; therefore, (3) poor countries are those which have not yet been fully brought into the modern economy” (Ferguson 1994, 55). This classification as “less developed” is problematic, because it leads the country to be assigned a set of characteristics (based on assumptions) that may not be accurate, ultimately marking it a “suitable target for intervention” (Ferguson 1994, 73). The problem with this process is that it can distance the original intention from crafting of policy. Ferguson says, “it was a project which aimed to supply technical solutions to problems that had been invented or highlighted solely for the purpose of being able to propose technical solutions to them” (Ferguson 1994, 88). The obstacles to “development” in East Africa are not necessarily those that are attributed to a “less developed country.” They are not necessarily technical in nature, either. There are often entrenched, long-lasting social, political, and/or
conflict-driven. And in these cases, he would argue, foreign aid is not the best answer to solving the problems seen on the ground. In other words, Ferguson argues that in some cases the “development apparatus is not a machine for eliminating poverty that is incidentally involved with the state bureaucracy; it is a machine for reinforcing and expanding the exercise of bureaucratic state power, which incidentally takes ‘poverty’ as its point of entry – launching an intervention that may have no effect on poverty but may have other concrete effects” (Ferguson 1994, 255).

This analysis is worrying, in the least. If we use Ferguson’s view, “development” does not necessarily follow Sachs’ model of capital financing technical solutions to poverty, but rather is a scapegoat for the expansion of other political strategies. Ferguson is clearly in the social-political camp. He argues that technical solutions, particularly those introduced by international aid agencies, are often implemented without a holistic understanding of the complex set of issues in a host region. And, therefore, the interventions (or “development projects”) often produce unintended or negative results for the host county. He explains food insecurity--and other development issues--as complex, and involving several social, political, economic, military variables. Most importantly, his argument challenges the typical prescription for humanitarian intervention. He argues that this intervention is often problematic, and prevents host countries from “solving” the long-term food security concerns.

The analyses of the previous social-political theoretical camp set the groundwork for David Keen’s work. In broad strokes, he extends the work of Sen, Rangasami, and de Waal to areas that have recently emerged from violent civil war. He argues that Sen and Dreze both underestimated the role of violence in their analyses, but yet the “entitlement”
framework proves useful in the context of war. Additionally, the health crises de Waal finds extremely problematic are also relevant to the study of famine within civil war because mass population displacement is a common result of widespread violence (Keen 2008, 109). Keen uses the 1988 famine in Sudan as a case study to illustrate his theory. He focuses on several aspects of the political and social spheres in explaining famine. Drawing on Sen, Dreze, Rangasami, and de Waal, Keen’s argument focuses on the interaction between several stakeholders in a context of civil war. He argues that a society with weak political rights—where stakeholders allowed to use force to their advantage—creates an environment that not only allows famine to occur, but often prolongs it.

David Keen highlights several obstacles that impede the fair delivery of aid during times of food insecurity. He argues that there might be military, political, and/or economic “rationales” for withholding food assistance from some groups within a society. He first points out that there may be military rationales for preventing food or disbursements. He writes, “forcible depopulation may serve military as well as economic purposes...whether it is governments trying to starve out rural populations or rebels trying to starve out garrison towns. (Keen 2008, 125). Various military actors use food supplies to achieve their agendas. Depopulation can be “useful” to both government and rebel purposes by isolating or starving opposition populations. Furthermore, aid deliveries can be used as “cover” for military operations, including arms trading, deterrent for attack on sensitive areas, or strategically blocking or bolstering aid to strategic populations (Keen 2008).

He next suggests there may be political rationales for withholding or delivering food supplies. These rationales might include withholding food to gain votes or forcibly mobilize populations out of a certain area for fear of health crises (Keen 2008, 104).
Finally, he discusses economic rationales for withholding relief. He points to three key economic benefits of manipulating relief. First, if market prices for foodstuffs are intricately linked (and affected) by food shortages, famines, and government intervention, then there will surely be certain actors that benefit from the high prices commanded during times of Famine (Keen 2008, 105). Relief, Keen argues, may be withheld in order to maximize these price fluctuations. Secondly, aid (or lack thereof) may be a tool for securing assets in areas that are being depopulated. This point will be a helpful tool of analysis in South Sudan. To illustrate this point, Keen notes that in the wake of the devastating tsunami in the Indian Ocean in 2004, survivors’ groups in the area reported alarm that the evacuation of the coastal areas left room for large-scale commercial agents to set up shop along the coastline. And, Keen’s last economic rationale: the diversion caused by aid (or the lack of it) may be profitable in some ways (Keen 2008).

Keen draws a clear distinction between authors such as Moyo, Malthus, and de Soto – he sees food insecurity as resulting from a complex set of strategies intentionally created and often forcibly implemented. He writes, “Famine, then, needs to be understood as resulting from the interaction of diverse strategies and not simply as a technical ‘deficit’ with a technical solution” (Keen 2008, 115). In his eyes, famine is not simply a shortage of food, or an issue of failing markets. Famine exists because some stakeholders force it to happen. Symptomatic of famine are food scarcity, weak market forces, and poor infrastructure; but, according to Keen, these problems alone are not a sufficient explanation of food insecurity. David Keen thus falls into the social-political framework of the relevant academics. His argument challenges the structuralists that argue food insecurity stems from a lack of technical advancement and political infrastructure. Instead,
he argues, food insecurity occurs because several diverse “strategies” are at play. There can be military, political, and economic strategies in play that create and worsen food insecurity.

The above social-political authors contribute to the literature in that they challenge the structuralist view that food insecurity is caused by a deficit, either of food supply, or of government institutions. The social-political theorists look to other factors, including strategic social, political, or military incentives to explain instances of mass-hunger.

The next section will look to the case of South Sudan to examine food security in context. South Sudan is a unique case, in that it was established as an independent nation in July of 2011, after emerging, most recently, from a 22-year conflict. Interestingly, South Sudan has very high potential for being an autonomously food secure nation, and yet, more than 60% of their country is severely undernourished (WFP 2012, 6). The following section will detail the food security situation, and will attempt to explain why hunger is widespread.
Methodology

This thesis is constructed as a research paper on South Sudan and the major recent land purchases there. Therefore, this paper is based largely on secondary qualitative and quantitative data. Several recent reports produced by international organizations provided insight into the recent land transactions. Sources included the Norwegian People’s Aid, The Oakland Institute, the United Nations, and the World Food Programme.

The paper analyzes the contractual details of several land transactions, and the political, economic, and social context surrounding them. I attempt to shed light on the trends of agricultural productivity and other economic indicators as they relate to food security in South Sudan. Several reports listed above provide useful information for this purpose.

Importantly, information on this subject is difficult to find due to several factors. First, because the GoSS is still in the early stages of development, formal reporting and oversight departments are non-existent. Also, the major reporting institutions worldwide have not yet tabulated economic or social indicators since the country’s inception. Furthermore, due to the decentralized nature of the legal framework in South Sudan, much information is only half-collected and dispersed. Due to limited resources and nascent autonomy, the state of national reporting and data collection is not surprising.

However, a large part of this paper is based on synthesizing data from various sources. The Oakland Institute and the Norwegian People’s Aid have produced several recent and very in-depth reports on land issues in South Sudan in the past two years. This research paper includes charts, graphs, tables, and other analyses based on the findings in
those reports. The data is organized to analyze the origins, current terms, and future implications of land deals in South Sudan. I’ve included research both quantitative and qualitative.
Findings and Discussion of Data:  
Case Study of South Sudan

Around the world investors have been purchasing large swaths of fertile land, often at extremely low prices for long-term leases (Deng 2011). This trend has been referred to as the “global land grab,” and has gained popularity since 2008 when grain availability severely contracted. Corporations, investors, and countries that have been anxious to maintain access to a steady food supply have thus been prospecting land for potential cultivation. Furthermore, investors have increasingly seen this land as a profitable financial investment.

Over the past few years, African farmland in particular has become attractive to commercial-based investors. The FAO estimates that between 2007 and 2010, foreign interests acquired 20 million hectares of land across Africa (Deng et al. 2011, 2). Proponents of these investments argue that African states will be able to harness the economic value of these projects for the benefit of the local communities. The UN Food and Agriculture Organization (FAO) has suggested that this kind of investment can result in a “win-win” situation for both investors and the local community. Furthermore, the World Bank (WB) has proposed a set of “responsible agro-investment” principles that, theoretically, make this case. For decades, particularly in South Sudan, agriculture has been dreadfully neglected, and worse, poorly administered. The optimistic, then, hope that a boom in agricultural investment might revive this industry and promote economic growth in the region. If done responsibly, they argue, the investment in agriculture would increase public revenues, and provide farmers access to credit and technology (Deng et. al. 2011, 5).
Human rights groups, smallholder farmer groups, and many scientists disagree. These critics of this foreign investment warn that millions of current land-owners may be forced to vacate land, denying them access to vital natural resources, and undermine regional food security (Deng 2011, 3). They criticize the weak voluntary international agricultural agreements for diverting attention away from the serious consequences to local populations. They argue further that the pivotal problem lies with the global agricultural industry that uses this cheap land for producing goods for the developed world (Borras and Franco 2010). Instead, they call for investment and support for smallholder sustainable farming systems.

South Sudan has some of the world’s most desirable land for large-scale commercial acquisitions. In fact, according to a World Bank study, from 2004 to 2009, Sudan transferred nearly four million hectares to private buyers. This transfer was larger over this period of time than any other country surveyed. And, as a new nation emerging from decades of civil war, it provided a unique and potentially very positive investment climate. The little development and funding for infrastructure that existed benefited a select few and was concentrated in the center of a few main towns. This landscape changed with the Comprehensive Peace Agreement (CPA), signed in 2005.

