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## Egypt's takeover of Sudan's Gezira scheme

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By Professor Ali Abdalla Ali

December 19, 2010 — It came out in the Sudanese daily papers during September 2010 that the Sudanese Ministry of Agriculture had signed an agreement with the Egyptian Ministry of Agriculture in the context of the Sudanese Egyptian Protocol of Cooperation between the two countries.

The intention is to develop one million acres of the famous Gezira Scheme in the Sudan i.e. half of the total area of the Scheme which is 2.2 million feddan in accordance with a certain contract through which public and private Egyptian corporations will provide all the necessary inputs and the production of agricultural products to be exported to Egypt in a very strict schedule. Any delay in exporting the agricultural products to Egypt will be faced by penalties by the Egyptian side. There is no indication as to whether the whole production thus realized will all be exported to Egypt. This is in a very striking contrast with the Chinese who in their cooperation with Sudan in the area of agriculture, the representative of foreign trade declared that none of the production will be exported to China before the Sudanese people are fully satisfied of that production.



The Gezira scheme main canal and the Managil extension are used by farmers for drinking water and fishing (Photo: UNEP)

The news had aroused very vehement protest from the Sudanese Farmer's Union and the tenants in the Gezira Scheme as well as commentators in the Sudanese media. Their argument was that no activity shall take place before the issue of the landownership in the Scheme is settled by the government. Some even described the deal as tantamount to a serious betrayal of the Sudanese tenants, farmers and the Sudanese people since the Scheme played a very significant role in the life of the Sudanese people for over seventy years.

The agreement was to be signed this October during the annual meeting of the Sudanese Egyptian Ministerial Committee. Suddenly it came in the news that the meeting of the joint committee in October has been adjourned indefinitely! Some explain this sudden deferment might be due to the pressures on the Sudanese side not to allow the idea to be executed at the expense of the Sudanese landowners and farmers. On 12.10.2010 the Gezira TV news indicated that the President of Egypt had declared that Egypt intends to invest US \$ 2 billion in Ethiopia. This seems to be a message to the Sudanese that Egypt has other choices than Sudan. The Egyptian authority forgets that if Sudan is not for sale, it should remember that Ethiopia is also not for sale!

Now the purpose of this article is to try to understand the motivations which had made Egypt venture and propose the project mentioned above to the Sudan government. In fact when news came out about the project as uttered by the Egyptian Minister of Agriculture, it was immediately refuted by the Sudanese Minister of Agriculture who indicated that such news is not true at all.

The Egyptian Minister of Agriculture was very emphatic about the idea but since the whole matter was postponed it seems that there might have been there a drop of truth about it and that the Sudanese authorities had revised their minds about the idea. The government has too many problems at hand.

Since the talk about the Nile waters started some years ago, there has a gradual move by the Egyptian authorities to talk about the possibility of investing in Sudanese agriculture. This was to be done through abandoning the cultivation of crops that use more water such as wheat, rice etc. in Egypt and to cultivate such and other crops in the Sudan never mentioning as to whether such activity will have to be irrigated against the allocation of Sudan in the Nile waters (see our article "Investing in Agriculture is More Dangerous than Building Dams.", in ST of 30.4.2010). Certain Egyptian companies came to the Sudan with the intention of acquiring large tracts of land for agriculture. In fact a company called Boulton which is Egyptian owned in real terms and declared a type of cooperation between it and Kenana Sugar Company to invest in Sudanese agriculture. This company came under criticism through part of the Sudanese media. The idea was not very different from the present intentions. Agricultural production was to be exported to Egypt and part of it processed in Egypt since Sudan is claimed to have no industrial base especially in food industries. So the value added to such production will go to Egypt and not Sudan. In fact one's own view knowing Kenana since its inception that Kenana does not really need to cooperate with any outside company. Since it proved to be a very viable venture that accumulated considerable Sudanese abilities and technology that had qualified it to become responsible for Sudan's other large schemes. In fact Boulton Company will take advantage of this accumulated experience and technology without taking part in its creation. This accumulated knowledge should be used to the advantage of the Sudanese as well as Sudanese agriculture.

