WILL AFRICA FEED CHINA? "BEGGING WITH A GOLDEN BOWL" FOOD SECURITY AND COMMERCIAL FARMS

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By Deborah Brautigam

In this excerpt from her book, '*Will Africa Feed China?*', the author discusses China-Cameroon agricultural development and investment.

On November 17, 2005, Yang Haomin, chairman of Shaanxi province's State Farm Agribusiness Corporation, sat for two hours, pondering a fax that had arrived in his office from the Ministry of Agriculture in Beijing.[1] Would his company be interested in going to Cameroon? Yang described himself as a born optimist. In 1998, he had imported 120 ostriches from Namibia, the nucleus of an experimental farm. People had laughed at the ungainly birds, but his investment grew to become the largest ostrich-operation in Asia. Profits from the venture helped build the "Ostrich King" building that now housed Yang's office in Xi'an, home of China's famous 2,200-year-old terracotta army. In the years since China had begun to emphasize outward investment, or "going out," Yang had visited South Africa, Russia, Ukraine, and Brazil, but his explorations had yet to yield a project. He pulled out a map and located Cameroon along the west coast of Africa.

Six weeks later, on Christmas Eve, Yang and a small team of seven experts landed in Douala, the commercial capital of Cameroon. The Cameroon government hosted their visit, paying their expenses and showing them a number of locations where commercial cultivation of rice, cassava, and other crops might be feasible. By mid-January, Yang had decided to invest. Cameroon promised to provide 10,000 hectares of land at no charge, with a 99-year lease. Africa – Yang later said – impressed him with its "enormous development potential."[2] Cameroon seemed to have multiple advantages: warm, with ample water, plenty of sunshine and land, and a ready workforce. Yet every year the country was spending $250 million in scarce foreign exchange to import rice. Drawing on an Asian fable, Yang said: "It's like begging for food with a golden bowl." Yang would later find out that growing rice on a commercial scale in Cameroon was not nearly as simple as he had imagined. But to understand why his investment had such a mixed reception in Cameroon, we need some context.

"Quietly Rooted in the African Continent"

Yang returned to Cameroon in March 2006 with a team of 13 experts, just three months after his original visit. Shaanxi Agriculture Group set up a subsidiary, China-Cameroon Yingkao Agricultural Development Co. Ltd. (also known locally as Sino-Cam IKO), and agreed to begin by rehabilitating around 100 hectares of rice fields at Nanga-Eboko, a Taiwanese aid project near the northern banks of the Sanaga River, abandoned in 1971 after Cameroon officially broke diplomatic ties with Taipei (the Republic of China) in favor of Beijing. The team planned to test varieties of rice, maize, soybeans, and cassava. The Cameroon government promised to arrange for another 2,000 hectares of land close to Nanga-Eboko to grow rice and 4,000 hectares in the nearby Ndjoré District for cassava. Another 4,000 hectares would be in Santchou, in western Cameroon, on the site of a state-owned rice company liquidated during the era of structural adjustment after failing to turn a profit.[3]

The team moved quickly into the decaying buildings left by the Taiwanese. As an admiring Chinese reporter described it later, the land they were to work appeared completely barren: no people, electricity, or roads; thick with shrubbery and tall grasses that completely hid the old irrigation system. They struggled through six kilometers of thorny forests to find the source of the irrigation water, encountering snakes and wild animals. Within two months, they had planted a vegetable patch, found a way to conquer weeds unlike any they had seen before, cleaned nearly five kilometers of irrigation channels, and rebuilt the access road. Local Cameroonians joined the Chinese, learning to drive tractors, working from seven in the morning until nearly nightfall, and forging, it was said, a "profound friend-ship." Living without electricity, suffering from malaria, without a day off, the team triumphantly harvested their first crop of rice that December. They were well on their way, a Chinese reporter explained, to being "quietly rooted in the African continent."

Local people described the arrival of the Chinese somewhat differently. Villagers employed on the rehabilitation of the station did welcome the employment, but the Chinese refused to give them formal contracts or to pay above the local rate for farm labor, between two and three dollars a day. “We earn a pittance,” Keman Essam, a bulldozer operator, complained to a reporter. Jean Assamba, a 46-year-old father of six, quit after six months. “They work hard, never get tired, and it is impossible for a Cameroonian to keep up with them. Me, I was forced to resign because I couldn’t take it. And they pay so poorly. If you complain, they say that we are getting more than Chinese workers would get in China.” Although he grudgingly admired the Chinese work ethic, he was left feeling bitter: “The Chinese are wicked!” The project was plagued by minor thefts, and the Chinese team acquired a German shepherd guard dog. “Touching an abandoned papaya is forbidden,” a former worker reported. “If they catch you with some rice in your pocket, you are directly sent to the police, accused of theft.”