Despite the ongoing conflict in the Sudan region after the CPA was signed, a surprisingly large number of land acquisitions have taken place in South Sudan recently. A study prepared for the Norwegian People’s Aid (NPA) is one of the most thorough assessments of recent land acquisitions in South Sudan. The baseline data in this report shows that from 2007 - 2010, foreign companies, governments, and individual investors have sought or acquired more than 2.64 million hectares of land in South Sudan for
agricultural, biofuel, and forestry projects (Deng 2011, 2). If we include domestic investments, the area used in mechanized farming in the Upper Nile State, and investments in conservation, the figure grows to 5.74 million hectares, the equivalent of 9% of the total land area of South Sudan (Deng 2011, 2). These large-scale investments were particularly attractive because of Sudan’s large size, low population density, and potential natural resource deposits.

This unprecedented investment in South Sudan might bring technology and development to the region; but, because of the political and social circumstances and the nascent statehood of South Sudan, there is a danger that this amount of investment will further retard development and undermine the livelihoods of the local populations. To help understand the context of these land deals, it is important to present a short history of South Sudan. Understanding the history allows us to analyze the stakeholders in the political and economic spheres.

**Historical and Demographic Context:**

To help understand the current context and the importance of the “land grabs” in South Sudan, it is important to know a bit more about South Sudan’s history. Both Egyptian and British conquest helped shape modern day Sudan. In the late 1800s, after overthrowing the Mahdist regime, the British created an Anglo-Egyptian Sudan.

Sudan gained independence in 1956 with the understanding of full participation by the South. When the Khartoum government reneged on this promise and violently excluded many of the Southern Sudanese, it sparked the first of two prolonged civil wars (1955-1972 and 1983-2005). The result of the two civil wars was widespread neglect and
underdevelopment, high loss of life (more than 2.5 million civilian deaths) largely as a result of famine, and displacement of more than 5 million more Sudanese.

Ongoing peace talks ultimately resulted in the Comprehensive Peace Agreement (2005), which granted the South a six-year period of autonomy with the option of referendum on independence at the conclusion of this period. The result of this referendum was a vote of 98% in favor of secession. As of July 9 2011, the Republic of South Sudan was internationally recognized as an independent state.

Sudan is located in East-Central Africa, south of Sudan, North of Uganda and Kenya, and West of Ethiopia. Importantly, it is a landlocked state, without access to the nearby Red Sea. The country stretches over more than 644 square miles, a landmass similar to that of Texas. South Sudan has several climate zones and terrain types, from the Nile regions and the “Sudd” (a swampy area) to the highlands that border Uganda and Kenya. The conditions near the wetlands and Nile regions make South Sudan a particularly fertile country, with great agricultural potential. The capital of South Sudan is Juba, located in the South of the country.

Made up of many different groups, ethnicities, and religions, South Sudan is much more diverse than Sudan to the north. The Southern Sudanese practice mainly indigenous traditional religions, though some practice Christianity as a result of missionary work during the 1900s. South Sudan has a population totaling more than 10.6 million, almost 50% are younger than 15, and 78% live in rural areas. The major ethnic groups that make up the Southern Sudanese population are: the Dinka (more than 1 million, or 15%), the Nuer (approx. 10%), the Bari, and the Azande. The Shilluk constitute a historically important group, with a territory adjacent to the Northeastern Dinka and language similar
to that of the Dinka and Nuer. Furthermore, there are more than 60 indigenous languages spoken in South Sudan, the majority of the Nilo-Saharan family. Despite this, the two official languages are English and Arabic (both Sudanese and Juba variants).

South Sudan is a republic, led by President Salva Kiir Mayardit (since 9 July 2011) of the Sudan People’s Liberation Movement (SPLM). As of independence in 2011, the country currently operates within the framework of the Transitional Constitution of the Republic of South Sudan.

There are still several pending issues with neighbors regarding border demarcation. The South Sudan – Sudan border is still violently contested. It is currently based on the 1956 agreement, but is disputed. Additionally, periodic skirmishes break out between pastoral populations near the Central African Republic over water and grazing rights.

Furthermore, oil is still an important natural resource to both Sudan and South Sudan, and the international community. The largest oil reserves are located in South Sudan, but refineries and port access are located in Sudan. The negotiations regarding the ownership and revenue disbursement are ongoing.

Legal Context for Land Acquisition:

Due to the high level of legal ambiguity in South Sudan, there is not a uniform procedure for managing the large-scale land transactions mentioned above. Since 2005, the legislative assembly has passed several laws regarding land-ownership; however, large gaps in policy remain. Furthermore, the laws that have been enacted are poorly enforced and are not well known in the communities. Without strict guidelines, government
agencies tend to make decisions based on local tradition and their personal discretion. Applications for land purchases are often managed through *ad hoc* processes, which often lack transparency and accountability.

After signing the CPA, state-level government bodies used provisions related to decentralization to claim sole responsibility for managing land transactions without involving the central government (Deng 2011, 13). The lack of clarity in regulation left space for the introduction of foreign and domestic investors. Without the regulatory oversight of the central government, corporations, private investors, and other groups were free to negotiate deals directly with local governments. This system of leasing further obscures oversight and regulatory compliance because there isn’t a single body with oversight over all contracts.

Even though the rule of law is weak in South Sudan, the laws enacted since the CPA include several important reforms including ceilings on land acquisitions; limits on lease periods for foreign investments; requirements for prior impact studies; requirements for community consultation; and limits on non-consensual disruption of pastoralist grazing sites (Deng 2011, 13). If these laws were properly enforced, they would have a better chance at being beneficial for local populations. They have the potential to channel foreign investments towards development projects, employment, and technology transfer to benefit the local community.

The Land Act (2009)

The GoSS formalized its commitment to community land ownership by passing the Land Act in 2009. This act explicitly recognized the land-ownership rights of communities
via customary land tenure. It defines “community land” broadly, including land that is “lawfully held, managed or used by specific community as community forests, cultivation, grazing areas, shrines and any other purposes recognized by law” (Deng 2011, 13). Importantly, the Land Act also allows communities to allocate land for investments, so long as the focus of the investment is on community development. Important Land Act excerpts follow here:

Draft Land Policy (2011)

The provisions that explicitly support the rights of the community were further enhanced with the creation of the Draft Land Policy in 2011. The policy was completed through the collaboration of the South Sudan Land Commission (SSLC) and international partners. It emphasizes the importance of access and right of ownership as a “social right.” It also specifically describes the risks associated with the “land grab” defined as “the acquisition of land without regard for the interests of existing land rights holders”. The draft policy explains:

“In some jurisdictions, community land used in common—for forest products, grazing and water supply—has been alienated by central and state level authorities for public use or for sale or lease to private investors without taking account of the ownership interests of communities in the land and its associated natural resources. This has occurred despite the fact that historically and customarily communal land has fallen under the ownership of communities, and its use has been regulated by traditional or other community-level authorities.”

This policy specifically highlights the emphasis of landowner rights of the community, putting it on equal footing with individual and state-level rights (Deng 2011, 14).
Local Government Act (2009)

The Sudan legislative assembly passed the Local Government Act in 2009 to specify strategies of governance in rural areas. It calls for a local council at the payam level to be the primary governing institution for land issues for rural communities.

Investment Promotion Act (2009)

The Investment Promotion Act, established in 2009, sets the procedures for licensing foreign investors to operate in South Sudan. It sets term limits to investments for either 30 or 60 years, for forestry and agriculture respectively.

We can see that these new policies were designed with the community in mind. The new GoSS seems to be making an attempt to include traditional land management practices into account. During the Second Civil War, John Garang often used the slogan “Land belongs to the community,” especially in an effort to ward off government or foreign land investments (Allison 2012). This sentiment seems to be echoed in the newly established land policies. The gray area stems, then, not from lack of policy, but instead, a lack of enforcement and awareness of the policies.

Despite the popularity of community-based land ownership, several parties are attempting to revise the policies in favor of greater government control. Some officials argue that these policies were crafted seemingly based on strong populist sentiments but were really a ploy to protect the natural resources in the South during the negotiation of
the CPA. Several officials in the upper levels of government are now attempting to reverse some of the land policies.

These revisions are likely to meet strong opposition from local groups whose livelihoods depend on access to arable land, and have sacrificed so much to maintain ownership over it. Additionally, it would be an enormous task to repeal the land acts put forth over the past few years. It would undermine the political process and would require compensating millions of landowners or violating their rights. At this point, it seems unlikely that the government will revise the land acts already written.

Institutional Framework for Land Acquisitions

Since signing the Comprehensive Peace Agreement (CPA) in 2005, South Sudan has made progress in terms of institution building. However, daunting challenges still face the country. The government proposes a central role for private investment in its development strategy. In 2011, the Vice President of South Sudan, Riek Machar Teny, announced an ambitious plan to invest USD 500 Billion of foreign investment (equal to more than 70 times the annual budget). This plan is clearly implausible; however, it indicates that the government is serious about using investment to build infrastructure by relying heavily on foreign investment. Based on natural endowments, and availability of land, much of this investment opportunity is in the agricultural industry. The hope is that foreign investment in agriculture will help diversify the economy away from oil, provide technological advances, and provide rapid economic growth/development.
The international community is also promoting agriculture as the vehicle for economic development in South Sudan. Led by international financial and development institutions such as the World Bank, and donor countries, like the United States, the recent inflow of capital has been marketed as an “apolitical and accommodating development partner” (Deng et al. 2011, 16).

There are several important risks associated with inviting in unregulated foreign investments. Due to the lack of formal regulatory or infrastructural oversight, these investments will not necessarily comply with the policies set forth by the GoSS. There are already sentiments arising that the government and elites are unresponsive to the needs of communities (Deng, 2011). By prioritizing the needs of the private sector over the communities, the government may be fueling anti-government sentiments that further undermine their efforts to establish a functioning infrastructure.