Again some months ago the Egyptian ambassador in Khartoum declared that Egypt is to get three million feddan of land to produce agricultural products with the least mention as to where the water for irrigation of such lands will come from. In another instance the Egyptian Minister of Agriculture once declared that he will visit Sudan to see what the foreign investors (referring to Arab and other investors) were doing in Sudan as if Sudan is still part and parcel of the Egyptian administration and territory. The question that comes up is that during the seventies and eighties a number of joint companies were established between the Sudan and Egypt. Such companies remained idle and ineffective in producing anything. They just held large tracts of land without ever being able to make such land produce any food whether for the Sudan or for Egypt. As we have indicated before in one of our previous articles in this WS that Egypt had never the intention to see Sudan become a strong agricultural country because if Sudan became the granary of the Arab world it will also become economically strong and consequently politically strong. This is something which Egyptian strategy never wished to happen.

In fact from these instances it is clear that Egypt's motivations are as follows;

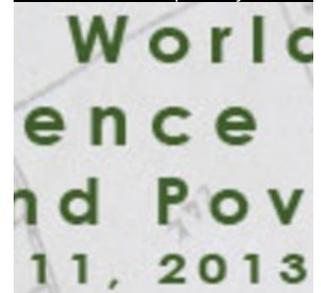
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- Politically Sudan is at present experiencing many political problems including the execution of the CPA, the problem of Darfur, the problem of Eastern Sudan, the repercussions of the ICC, the economic scene which has been largely dependent on oil of which 70% of its revenues will accrue to the Government of South Sudan (GOSS) in case of separation etc. These and other problems are taking the full time of those managing the Sudan's space. Egypt took this opportunity of disarray and tried to push the idea of investing in the Gezira Scheme, knowing that its previous joint projects in Sudan were mostly a failure. Moreover, and without showing any remorse on it holding Halaib Triangle and claiming that it is Egyptian territory while the issue is still in front of the UN Security Council and unresolved!! This opportunist behaviour has always been characteristic of Egyptian attitude in its relation with the Sudan. There are so many historical instances that are very visible to any observer of the Sudanese Egyptian relation over the years and decades.

- Since the issues of the Nile Basin Initiative and the Common Framework Agreement (CFA) which was signed by the members of the Nile basin with the exception of both Sudan and Egypt, the tendency was clear that Egypt wanted to preserve as much as possible what it has of water allocated to it by trying to invest in agriculture in both Sudan and Ethiopia. As a result of the Sudanese intention to concentrate on agriculture and also as a result of consequences of the recent international financial crisis, Sudan was able to attract a cascade of investors who wished to invest in agriculture since the Sudan is rich in such natural resource. A number of Arab and other investors showed their keen intention to invest in agriculture. These countries included China, and a number of Gulf countries as well as Jordan. Egypt and the Egyptian media started to become hectic since they were annoyed that such development might be at the expense of water allocated to Egypt if such development leads to an intensive utilization of all the water allocated to Sudan by the 1959 agreement. In fact some were blunt in stating that Sudan will be stealing water against Egypt's allocation and that is tantamount to impoverishing the Egyptian people. (See the article referred to above).

- Egypt was not able to derail Ethiopia from constructing its dams to produce electricity. The result of constructing such dams will make it easy for the Sudan to have a permanent source of water that will enable it cultivate all the year round. This will constitute a great advantage for the Sudan. To some this is the reason why Egypt wishes to invest in Sudan using water from the quantities allocated to Sudan and at the same time keeping its acquired share of the Nile water. Moreover, it intends to have full control over the land that it will acquire from the Sudan government and to have the free will to import the various inputs possibly including Egyptian farmers even it will have to be against the unemployment of the Sudanese farmers.