Struggles over land tied the project in knots, and the government of Cameroon was not able to roll over the protests of all the farmers asked to cede land to the Chinese investors. Villagers were accustomed to use these spaces for hunting, grazing animals, and gathering firewood and other products from the forest. Tucked in among the trees were patches of land cleared for small subsistence farms. A local man, Joseph Embolo Fa’a, claimed customary rights to 1,015 hectares of land in Nanga-Eboko. In May 2011, he and others were arrested for protesting the government’s decision to allocate part of their land to the Chinese investors. When Fa’a and a local forester cut down three trees to block the government surveyor’s access, he was slapped with a four-month jail sentence. “We still don’t know if we will be compensated for the land loss and, if so, how much money we will receive,” he said later. “This land is very important to us. Our ancestors are buried here, and the forest feeds us with termites, worms, and other produce."

European journalists and television crews visited the project. Some warned that the Chinese might try to control the entire chain of rice production in Cameroon. A French article with the title "When Cameroon Feeds China" led with the sentence: "The Cameroonian government has ceded land to an Asian enterprise that exploits local peasants to cultivate rice destined for China." Other reporters interviewed the project's manager, who told them that their signed agreement specified that all the rice produced on the project would be milled and sold in Cameroon. Few had actually seen this agreement, however. The reporters decided to believe local activists who showed them bags of rice covered with Chinese characters for sale in the village market. Although the bags were likely imported from China (hence the Chinese characters), the activists argued that this was proof that the rice was meant for the Chinese market: "When they can fill a boat, the rice will leave to China!" Rice, they predicted, will "follow the trail of bananas and cotton." Yet the price of rice in Cameroon's markets was nearly double the price in China.[4] Would a businessman come to Cameroon to produce rice and pay to ship it off to China at a huge loss? Or perhaps Yang Haomin had a long-term plan to sit quietly in Africa and wait for prices to rise in China?

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Furthermore, in both the Western and the Chinese press, the Chinese farm was always described as a "10,000 hectare investment." Yet Cameroon's farmers and activists had been able to pressure their government to stall on land allocation. After working for four years at the old Taiwanese station, the Chinese company still had not been able to obtain any additional land. "We only have 100 hectares," the Chinese manager growled at a visitor who had asked about conditions for local workers. "We have also been exploited!" The project contract was still sitting in the office of the prime minister, under study by an interministerial committee: "They are making us wait years just for a piece of paper!" the manager complained. "It is time for the people of Cameroon to understand that the future is in agriculture," he said. "It can no longer continue in these times cultivating with a hoe and a pickax. That will get you nowhere." In 2011, Cameroon's imports of rice rose to over 552,000 metric tons; yet, as one study pointed out, 90 percent of the land fit for growing rice was still not being used by anyone.[5]

We started and finished this chapter with the story of a troubled Chinese agricultural investment in Cameroon. Yang Haomin's company was warmly welcomed by the Cameroon minister of agriculture, who had visited China. The minister believed that Chinese expertise could contribute to his task of modernizing agriculture and that he would reap some of the credit when visitors observed vast, modern fields brimming with waving stalks of rice, an increase in local food supply, and perhaps even self-sufficiency. To him, land was owned by the government and could be reallocated to other uses, if the government so chose. On the other hand, local people quite naturally resented the proposal that some of their ancestral land be given to a foreign investor. They were concerned that they would not be compensated. They feared permanently losing access to common lands where they and their animals had traditionally foraged for food.

Cameroon was no stranger to commercial agriculture. Vast rubber plantations built during the early years of independence stretch across the south of the country, and an American company, Heracles, has drawn fire more recently for its plans to develop a 73,000-hectare oil palm farm.[6] In 2008, as we will see in chapter 8, a Chinese company would become a majority shareholder in GMG Global, a firm that would win the rights to over 100,000 hectares of Cameroon's rain forest. We will return to Yang Haomin's story in chapter 5. Cameroon – like most of Africa – stands now at a critical juncture. The decisions they make about commercial agriculture and foreign investment are likely to shape the future prospects and even stability of their rural areas.

In the next chapter, we will see how China, at a similar juncture, used foreign interest in its own agribusiness sector to drive innovation, transfer technology, and boost productivity. When Chinese firms began exploring investment in Africa, they would come with expectations and visions shaped by their own history of foreign investment and the way their government interacted with investors. It is often said that China's development experience may provide lessons for other countries. For Africans, perhaps, some of the most useful lessons might be learned by studying how China dealt with its own foreign agribusiness investors.

About the Author

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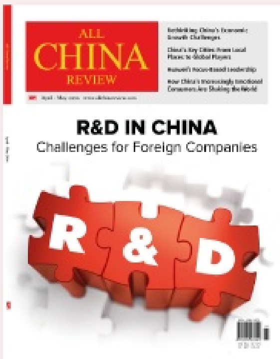

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