Ministry of Agriculture and Forestry

The Ministry of Agriculture and Forestry at the state-level are largely responsible for the land policy implementation in South Sudan. Based off of the GoSS land management policies, the Ministry of Agriculture and Forestry sets more specific targets and goals for the development of the Ag sector. In a presentation given in Washington D.C. in 2012, Betty Achan Ogrwaro -- the Minister of Agriculture, Forestry, Cooperative and Rural Development -- outlined the current policy framework. In her presentation she outlined the Agriculture Sector policy framework: targets and guiding principles for 2012-2017. The
main objective of this framework is to provide food security for all people of South Sudan
(Ogwaro 2012, slides 1-18).

She lays out the following “Targets” for this time period:

- “More than doubled cereal production from 700k to 1.5m metric tonnes / year
- Cropland increased from 3.8% (2.7 m ha) to 14.2 % (9.2 m ha) of total land
- Per capita cropland from 0.32 to 0.99 ha
- Annual increase of more than 20% for roots and tubers, more than 30% for cereals
  and more than 25% for horticultural crop
- Increased average yield of cereals from 0.9 tons per ha to 3 tons per hectare
- Rural poverty reduced by ~20% from the baseline levels of 55.4% in 2017”
  (Ogwaro 2012, 11)

Furthermore, the principles that guide the implementation of these targets are as follows:

- “Conducive policies for agricultural growth
- A policy of low inflation, stable exchange rates and favorable trade and market
  environment
- Decentralized service delivery and participatory development
- All-inclusive extension approach
- Promotion of PPPs
- Mobilization of coops and FBOs, including sustainable agricultural production
- Promoting value addition and processing
- Strengthening rural infrastructure, especially roads
- Managing and protecting forest resources
- Government acting as the orchestrator” (Ogwaro 2012, 11)

The targets laid out rely largely on standard agricultural practices that will grow
yield to increase the total quantity of food available per capita. The assumption is
that if yields increase, poverty will decrease because there is more food available.
This logical process is true, to an extent. But as we’ve seen based on several
theorists discussed earlier, there may still be several other factors that contribute
to food insecurity besides the quantity of food produced.
Later in her presentation, Betty Ogwaro describes the overall strategies for national growth. These strategies are outlined below:

- **”Emphasis on Agricultural Policies”**
  - Identify and prioritize policies that quickly boost agricultural production
- **Development of Rural Infrastructure**
  - Improved access to markets and other rural infrastructure through rehabilitation and expansion of rural infrastructure including feeder roads, storage, and markets
  - Build storage facilities and train in post harvest handling
- **Encourage market-led private sector participation in agriculture**
  - Mobilize, organize, and support farmers, entrepreneurs, and investors
  - Building a stronger enabling environment for investment
  - Strengthening Cooperatives / Farmers’ Organizations
- **National Capacity Strengthening**
  - Focus on capacity building at the central, state, and county-level public officials.
  - Continue supporting private sector enterprise development
- **Credit Facilities for Farmers**
  - Development of credit institutions (e.g. Agricultural Bank of South Sudan, Cooperative Bank of South Sudan and Agricultural Credit guarantee schemes)
  - Development of micro credit institutions (e.g. Sumi)
- **Strengthen Research and Extension Services” (Ogwaro 2012, 12)**

From this presentation, we can note that the Agricultural ministry is focused on developing infrastructure to support investor-led growth strategies. They aim to improve factors that affect functioning markets, access to credit and support services to farmers, and provide infrastructure that ultimately creates a welcoming environment for investors. Of particular importance is the third bullet point, “Encourage market-led private sector participation in agriculture” (Ogwaro 2012, 12). Clearly, one of the main strategies for growth is catering to investors. Paul de Wit, a policy analyst who studies the relationship between land and conflict in
South Sudan points out that the GoSS has prioritized the interests of foreign investors, over those of the local communities. He writes:

“[T]he new Ministry of Agriculture and Forestry turned into a de facto player, albeit in the more traditional role of promoting activities such as the allocation of big areas for private investment without too much consultation. This complicates rather than resolves deep-rooted problems. A strongly renewed emphasis on the promotion of private, including foreign investment in the agricultural sector represents a clear shift from a community rights-based to a private sector investment-based approach, with the role of local communities and their legitimate rights over land once again becoming secondary” (De Wit 2008, 13).

Though the goal is to speed up development process, the GoSS may face resistance from smallholder farmers and local community rights groups. Policy statements from the government indicate their belief in foreign-investment led development. The ministry’s 2012 Food and Agriculture Policy Framework further develops this idea by outlining ways in which to boost investment in agriculture by 2017. They see to create an enabling environment, facilitate easy investment (eg. the South Sudan Investment Authority to facilitate rapid business setup), and establish trade fairs to bring investors and farmers together (Ogwaro 2012, 12). The ministry of Agriculture and Forestry has emphasized the role of large-scale development projects as a way to speed economic and agricultural growth. Steven Lawry, a senior research fellow at Harvard Kennedy School, points out that this sentiment is common among policy-makers in South Sudan. He writes (Deng et al. 2011, 17):

“There appears to be undue infatuation [among policy circles in Juba] with grandiose, large enterprise [agricultural] models—public and private—as short-cuts to rapid modernization. These models are unlikely to deliver the growth and poverty reduction that is expected of them, and could deflect the country from more productive strategies planned and carried
out by the thousands of Southern Sudanese across the country prepared to make the most of the economic and social benefits of political independence.”

As we have seen throughout the history of Sudan, the danger with prioritizing the needs of one group tends to marginalize the affected local populations. This dynamic has potential to be politically and socially fractious. As Deng points out, evidence suggests that a state pursuing both the promotion of large-scale industrial development and smallholder farms tends to focus more on the large investors at the expense of the smallholder (Deng 2011, 18). It is very difficult to support both systems of agricultural development, especially with a resource-strapped and nascent government.

Ministry of Commerce, Industry, and Investment

The Ministry of Commerce, Industry and Investment is tasked with creating an economic environment conducive to private sector activities in South Sudan. Policy written upon the outset of the new GoSS in 2011 suggests that the ministry’s activities will be geared towards facilitating private sector business activities, more than it will enforcing social and environment regulations. In fact, its main responsibilities are outlined in a presentation given in July 2011 by the minister of Commerce and Industry, Stephen Dau:

- “To create an atmosphere conducive for trade, Investment and private sector development in southern Sudan
- Attracting FDI, and Involve south Sudanese in commercial activities like small and medium size enterprises
- To create employment opportunities as the best means for reducing poverty
To stimulate economic growth through good trade policies” (Dau 2011, slide 6).

Furthermore, one of the ministry’s main tenets is “leading the development and implementation of actions to address key constraints to rapid private sector development. A One-Stop Investment Shop is being established, key laws already drafted ...will be enacted and implementation systems established” (Deng 2011, 18).

This rapid expansion of private sector development carries a set of risks -- of privileging certain sects of society, of harming smallholder-farming practices, and of disregarding the social and economic regulations imposed by law. In the context of rapid investment many theorists argue that “robust regulation” of these private sector investments is necessary to ensure that the companies invest in a way that benefits the local communities by way of strengthening local economies and employs local labor, rather than solely maximizing investor profits (Deng 2011, 17-18).

International Financial Institutions (IFIs) and Donor Countries

Outside of the GoSS, several actors are applying pressure to create an investor-friendly economic environment. In March 2011, Rachel Kyte, the VP at the International Finance Corporation (IFC), visited Juba to announce an ambitious development program to promote private sector growth. We know from other historical examples that World Bank and IFC involvement in development tends to lead to a “laizzes-faire,” or hands-off approach to regulation (Deng 2011, 18).
Furthermore, donor countries promote the theory that industrial farming is the key to achieving food security in South Sudan. The United States Agency for International Aid (USAID), for example, has collaborated with several other IFIs to help attract private capital to South Sudan. USAID’s official platform is as follows with respect to South Sudan:

“USAID will support sustained and inclusive agriculture sector-led growth to enhance resiliency and reinforce stability, by increasing agricultural productivity and linking communities to markets, providing access to credit for agribusinesses and small-scale farmers, and building strategic partnerships to better enable Southern Sudanese to capture market opportunities and enhance stability in areas where lack of economic opportunity is part of the conflict dynamic” (USAID 2012).

USAID explicitly mentions their intention to link rural communities and smallholder farmers to the global agriculture markets. As we’ve noted before, the intention to strengthen smallholder farming as well as industrial farming tends to lead to privileging industrial over smallholder peoples. If this is the case, as some theorists posit, then initiatives such as these threaten to undermine peace-building efforts.