- Egypt instead of cooperating and helping the Sudan to develop its agricultural potential and guarantee the Sudan as a good market, it goes on trying to use both Sudanese land and Egyptian farmers to produce agricultural products for the ever growing Egyptian population. This tends to ignore the fate of Sudanese farmers as well as how such activity is irrigated. It is acceptable for those investors coming from the Gulf countries and others since they have no border relationship nor sharing in the Nile waters. Egypt is doing this selfish act in order to use Sudan's share and try to preserve its own. In fact the Egyptian Minister of agriculture indicated while deciding to visit Sudan, that he intended to see what Arab and foreign investors in agriculture are doing in Sudan. One wonders whether Sudan is already a territory of Egypt!!! The same attempts of getting land for cultivation are being undertaken in Ethiopia but on a rather small scale.

- Some maintain that Egypt's move to enhance and expand its investments in Sudan, (which stand now at about US \$2.3 billion) is to maintain real existence inside Sudan and, therefore, be able to use such existence as an indirect deterrent for any expected civil war on Northern Sudan if the South decide to part away. Therefore, the idea is to use its investments in Sudan as a cover to protect Egypt's southern borders. Egypt will not wait until any potential political instability reaches Wadi Halfa on the Southern border of Egypt. Egypt seems according to this possible contention be not really counting on its seemingly healthy relation with the South Sudan. This might be not true of the official position of the South government which is at present getting a sizeable aid from Egypt to the South, scholarships to the citizens of the South as well as hosting a good number of them who presently live in Egypt. However, this is not to deny that there are many dissenting voices among the Southerners that Egypt is giving all these donations and assistance not for the sake of the people of the South but only to persuade them to remain within a unified Sudan and, therefore, the possible continuation with the Jonglie Canal so that Egypt could secure a share of the White Nile water saved by the expected Canal. In an article in this WS an article by Justin A. Ramba of the USSP titled "Egypt is too selfish towards South Sudan," in ST December 2010 says, "There is nobody in Southern Sudan who can claim not to see how Egypt has systematically sought to undermine our hard won Right of Self-Determination. It seeks its own national interest which let it first to invade and colonize the Sudan in the first place. Now it continues to play its political cards with that same mentality, and, to underestimate its colonial attitude would be to miss the most central point that offers the key to the understanding of the politics of the Nile Valley and all old Nile water treaties. "Unquote." Justin went on to say, "Egypt has in the past threatened to go to war with any country that tampers with the Nile. However, the realities on the ground suggest that if [Egypt] is already engaged in a diplomatic war with almost all the upstream countries. The message is that, those who are still waiting to see the war fought by Egyptian soldiers in military uniform, invading their territories have definitely missed the point. It is time that the riparian countries currently in (sic) loggerheads with Egypt over the Nile water to check their backyards for problems that might be traced to Cairo's latest diplomatic sabotages. "unquote .Reuter on November 26,2010 reported that , "PM Meles Zinazi accused Egypt of aiding unspecified rebel movements for the purpose of destabilizing the Horn of Africa.

- In a recent paper by John Waterbury of the University of Princeton and the American University of Beirut whose title is, "Egypt's Nile: A Matter of Life or Death," calls for cooperation among the riparian countries. He makes a number of observations and draws three conclusions from these observations; First the Egyptian Economy and workforce have evolved far beyond the country's traditional agricultural base. Agriculture is no longer the driving force of the Egyptian economy, but it continues to use 88% of Egypt's available water. This means that 1m3 of water produces about 18 US cents of national product while 1m3 in the non-agricultural sector produces about 18 US or over 50 times as much. Second, with a relatively fixed amount of water, Egypt has succeeded in increasing the efficiency with which it used in agriculture. It has also increased its effective annual supply to something like 70 bcm. That includes ground water use, recycled drainage water and treated waste water. Most astounding is the amount of water imported into Egyptian agricultural produce and products, including meat and poultry. In recent years this water, called "virtual water" is the equivalent of 20bcm, or over28% of Egypt's expanded supply. Egypt should be proud of all these achievements, but the message to other riparian States is that there is no absolute amount of water that Egypt has to remain economically healthy. Third, the AHD is no longer a critical factor in Egypt's power supply and it can only become less significant with the passage of time. None of these changes should be seen as unwelcome. Indeed, they are positive signs of a healthy economic transformation, but they do not strengthen Egypt's claims to its 55.5 bcm. "Unquote."