Large Scale Land Acquisitions

The study prepared for Norwegian Peoples’ Aid documents the 28 cases of large-scale land acquisitions that are planned or in-progress in South Sudan. They range in size, purpose, and by company origin. Below is the chart, included from the NPA’s study.
<table>
<thead>
<tr>
<th>PROJECT PROPIETORS</th>
<th>NATIONLITY</th>
<th>GOVT SIGNATORY</th>
<th>BUSINESS SECTOR</th>
<th>SIZE (HA)</th>
<th>LOCATION (COUNTY)</th>
<th>LANDOWNER</th>
<th>LEASE PERIOD (YRS)</th>
<th>LEASE AMOUNT (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Economic Development Assistance for Southern Sudan (CEDASS)</td>
<td>Canadian</td>
<td>CES MAF</td>
<td>Agriculture</td>
<td>12,200 (trial planting on 100 ha)</td>
<td>Jabo</td>
<td>Gov't</td>
<td>No lease</td>
<td>No lease</td>
</tr>
<tr>
<td>Central Equatoria Task Company (CETC)</td>
<td>British</td>
<td>GoS MAF</td>
<td>Forestry</td>
<td>1,850 (plus 50,000 ha of natural forest in Labrya)</td>
<td>Labrya, Yei</td>
<td>Gov't, Comm.</td>
<td>32</td>
<td>$200,000 for social fund plus $100 per m^3 of teak exported.</td>
</tr>
<tr>
<td>Great Resources TreeFarmers Sudan (subsidiary)</td>
<td>Norwegian</td>
<td>CES MAF</td>
<td>Forestry, Carbon credit, Conservation</td>
<td>700,000</td>
<td>Terakaba</td>
<td>Comm.</td>
<td>99</td>
<td>$12,500 per year</td>
</tr>
<tr>
<td>Machard Group</td>
<td>Ugandan</td>
<td>GoS SS MAF</td>
<td>Agriculture</td>
<td>TBD</td>
<td>Terakaba, Juba</td>
<td>Gov't</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Nile Trading and Development</td>
<td>American</td>
<td>CES Ministry of Phys. Infra., Biodiv., Carbon credit</td>
<td>600,000 (plus extension up to 1 million ha)</td>
<td>Labrya</td>
<td>Comm.</td>
<td>49</td>
<td>Approx. $25,000 in fees for CES govt. Local co-op gets 40-50% of profits.</td>
<td></td>
</tr>
<tr>
<td>Blue Lakes Limited</td>
<td>Kenyan</td>
<td>WES MAF</td>
<td>Forestry</td>
<td>900</td>
<td>Yambio</td>
<td>Gov't</td>
<td>30</td>
<td>$200,000 for social fund plus $100 per m^3 of teak exported.</td>
</tr>
<tr>
<td>Equatoria Task Company</td>
<td>British, Florish (some owners as CETC)</td>
<td>GoS MAF</td>
<td>Forestry</td>
<td>18,600</td>
<td>Nera</td>
<td>Gov't</td>
<td>32</td>
<td>$200,000 for social fund plus $100 per m^3 of teak exported.</td>
</tr>
<tr>
<td>Eyst Cliff Service</td>
<td>Northern Sudanese</td>
<td>WES MAF</td>
<td>Agriculture</td>
<td>160,000</td>
<td>Ezo, Tambura</td>
<td>Comm.</td>
<td>99</td>
<td>$250,000 to be paid to state govt.</td>
</tr>
<tr>
<td>Joint Aid Management Unit (JAM)</td>
<td>South African</td>
<td>WES MAF</td>
<td>Agriculture</td>
<td>24,300</td>
<td>Yambio</td>
<td>Comm.</td>
<td>32</td>
<td>TBD</td>
</tr>
<tr>
<td>M.A.I. Foundation</td>
<td>American</td>
<td>WES MAF</td>
<td>Forestry</td>
<td>0,020</td>
<td>Nera, Ezo</td>
<td>Gov't</td>
<td>32</td>
<td>$200,000 for social fund plus $100 per m^3 of teak exported.</td>
</tr>
<tr>
<td>Comala Task (subsidiary)</td>
<td>Indian</td>
<td>WES MAF</td>
<td>Forestry</td>
<td>33,200</td>
<td>Ezo, Magwi</td>
<td>Comm.</td>
<td>Permanent expropriation to establish reserve area. The govt plans to provide the community with certain services in exchange for the land.</td>
<td></td>
</tr>
<tr>
<td>Lusit Ne'ti Park (EES Ministry of Wildlife)</td>
<td>Southern Sudanese</td>
<td>--</td>
<td>Tourism / Conservation</td>
<td>288,000</td>
<td>Kapoeta</td>
<td>Comm.</td>
<td>Permanent expropriation to establish reserve area. The govt plans to provide the community with certain services in exchange for the land.</td>
<td></td>
</tr>
<tr>
<td>Al Ain Wildlife</td>
<td>Emirati</td>
<td>GoS Ministry of Wildlife</td>
<td>Tourism / Conservation</td>
<td>2,280,000</td>
<td>Pibor, Pochalla, Kapoeta East</td>
<td>Gov't</td>
<td>30</td>
<td>No payment</td>
</tr>
</tbody>
</table>
Taken as a whole, these investments cover a surprisingly large area of land. The total land attributed to these deals in agriculture, biofuels and forestry is 2.4 million hectares, a size larger than the country of Rwanda. If one includes all land acquisitions pre- and post-CPA, the figure increases to 5.74 million hectares, or approximately nine percent of the total land in South Sudan. This amount of investment is surprising, given the relative instability of legal and political infrastructure (Deng 2011, 16-20).

Deng notes that the larger deals tend to be located on community land, averaging about 271,000 hectares. The average size for projects on government land is 8,250 hectares. This is not surprising given that most land in South Sudan is community-owned.
The geographic area covered by these projects varies from state to state. CES and Unity have the highest level of projects focused on agriculture, biofuels, and forestry. This is consistent with the agro-ecological zones found in South Sudan. For example, CES and WES lie in the Green Belt, which has some of the highest agricultural potential because it has the highest rainfall, most fertile soil, and abundant forests in South Sudan (Deng 2011, 22). Unity State between the Nile and Sobat Corridor, which gives it ample access to water for irrigation. Unity State also has large petroleum deposits, which may play a role in its land speculation.

The next table shows the number of investment projects by agro-ecological zone.

<table>
<thead>
<tr>
<th>Agro ecological Zone</th>
<th>Area of Zone (area in ha)</th>
<th>Number of foreign/domestic investments</th>
<th>Percentage of Zone covered by Project (area in ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Belt</td>
<td>5,050,000</td>
<td>7/0</td>
<td>25 percent (1,265,000 ha)</td>
</tr>
<tr>
<td>Nile and Sobat Corridor</td>
<td>7,900,000</td>
<td>4/0</td>
<td>13 (1,010,000)</td>
</tr>
<tr>
<td>Floodplains</td>
<td>32,700,000</td>
<td>2/9</td>
<td>2 (720,000)</td>
</tr>
<tr>
<td>Ironstone Plateau</td>
<td>13,300,000</td>
<td>2/0</td>
<td>1 (160,000)</td>
</tr>
<tr>
<td>Hills and Mountains</td>
<td>845,000</td>
<td>1/0</td>
<td>1 (12,200)</td>
</tr>
<tr>
<td>Arid Belt</td>
<td>1,710,000</td>
<td>0/0</td>
<td>0</td>
</tr>
</tbody>
</table>
In a more interesting view, Deng’s study created an aerial map, reproduced here:

We can see that the Green Belt, the most fertile zone, has the highest percentage of investment activity. It shows that 25% of the zone is covered by investment projects. Furthermore, it is important to note that the areas with the highest concentration of foreign investment have the lowest concentration of government investment. And, vice-versa. This statistic demonstrates, Deng suggests, that the prime agricultural land is allocated to foreign investors rather than domestic, perpetuating the imbalance between foreign and domestic interests (Deng 2011, 23).

The progression over the past few years suggests that land investments are increasing. This is partly due to the increasing participation of the government in development projects. However, according to the NPA study, if one disaggregates
investments by origin, the foreign investments in forestry and agriculture still show a positive growth trend (Deng 2011, 24).

Deng also broke down the statistics to show the number of people who might be affected by these land contracts. The projects with the highest impact potential are the Nile Trading deal in Central Equatoria, and the Jarch Management deal in Unity. The Nile Trading Company project -- as it stands -- will occupy 290% of the county area (because it crosses into another county) in a region with a population density of 25.9 people per square-km. The second highest percentage of land use is the Jarch Management Group purchase. The group purchased 4,000 square-km area that represents 80% of Mayom county. The population density here is 24.3 people per square-km.

The impact on local communities in these two examples is potentially quite large. Lainya and Mayom counties have populations of 89,315 and 120,715 respectively. The impact on these communities, should Nile Trading Co. or Jarch would be unprecedented. In fact, Deng argues that displacement on this scale is “impractical” (Deng 2011, 26). Even if these companies did not attempt to forcibly move these populations, any development of the land would impact the livelihoods of the local communities (potentially thousands) in terms of land and resources access. Deng points out that this impact potential coupled with the lack of developed plans for the land by either Nile Trading or Jarch suggest that the land acquisitions may be intended purely for speculation (Deng 2011, 26).

Displacement, then, is one of the major concerns for local communities with regards to these large-scale land deals. Displacement might come as a result of land intended for a variety of uses -- residential, agricultural, pasture, or forest. As the above examples demonstrate, a number of these investments are planned for areas with a high population
density. Thus, the concern for displacement is very real -- hundreds of thousands of people rely on the land for their livelihoods in these areas. If these projects deny or limit access to resources for the affected communities, it could have devastating consequences, particularly because these areas have high levels of poverty, food insecurity, and conflict already.

These large-scale land deals are allocated for several sectors of business -- agriculture being the most common use. The below figures depict the land use by sector, leased by foreign investors, and the development of agriculture v forestry projects. One important note: the large tracts of land leased for ecotourism and conservation skew the numbers slightly to overemphasize this activity.

![Figure 8: Areas According to Business Sector for All Land Investments, Pre- and Post-CPA](image)

We can see that a significant portion of land investments is in the agricultural sector (25%, when including conservation deals, three times more foreign investment compared to forestry) (Deng 2011, 29). Though the majority of leased land is intended for agricultural purposes, the forestry projects have made significantly headway. For example, four out of seven forestry projects have already opened operations in South Sudan. Some companies
have already achieved production to export goods. In contrast, only two out of the eight agriculture projects are operational. The figure above depicts the progress of the agriculture versus the forestry section.

This progress can be partly attributed to the history of timber production in South Sudan. Many of the forest “crops” date back to the 1930s and 1940s, and there was already a familiarity with the timber extraction process in South Sudan. In fact, the SPLM/A gained experience with this sector during the civil war because it gained huge profits from the timber trade. Furthermore, several reserves in South Sudan are currently ready for harvest, whereas agricultural land requires time and inputs before it can be functional.

Deng et al. also argue that agriculture investments tend to have a larger risk of displacement compared to forestry projects. They attribute this risk to the fact that agricultural land is largely located on community-owned land with higher population density (Deng 2011, 32).

The evidence suggests that there is a lack of consideration for local communities’ rights on the part of investors. Failure to consult with the affected local populations before leasing land violates several statutes in the Land Act and the Local Government Act.

According to the NPA study, there are several ways in which the investors fall short on consultations with affected communities. First, the government and the company may negotiate deals without informing the community, or informing the community only as a formality after the deal has already been completed. Deng suggests that several contracts have been negotiated between a company a single community member, without the consultation or agreement of the wider community. Worse, there are reports that some agreements were completed without consultation of the community at all. Deng reports
that the country commissioner in Mayom County (where the Jarch deal was negotiated) has never heard of the company (Deng 2011, 30). If Jarch had followed the appropriate procedure, the county commissioner should be the point person for facilitation between the investor and the community.

The NPA study found a similar trend with respect to the required environmental and social impact assessments (ESIAs). According to the Land Act, before a contract can be approved, the investor must conduct ESIAs. According to the NPA study, three of the companies scheduled ESIAs after they had already begun operations, and the others had future plans to conduct the studies, but none had completed the ESIAs prior to contract negotiations (Deng 2011, 31).

Another unenforced aspect of the Land Act is term limits on investments. The Land Act implicitly permits long-term land investments and the Investment Promotion Act explicitly limits the length of these foreign investments to 30 and 60 years for agriculture and forestry leases, respectively. However, two of the large-scale land deals involve contracts with 99-year terms. Any lease in agriculture for longer than 30 years or forestry for longer than 60 years should be considered in violation of the Investment Promotion Act (GoSS 2012, web).

One of the most crucial, and least enforced parts of land policy in South Sudan are the responsibilities to affected communities. Often lease agreements will include concessions to local communities such as employment clauses, development projects, etc. However, there are very few monitoring systems in place to make sure that companies and investors fulfill their promises. The following table is taken from the NPA study explaining compensation provided or scheduled to be provided to affected communities:
<table>
<thead>
<tr>
<th>COMPANY</th>
<th>LANDOWNER</th>
<th>COMPENSATION FOR AFFECTED COMMUNITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEDASS</td>
<td>Gov't</td>
<td>CEDASS is supposed to give the community at Jebel Lado a portion of the crop produced on the land. The remainder of the crop is sold to the World Food Program (WFP) at market prices for distribution in Southern Sudan. However, a number of community members that we interviewed were of the understanding that CEDASS would also provide health and education services for the community. CEDASS and the CES Ministry of Agriculture and Forestry do not consider provision of services to be part of the arrangement. Community members also complain that they have not been provided with a share of the crop that has been harvested thus far.</td>
</tr>
<tr>
<td>Central Equatoria  Teak</td>
<td>Gov't, Comm.</td>
<td>The affected communities receive a lump sum deposit of $200,000 US into a social fund in addition to royalty payments of five dollars per cubic meter of sawn teak wood that the company exports.</td>
</tr>
<tr>
<td>Green Resources</td>
<td>Comm.</td>
<td>According to the terms of their investment agreement, Green Resources is supposed make annual rental payments of $12,500 US to the local community. They are also supposed to assist with a number of development projects, including the building of a school, health facilities, and a community office. It is not clear whether these projects would be funded by the annual rental payment or whether they would be provided in addition to that payment.</td>
</tr>
<tr>
<td>Madhvanip Group</td>
<td>Gov't</td>
<td>When representatives of the Madhvanip Group met with the paramount chief in Mangala, they reportedly told the chief that the company would build education and health facilities for the community. We do not have any information on whether such commitments were included in the MOU.</td>
</tr>
<tr>
<td>Nile Trading</td>
<td>Comm.</td>
<td>The company says it will give the local community a portion of the profits from the investment, increasing from 40 to 50 percent of net profits over the life of the lease.</td>
</tr>
<tr>
<td>Blue Lakes</td>
<td>Gov't</td>
<td>The affected community receives a lump sum deposit of $200,000 US into a social fund in addition to royalty payments of ten dollars per cubic meter of sawn teak wood that the company exports.</td>
</tr>
<tr>
<td>Equatoria Teak Company</td>
<td>Gov't</td>
<td>The affected communities receive a lump sum deposit of $200,000 US into a social fund in addition to royalty payments of ten dollars per cubic meter of sawn teak wood that the company exports.</td>
</tr>
<tr>
<td>Eyet</td>
<td>Comm.</td>
<td>No compensation for affected communities is provided for in the preliminary MOU. The lease payment is a one-time sum of $250,000 US to be paid to the WES government.</td>
</tr>
<tr>
<td>JAM and ACD</td>
<td>Comm.</td>
<td>According to the WES Ministry of Agriculture, ACD will be leasing the land in order to implement a commercial farming project and JAM will provide assistance to local farmers to help increase their productive capacity.</td>
</tr>
<tr>
<td>M.A.J. Foundation</td>
<td>Gov't</td>
<td>The affected communities receive a lump sum deposit of $200,000 US into a social fund in addition to royalty payments of ten dollars per cubic meter of sawn teak wood that the company exports.</td>
</tr>
</tbody>
</table>
From these agreements we can see that the most concessions awarded to local communities tend to be from government-owned forest reserves. These projects tend to be similarly constructed wherein the investor first puts down a deposit on the land and then makes a lump sum payment to a relevant social fund. Usually the government and the community receive royalty payments calculated based on the amount of goods exported. Events on the ground have been widely contested -- complaints include a lack of concession payments, failure to pay royalties, etc. (Deng 2011, 33).

Another interesting aspect of these large-scale land acquisitions is the difference between foreign and domestic investments. First, domestic investments tend to be smaller
in total land purchased. The average size of a domestic land purchase is 9,620 hectares, whereas the average size of a foreign investment is 175,000 hectares (Deng 2011, 32). This fact is not surprising when we consider that most foreign conglomerates have larger capacity than domestic investors.

Secondly, domestic investors tend to involve the local community to a greater extent than do foreign investors. Deng points out that this may be due to the fact that domestic ventures often start out as community projects first. Furthermore, foreign investors can often rely on their comparatively larger resources (rather on domestic support) to facilitate deals (Deng 2011, 33).

Third, due to the business models of the large foreign investors, they can take advantage of economies of scale more than domestic investors. The large corporations have resources and efficiencies that allow them to take advantage of their scale to maximize profits, whereas domestic investors tend to be organized around farmers’ groups and individuals.

A major factor in the future viability of these investments is political and social uncertainty. There are a number of ways, the NPA study outlines, in which investment deals may not materialize. First, the government may expropriate the land and void the deal. This is especially likely in cases where deals were brokered without government involvement.

Secondly, investments may be affected by conflict in the related areas. For example, Deng adds, the Madhavani Group is trying to establish a sugar plantation and processing facility, but is met with challenges in the form of ongoing conflict in the region.
Third, community opposition may threaten some land deals. It’s possible that frustration over a lack of consent or concession payments could fuel popular resistance to certain companies or deals.

The above comments describe the current state of the investment climate in South Sudan. The following section will detail three examples of large-scale land acquisition in the context of the above trends.

Case Studies of Large-Scale Land Investments

The section above established some general trends and observations about land investments in South Sudan since the CPA was signed in 2005. The following section will analyze in detail four case studies to provide more in-depth knowledge about land ownership in South Sudan.

The following table outlines the three proposed deals that this section investigates. They vary by business sector and country of origin, but they are all notable for claiming large areas of land.
<table>
<thead>
<tr>
<th>Project Proponents</th>
<th>Nationality</th>
<th>Purpose</th>
<th>Proposed land acquisition</th>
<th>Lease period</th>
<th>State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nile Trading &amp; Development Kinyeti</td>
<td>American</td>
<td>Agriculture, Agrofuels, Forestry, Carbon Credit (Also, oil, gas, mining)</td>
<td>600,000 with option to extend to 1 million</td>
<td>49</td>
<td>Central Equatoria State</td>
</tr>
<tr>
<td>American Exotic Timber Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Citadel capital Wafra</td>
<td>Egyptian</td>
<td>Agriculture</td>
<td>105,000</td>
<td>25</td>
<td>Unity State</td>
</tr>
<tr>
<td>Concord Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jarch Management Group</td>
<td>American</td>
<td>Agriculture</td>
<td>800,000</td>
<td>n/a</td>
<td>Unity</td>
</tr>
</tbody>
</table>

Nile Trading and Development, Kinyeti Development, and the American Exotic Timber Group

The largest land deal in South Sudan to date was negotiated between the American company Nile Trading and Development Company (and affiliates) and a local entity called the Makaya Payam cooperative. The contract was signed in 2008, and included 600,000 hectares of land (with a possible extension to 1 million hectares) for 75,000 Sudanese
pounds (equivalent to USD 25,000). In broad strokes, the deal allows NTD to use the land to exploit any or all natural resources, so long as it acts in accordance with the laws of Southern Sudan. Specifically, the lease agreement stipulates that the NTD is permitted to:

- Develop, produce, and sell timber/forestry resources including without limit the harvesting of current tree growth, the planting and harvesting of new tree growth, and the cultivation of tree-based industries;
- Produce and receive profit from any carbon credit created as a result of forestry activity;
- Develop any agricultural activities, including biofuel crops
- Explore, develop, and sell any petro-products including petroleum, natural gas, for both local and export markets;
- Importantly, NTD is permitted to sublease or sub-license any portion or all of the leased land.

(Lease agreement, 2008).

Nile Trading Company is an incorporated business registered in Delaware as of November 16th, 2007 (Division of Corporations, Delaware, 2012). There is hardly any information available on NTD, except that linking it to Kinyeti Development, LLC.

Though Nile Trading and Development company is the leaseholder on the agreement, several other parties, including Kinyeti are involved in the transaction. In fact, the signatory on the lease, Leonard Thatcher, the Chairman of the board of NTD, is also the Co-founder of Kinyeti Development, an Austin, Texas-based company. As of writing, the Kinyeti website defines the company as a “global business development partnership and
holding company with decades of experience in international business, finance, and diplomacy.” Leonard Thatcher is a UK national who worked as an investment banker and securities trader associated with the London Stock Exchange. The Kinyeti website has recently clarified the relationship between Kinyeti Development and NTD as follows: “Kinyeti Development entered into an agreement with Nile Trading & Development Inc. in 2009 to provide options for the commercial development of a land lease within Central Equatoria State which NTD negotiated in 2008.”

Kinyeti’s managing director, Howard Eugene Douglas, was formerly the United States Ambassador at Large and Coordinator for Refugee Affairs (1982-1986) under the leadership of Ronald Reagan (Dept. of State, Office of Historian, 2012). Christopher Douglas serves as the secretary (and director) of Kinyeti after working out of US Consulate in Dusseldorf, Germany in 2008. Both Howard Douglas and Christopher Douglas are directors of the Texas company, Orbis Associates LLC and its affiliate, Orbis Orient Ltd as well as Kinyeti. These three men manage Kinyeti, and represent Nile Trading Company in the lease agreement in South Sudan.

They also own shares in the equity of Kinyeti Forestis limited liability corporation, directed by another Texan, James R. Franklin. This team is further linked with American Exotic Timber Group, another Texas company dealing with the trade of precious wood, such as Teak and Rosewood in South Sudan. This relationship is noteworthy because The NTD deal includes an option to harvest teak or precious wood.

The development plans for this project are extensive, though not yet operational. The lease agreement allows for NTD to conduct virtually any kind of economic activity on the land, and the company’s stated plans are vague. In a letter written to General Wan
Konga, the Governor of the Central Equatoria State, NTD president David Neimann explained his intended business activity in South Sudan as follows:

“Pursuant to the Lease, the Cooperative leased to the Company 600,000 hectares (with the possibility of additional hectares in the future) in order to (A) develop, produce and exploit timber/forestry resources on the leased land, including, without limitation, the harvesting of current tree growth, the planting and harvesting of megafolia-paulownia, palm oil trees and other hardwood trees and the development of wood-based industries; and (B) engage in agricultural activities, including, without limitation, the cultivation of palm oil trees and biodiesel plants such as jatropha. We also intend to trade any carbon credits that result from the timber on the leased land and our activities on the leased land – so that we may reinvest a significant portion of the resulting profits in the Cooperative, Central Equatoria State and elsewhere in Southern Sudan and thereby help enhance the quality of life of its people” (Deng et al. 2011, 21).

This letter is the most detailed report available on NTD’s business interests for the purchased land. There are reports that Mr. Neimann has engaged in a contractual agreement with Tony Paris of Paris Broadcasting Cable 7 (PCB 7) to produce agrofuel, and that the Kinyeti Forestis group has already begun harvesting precious woods for export.

The following clip is taken from the PCB news archive from June 15th, 2008:

Tony Paris and Mr. Neimann met yesterday in a closed meeting for more then 6 hours collaborating over Mr. Paris’s Algal research and development. After which a contractual alliance was made. Mr. Paris will play a key roll in the development of Algal and other superior plants indigenous to this region such as the Jatropha Tree to produce high quantities of bio-diesel furthering the economic impact of this region.

Furthermore, because the lease allows for subleasing the land, NTD contracted Kinyeti Forestis to harvest the timber from the land in exchange for one percent of incurred profits (Deng et al. 2011, 21). One day after formalizing this agreement with NTD, Kinyeti sublicensed the extraction to a third party called the American Exotic Timber Group (AETG, and Illinois-based company led by CEO James Franklin. According to the agreement (Deng
et al. 2011, 21), the profits from AETG’s activity are to be split evenly between Kinyeti and AETG.

However, after several visits to the region, the relationship between Douglas and Franklin began to crumble. In May 2010, Kinyeti filed a breach of contract to AETG for failing to provide investors for their project. Following that notice, Kinyeti discovered that AETG had been secretly meeting with local officials without their knowledge. Thus, according to Kinyeti, these actions constituted a second instance of breach of contract because AETG had agreed to meet with locals only with express permission from Kinyeti. In April 2011, Kinyeti filed for damages using the arbitration clause of their contract citing breach of contract, tortious interference with a contract and lease agreement, and fraud, slander, and libel (Deng et al. 2011, 24).

The NTD and Mukaya Payam Cooperative deal also includes the option for mining and petrochemical extraction. According the transitional constitution in South Sudan, all subterranean natural resources are deemed property of the central government. However, the NTD / Mukaya Payam Coop contract stipulates that NTD has the rights to these resources. Deng clarifies that Douglas and Franklin would need to secure a concession from the GoSS before they can formally own the rights to the subterranean resources, despite what is written in the lease agreement. In fact, Kinyeti has already been meeting with the Ministry of Energy and Mining to discuss the future of their extractive activities, including the construction of an electric power station and a crude oil refinery in Central Equatoria State (Deng 2011, 26).

In fact, Franklin was able to transition from the agro-forestry industry (AETG) into mining and extraction through his extensive connections to South Sudanese officials. His
company, Southern Cross Mining and Exploration owns a small-scale artisanal gold mining operation in Central Equatoria State, which he hopes to convert into a full-scale gold mine (Deng 2011, 26). The project has stalled based on un-ideal geological conditions in the area, but there are certainly plans for future development. According to Franklin’s statements, Southern Cross owns 65% ownership in the operation, while the SPLA and the local community own 35%. Furthermore, the company has employed ex-SPLA members employees.

Mineral extraction overall is fairly limited in South Sudan so far -- conflict has prevented full-scale research and development of the industry. Additionally, under the CPA and transitional constitution, the government has set a moratorium on mineral projects awaiting the mining bill, set to appear later this year (2012). Because of this, many investors are attempting to buy land with the hopes of developing full-scale operations in the future. Deng, et. al say that it is still too early to predict whether South Sudan will be able to manage its mineral wealth in a way to advantage local communities. They claim that it is a positive sign that the government has paused the active development of mining sector by foreigners; but this analysis overlooks the ways in which the government stands to profit from this strategy.

Despite these reported alliances between several different business leaders and companies, there is still confusion over what NTD’s main objectives are for the region. Deng includes a comment from a local government official who has met repeatedly with NTD representatives:

“What makes me a bit suspicious is the kind of business that they say they want to do. It’s really not clear. ...They talk of agriculture as one of their activities,
and then they also talking of minerals and agrofuels. So it’s not clear exactly where they really want to invest.”

Besides the wide variety of business ventures, there are several mysterious aspects of the Nile Trading deal. The first concerns the identity of the “lessor,” the Mukaya Payam Cooperative. The lease contract is signed by a Mukaya Paramount Chief on behalf of the cooperative, witnessed by both a judge and lawyer (Lease agreement, 2008). But, according to a Southern Sudanese media outlet, the Agency for Independent Media (AIM), the Mukaya Payam Cooperative is a “fictitious cooperative” made up of “a group of influential natives from Mukaya Payam and the neighboring Payams.” Worse still, they argue, “the influential natives leased out the land behind the backs of the entire community” (Deng 2011, 25). Based on the work of the Oakland Institute in shining a light on this allegation, the community of Mukaya Payam became aware of the potentially fraudulent activity. In July 2011, a group of official and traditional leaders formally joined forces to protest the deal and reject the American acquisition of community land. As of writing, the deal has been halted, awaiting review by both the government and community leaders.

Citadel Capital and Concord Agriculture

This section analyzes a large-scale purchase by the Egyptian company Citadal Capital, and its portfolio company Concord Agriculture for 105,000 ha of land in Gwit and Pariang counties of Unity State, located Northwest North West of Bahr El Ghazal river (one of the key tributaries of the White Nile River) (Citadel Presentation, 2012). According to statements by the executives at Concord, the purpose of this investment is agricultural: industrial production of maize and sorghum for sale primarily to local markets.
Citadel Capital is one of the leading private equity firms operating in Africa and the Middle East. It has invested more than USD 9.5 billion in 54 investments since 2004 (Citadel website, 2012). It operates in 15 countries through 118 portfolio countries including Nile Logistics, Africa Railways, Nile Valley Petroleum, and WAFRA, Citadel’s platform for agricultural investments in Sudan and South Sudan (Citadel Capital website, 2012).

Citadel Capital has more than 900 million invested in a variety of activities in Sudan and South Sudan -- these investments comprise a portfolio with reach to markets across East Africa. Citadel’s co-founder and managing director, Hisham el-Khazindar:

“We believe that our strategy of establishing a strong base in Egypt—the largest and most diversified economy in North Africa—and leveraging this base to ease our entry into other parts of the continent is part of the reason we are successful private investors across North and Eastern Africa” (Deng 2011, 37).

Other Citadel portfolio investments in the Sudan region include:

Nile Logistics: Nile Logistics is Citadel’s portfolio company in the transportation and logistics industry in the MENA region. Its operations are largely in Sudan, South Sudan, and Egypt, where they manage “door-to-door services for industrial and agricultural producers” (Citadel Website, accessed 2012). The company owns and operates 39 cargo ships, ranging from 30 - 100 meters in length. As of 2010, Nile Logistics operates out of Tanash Port in Greater Cairo, inaugurating a new five-year plan to transport up to 2 million tons of wheat annually along the Nile River for the General Authority for Supply Commodities (GASC) a government entity (Citadel Website).

Nile Logistics recently acquired Keer Marine, granting the company wider access in South Sudan. Keer Marine operated multipurpose river barges and pushers through the
river routes of South Sudan, moving bulk goods, food, and petroleum products. Keer Marine also owns a well-developed river port in Kosti, 300 km south of Khartoum, facilitating access to Sudan and South Sudan. Over the coming years, the company's management plans to expand its fleet of barges in response for “increasing demand for transport” (Citadel Website, accessed 2012).

Africa Railways: Africa Railways is another relevant portfolio company in the transportation industry -- it owns rights to operate and build railways throughout the MENA region, connecting Indian Ocean port Mombasa to interior countries such as Kenya and Uganda, and countries Egypt, Sudan, and South Sudan.

Nile Valley Petroleum Limited (NVPL): NVPL is an essential component of Citadel's portfolio in Sudan and South Sudan. It is primarily an oil and gas exploration and production company operating in both Sudans. As of June 2008, it bought interests in three highly promising blocks (A, 9, and 11) and is currently exploring all three. Together, the three blocks amount to 226,768 square kilometers (Citadel Website, accessed 2012).

Though several other companies make up Citadel's portfolio in the MENA region, the relationships listed directly above highlight the role of Citadel specifically in South Sudan and surrounding areas. Citadel's interest in South Sudan can be at least partly attributed to personal relationships between its chairmen, Ahmed Heikal with senior leaders of the SPLM. After the CPA was in place in 2005, Heikal began to court South Sudan contracts, particularly those in the most fertile areas.

The Concord investment agreement was negotiated between the Unity State government and Citadel Capital (on behalf of Concord). Though there are no transparent records available for this transaction, Peter Schuurs, the CEO of Concord Agriculture, has
provided several illuminating statements. In his opinion, the agreement “is strongly tilted in favor of the lessee” (OI, 2011). He explained that Citadel (and Concord) is exempt from paying taxes on agricultural inputs and profits for the first 10 years. Furthermore, the lease agreement allows for an easement along the Bahr el-Ghazal River, three to four km south of the project area. This access to a Nile tributary could be hugely important in the future.

As discussed in the previous example, Concord has not fulfilled the requirement of completing comprehensive social and environmental impact assessments. When asked if Concord had conducted these studies, the Unity State governor replied in the affirmative. However, Schuurs informed OI that Concord had touched on the “social context” in their feasibility studies, but never formally assessed the likely impacts (Deng et al. 2011, 39). He claims that the company attempts to manage local interests through informal meetings with government and community leaders, rather than through formal contractual agreements.

The lack of ESISs is worrisome; particularly for an agricultural company that uses “zero tillage” practices that include the use of large amounts of pesticides. Schuurs reportedly has said that the company plans to conduct community outreach once spraying begins, but this misses an opportunity to include the local community to be responsive to its concerns.

Both Citadel and Concord aim to sell their goods in local markets over the short and medium-term; however, the contract allows for the export of goods to the international market. The Oakland Institute report finds not limitations on Concord’s export of goods, even in times of elevated food insecurity. Deng, a Minister of South Sudan points out that
this kind of agreement is consistent with the free-market economies, such as that of South Sudan:

“Peter [Schuurs] is going to produce grain and he can sell his grain wherever. We can only appeal to him, ‘Look my brother, why are you taking the whole food elsewhere? There are markets here. Why don’t you sell here?’ And he can say, ‘No. I’m not selling here because I’m getting more money elsewhere.’”

Concord’s decision to sell mainly to local markets is not necessarily an indication of the company’s concern for local food security. In fact, the OI study suggests that it most likely has to with the costs of scaling an agricultural enterprise in a context with very underdeveloped transportation infrastructure. According to Schuurs, OI reports, the high transport costs make export-oriented agriculture cost-prohibitive, at least until the infrastructure is better developed.

Similar to the example of the Nile Trading & Development deal, the Concord management and local government feel that the fastest way to ensure food availability is through large-scale agricultural development. The food security situation in Unity State is dire -- Schuurs explains that industrial agriculture can help by providing large quantities of food into local markets quickly: “We can produce 20 to 30 tons of grain in a short period of time. In two years, we can get 50 tons into the local market. That will increase food security quickly” (Deng et al. 2011, 38). Both Schuurs and local government officials laud the efforts of industrial farmers and are skeptical about the future of smallholder farms in South Sudan. Oakland Institute argues that this opinion is widely held throughout the region, but is somewhat misinformed. They write, “their views represent a widely held misconception in South Sudan that pastoralists are only concerned with their cattle and are not interested in farming. While it is true that agriculture is not as central to pastoralist communities as it is to agriculturalist communities, the family farms that pastoralist communities maintain
alongside their cattle are of vital importance to local food security.” In fact, it is political insecurity and conflict that is largely fueling food insecurity, not a cultural disinclination for agriculture (Deng et al. 2011, 40).

Concord’s relationship with the community has yet to yield positive outcomes for the locals. The contract itself does not hold Concord accountable for initiatives that would advantage the communities on the land and the initiatives informally agreed upon have yet to show positive results for the host community.

Concord estimates that five villages, with a population of about 1,250 people currently reside in the project area, in addition to the Fellata pastoralists who travel across the region seasonally. Concord and the local government maintain that they have no plans to resettle any villages on the project land. They describe their land development plans as a “checkerboard pattern,” whereby they will develop only 30,000 - 40,000 ha in a way that will not disturb the current occupants. As the Oakland Institute reports, since we do not have access to the Concord/Unity Government contract, we cannot report on whether these plans are legally-binding (Deng 2011, 41).

Despite Schuurs’ claims to abide by informal requests to employ local labor, the mechanized nature of Concord’s agricultural practices means that they do not need many workers. Concord’s ability to employ the local population to improve economic livelihoods is, therefore, limited. According to Schuurs, Concord currently employs 35 workers in a variety of positions, from truck drivers and administrators to horticulturists and GIS experts originally only two of which were locals (Deng 2011, 40). However, since the conflict has slowed many skilled-workers are returning to the area. Schuurs explains that
Concord now has nine local employees. Over the next year or two we may see the local employment rate increase somewhat as Concord brings on more returning specialists.

Both Deng and Schuurs maintain that Concord has a good relationship with the local community. The delivered health benefits are often cited as the reason. According to Schuurs, the company provides a nurse to assist the local community a few days per week. Project proponents also cite the benefits of potential “technology transfer” as beneficial to local populations. Schuurs claims that the Concord staff horticulturalist also helps local women with basic planting techniques such as using cattle dung as fertilizers rather than burning it for fuel. Furthermore, Deng argues that the scientific innovation that concord might bring to the area is a central reason for the attractiveness of the deal. He says, “they are turning into a research center. If you want to have...records you can only go to Concord” (Deng 2011, 40).

Despite these claims from project proponents, discussions with community groups and the Oakland Institute point to a different conclusion. The local populations often reported the existence of a health clinic, but the absence of a practicing nurse. With regards to training and technology transfer, many residents claimed that the Concord agronomist never followed through with plans to teach. Another resident complained that Concord would not hire him on a permanent basis: Since they have started, they have not employed our people. They just went to their area and left us here. It is not because our people cannot do anything” (Deng 2011, 41). As of now, the residents are holding out for the benefits promised to them.

Jarch Management Group and Leac for Agriculture Joint Venture
In 2009, Jarch Capital, a New-York based investment firm allegedly invested in 800,000 ha of land in Unity State via a joint venture with Leac for Agriculture. Philippe Heilberg, the Chairman and CEO of Jarch Capital announced in January 2009 that his group expected high returns from the investment and expected to be involved in the area for “decades”, reports Megan Davies in a Reuters article (Davies 2009, web). Jarch Capital is an affiliate of the Jarch Management Group based in Hong-Kong, and registered in the British Virgin Islands. The deal is thought to consist of 400,000 ha bought straight out by Jarch Management along with a 70% equity purchase of Leac for Agriculture, making the total investment about 800,000 ha (Deng et al. 2011, 18). Reuters reports that the 400,000 ha of community land was purchased from Gabriel Matip, the eldest son of General Paulino Matip Nhial, Deputy Commander-in-Chief of the Sudan People’s Liberation Army (SPLA). According to the NPA study, the deal is not officially sanctioned by the GoSS, nor did the community through the GoSS procedure lease it. Instead, it was thought to be signed by a few powerful individuals who claimed ownership through their political and military affiliations (Deng et al. 2011, 27).

The Jarch Management Group claims to specifically target investments in Africa that are mired in uncertainty. Their company strategy, as outlined on their website reads: “The Company considers investment opportunities in countries in Africa that are undergoing and may undergo sovereignty changes... and the creation of new countries out of current ones.” As we’ve seen in the other land deals, the largely uncertain legal framework and infrastructure allow companies to strike very advantageous deals.
Jarch advertises the services provided on their website. They claim to be best equipped to conduct business in politically unstable environments because:

“Personnel associated with The Company are experts on the geopolitics of these countries undergoing sovereignty change and establish key relationships with the leadership or potential leaders of the new states. In addition, to successfully execute our strategy, The Company has a powerful Board of Advisers that is native to the countries of which we are focused. The Company has consulting relationships with top level former US government officials and experts on Africa.”

Similar to the way Citadel Chairman, Ahmed Heikal, built relationships with former SPLA leaders to gain access to opportunities, Philippe Heilberg employs experts and former political or military leaders to gain knowledgeable business partners with access to investment opportunities in South Sudan. In fact, in October of 2010, the Sudan Tribune reported that Heilberg appointed to the board of directors former Khartoum-backed military leader, General Gabriel Tanginye, who was also a senior leader of the SPLA at the time (Sudan Tribune 2010, accessed online 2012).

Jarch Capital has stated its intentions for this land to be agricultural. Reuters reports “Leac has the right to grow cereals, oil seeds, vegetables, fruits and flowers and can process these products for both local and export use” (Davies 2009, web). We can only expect that Jarch will have the same access that Leac did. Therefore, much like the other two investments, the Jarch project will likely produce goods eventually that are intended to be for export to the global markets.

Analysis of Land Deals
The structuralists argue that food insecurity is caused by a lack of infrastructure and formal economic systems. Without developed political and economic frameworks to ensure efficient distribution of goods, food security cannot be guaranteed. These authors broadly argue for development of public infrastructure, a legal system to ensure the rights of private property, and the cultivation of a free market. In terms of economic development specifically, most authors in this camp are in favor of inviting in foreign direct investment. They argue that it benefits the local communities through technology transfer, employment of locals, overall development of agricultural industries, and increased food production (thereby improving food security).

We can see that over the past 7 years, since the CPA was signed, the structuralist viewpoint has largely prevailed in South Sudan. The official policy in agricultural development -- as outlined in previous sections -- aims to capture the benefits of foreign investment in agricultural land. The development paradigm practiced in South Sudan returns us to Malthus' original theory. If the food supply does not keep up with the demands of the population, starvation will occur. That is, unless the government intervenes to increase food production. In South Sudan, we could interpret the actions of government officials leasing land to industrial agricultural producers as attempting to re-equilibrate the food supply/population balance, as Malthus would have suggested.

The three land deals above are also consistent with policy prescriptions described by Jeffrey Sachs. One of Sach's most widely recognized points, that a "temporary boost of aid over the course of several years, if properly invested, can lead to a permanent rise in productivity. That boost, in turn, leads to self-sustaining growth," is certainly an underlying assumption that many Southern Sudanese officials and government leaders believe. The
theory being that investments by international industrial agriculture companies will transform farming practices to increase food production in the short term, and in the longer term improve productivity overall (through technology transfer, education of workers, investment in inputs, scaling of production, etc.).

Moyo is one of the most vocal proponents of free-market principles in Africa. She argues that with sound institutions that protect rights to private property and transparent economic practices that manage aid properly, the unfettered free market will deliver the best results. With failed markets comes corruption and increasing dependence on aid, she argues. She would certainly back the efforts of the Ministry of Agriculture to invite in foreign investment in the area, but she would also encourage that the GoSS develop ways to enforce the policies so that the market is fully functioning. Therefore, to transition into a functioning economy, South Sudan must reduce the amount of aid it receives and build a transparent and integrated economy to support efforts to develop through traditional neoliberal policies.

In contrast, the social - political camp would argue that these policy prescriptions are potentially problematic. In their view, the large-scale land deals are generally advantageous to the foreign companies and “leech” power away from host communities. If this is true, they would argue, these deals will, over time, exacerbate food insecurity in the region by fostering food production for export, rather than sustainable farming practices.

Sen would urge us to look into the way that individuals are guaranteed entitlements to the food that is available, and what the government is doing to help distribute food fairly. He would suggest we look at the ways by which the government guarantees the right to food. The Land Act of 2009 includes clauses that attempt to ensure that community
interests are valued when foreign entities purchase South Sudanese land. Several sections explicitly state the relationship between investor and community:

- Ch. iX, § 63(1) ‘The activity to be carried out by the investor shall reflect an important interest for the community or people living in the locality.’

- Ch. iX, § 63(2) ‘[The activity to be carried out by the investor] shall contribute economically and socially to the development of the local community.’

- Ch. iX, § 63(3) ‘The concerned ministries in the Government of Southern Sudan and the State and the investment Authority shall consult with the community concerned on any decision related to the land that the investor intends to acquire and the view of the community shall duly be taken into consideration.

These provisions are one way by which the GoSS attempts to provide concessions to the affected localities when investors lease large landholdings. If they provisions were enforced, to a certain extent, the government would have assured the local populations a claim to agricultural production.

However, there are several problems with this scheme. First, the community-oriented policies are rarely practiced, or enforced. Unfortunately, most of the concessions promised to the local communities have not been delivered. As presented earlier, there are several examples of ways in which the foreign investors have failed to provide adequate compensation to the local communities as required by contract (see earlier section). The theorists that advocate for government guarantee of community rights would support the attempt to include community benefits in the contracts. However, the lack of enforcement is problematic.

Secondly, the concern with leasing the land to industrial farmers is that in the long run, the goods are likely bound for the export market, not for local food stocks.
Because there is an immediate need for food stuffs, the government is eager to lease off land to foreign industrial producers that have the scale to mass-produce food now. This scheme is problematic in a basic way -- because the majority of rural populations practice subsistence farming, the leasing of their land to foreigners potentially undermines traditional means of ensuring food security. Fewer subsistence farmers means fewer families are able to produce food for themselves, at least in the short term.

In the long term, if large sects of land (in the most fertile regions of South Sudan) are occupied by an elite group of foreigners using the land to produce food to sell externally, the local population will be increasingly marginalized. Forced to migrate to less desirable land, and unable to purchase the food grown at industrial scale because it's being exported, the southern Sudanese will suffer under this arrangement.

In conclusion, if investments are structured to benefit a select international few, at the expense of the local population; and, if the country's most desirable land is used to grow food for industrial corporations to export rather than feed the local populations; and if, the government allows the country’s vast natural resources to an elite group of foreigners rather than the newly formed nation, South Sudan will risk becoming saddled with political instability, food insecurity, and re-igniting decades-old conflicts.
Conclusion

Food Security will be an ongoing struggle for South Sudan. As noted in the review of relevant literature, there are several theories that argue for different courses of development. The case of South Sudan highlights the various ways the theories play out. We can see that South Sudan is a special case as it is a very new country with a very violent history. This leaves a wide opening for change. The government has set forth a course of community-oriented foreign investment through its enacted policies. Unfortunately we have yet to see the benefits for the local populations. As is repeated throughout the history of developing nations, particularly those rich in natural resources, foreign investors gain the upper hand to extract resources to the detriment of local populations. In order to combat this “leeching of power” (as Keen would say) from the local population, the GoSS would be wise to reconsider several aspects of the management of land acquisitions.

Based on the few studies that have carefully analyzed South Sudan's land policies and the analyses above, I've put together a set of recommendations for the GoSS. These recommendations assume that South Sudan will continue to invite in foreign investors, particularly in the agriculture sector. If the state continues, as they plan to, court large-scale industrial agricultural investments, the following guidelines may prove helpful in guiding the way the contracts are negotiated. Following are the recommendations to the Government of South Sudan (GoSS) regarding land management:

1. **Moratorium on large-scale land contracts** - it is important for the GoSS to implement a temporary ban on large-scale land acquisitions. This moratorium
would allow the state to build up adequate oversight and management institutions, as well as properly include the local people in these decisions, before being tied up in long-term contracts. The legal and political uncertainty right now is allowing foreign investors to buy prime land with minimal (if any) due diligence on the side of the Southern Sudanese. The challenge to this recommendation is generating adequate political will. Because most of the large-scale land deals are not yet operational, most Southern Sudanese have not yet felt the presence of these companies.

2  **Enact presumption in favor of disclosure & increase transparency** - too many of the current projects were signed in a cloud of confidentiality. Companies may seek to keep the transaction obscure from the public, but it is in the interest of the Southern Sudanese to adopt the presumption in favor of disclosure. This means that contracts would be available to the public. This would at least attempt to keep the local population informed, and hopefully prevent contracts that hugely benefit the investor at the expense of the local populations.

3  **Vertical Land Ceilings** -- The Land Act already calls for regulations that demarcate ceilings on the size of land allocations. An idea that has been touted by several prominent researchers is the idea of graduated ceilings. As the size of the intended deal increases, so does the required authorization from the government. Authorization from successively higher levels of government for increasing sizes of parcels to be leases would, in theory, increase the oversight and accountability for large-scale transactions. With time to properly build this program with internal checks, and transparency through disclosure, corruption would be minimal.
4 **Review of current contracts** -- it is important to increase enforcement of the land act and adopt above recommendations, but nine percent of the land in South Sudan has already been leased without these requirements. I recommend that the GoSS review all existing land contracts made since the CPA was signed in 2005 -- there are 28 to date that have already been negotiated. This review would allow the GoSS to bring all contracts in line with current legislation. The review process should be transparent and ensure that all contracts comply with The Land Act, the Investment Promotion Act, and the Local Government Act (with respect to the length of contract in particular), the stipulation that affected communities be consulted, and all social and environmental impact assessments (ESIAs) before re-instating the leases.

5 **Promote alternative business models and smallholder farming** -- Most of the large-scale agricultural or natural resource extraction companies are highly centralized and designed for operating on economies of scale. These models tend to be highly efficient and bring in high margins for the investors, but also often have negative social and environmental consequences in the local context (World Bank, 2010: pg. **)*. Instead of this model, the GoSS could promote alternatives. It could provide incentives, tax, rebate, or otherwise, to encourage businesses to invest in smallholder farmers or farmers collectives to maximize the benefits accruing to rural farmers. Companies could explore alternative business models such as joint ventures that successfully engage with the local community to create lasting technology transfers, employment, and overall growth in the sector.

6 **Use revenue from oil extraction to fund agricultural development** -- The state generates large profits from the oil extraction sector (98% of the annual budget).
For a temporary boost in development aid, the country could internally finance these alternative style agri-businesses. This internal funding would remove the risks associated with inviting in foreign investors. If carefully managed, and as only a temporary solution, this source of funding could prove very useful to the development of a secure food system in South Sudan.
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