Waterbury then goes on to state that "as a result Egypt's water supply has never come under pressure from the Sudan. That must have been a source of relief to Egypt's water planners, but it came at, in my view, at a very high cost, I would argue that it is the long term interest of Egypt to see the rapid development of the Sudanese economy and, by extension, that of Ethiopia as well. Between the two there is a potential market of well over 100 million people. For some time to come economic growth in both countries will be led by agriculture, as it was in Egypt in the middle of the last century. Should Egypt

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impede or encourage that kind development? To encourage it might entail renegotiating the 1959 agreement to include the other Nile Basin Riparian countries and to reorganize their legitimate claims to some share in the Nile waters. I think this would be in Egypt's long term interest because it would contribute to developing more prosperous markets for Egyptian goods and services in its neighborhood. It might also contribute to political stability in two large neighbors that can have a highly destabilizing effect when they are affected with turmoil and occasional violence. "Unquote."

Waterbury concluded his very valuable paper by saying, "What Egypt faces then are not life and death issues of water supply, but rather choices in the agricultural sector that reflect where the country is headed anyway. Acting on the recognition of this transition will mean that everyone in the Nile Basin stands to benefit from a new frame of sharing the river. "Unquote."

Although one is in full agreement with the observations and ideas contained in this very comprehensive and sincere paper by Waterbury especially his call to Egypt to cooperate, yet having been observing the relations between the Sudan and Egypt during the last three decades or more one is not very optimistic as to whether the Egyptian authorities (and not the people) realize the significance of these ideas as detailed by Waterbury!

History taught its proven laws of change to all. Among them is the fact that interests, despite how long it was maintained with whatever means and tools, must clash at some point in time.

FIRST: It seems that it will not be easy for official Egypt to erase from its mind that the world has changed and new interests surfaced-up by the end of the 2nd WWII, and that many waters ran underneath. Said in another way, Sudan or Ethiopia or any of the Riparian country's needs has changed over the decades and since they have obtained their political independence. This is so because Egypt is ever sensitive about the Nile waters and the security of its own population which is extremely legitimate and fair. However, this care and attention while acceptable should not be at the expense of all others who share with Egypt this great gift from God. When the Greek philosopher in the 5th century described Egypt as the Gift of the Nile, by which he meant that the Nile made Egypt and not the vice versa, he might not have realized that there were so many people upstream who also depended on their living on this very Nile waters as a crucial factor of production that created once the famous North Sudan and Egyptian Pharaoh Civilization. Such nostalgic and even selfish attitude on the part of Egypt does not seem to wane because Egypt in spite of its great achievements in the economic field and adaptation of technology seem to be still very much trapped in history as if it has never changed or they can control it for its own interests for ever.

SECOND: cooperation among the Nile Valley people was always advocated in many forums and by many of those concerned since all share a common important life input which is water. Egypt had long been the virtual user of the Nile water and so got used to believing that no one else should share such a resource with it as if it was given an eternal right from somewhere and there exists no other interests in it from somewhere else in the universe that we actually all share it. Now that the Riparian Countries woke up claiming their right in a resource which first originates from the lands, Egypt does not see that except in the context of a conspiracy against its livelihood and existence. Therefore, any call for cooperation is carried out by Egypt in the context of such eternal right for the Nile water as well in the context of its own strategy which takes into consideration its own interest even if it is at the expense of the members of the Nile Valley! Otherwise how can we understand the unusual objections of Egypt when Ethiopia started constructing its own dams on the Blue Nile, in spite of the fact that the Blue Nile originates from the Ethiopian Highlands? In other words Ethiopian people have to suffer from droughts in order for the Egyptian population to survive.

THIRD: One valuable advice stated by Waterbury is that for Egypt to help in the development of both Sudan and by extension Ethiopia, it will have two stable countries in the neighborhood. One would like to state emphatically that this is something which Egypt will never do or accept. There are so many historical incidents which proof that Egypt was behind the partial underdevelopment of the Sudan (see our paper, "The role of Egypt in the development and underdevelopment of the Sudan", in ST 2010). To state just two examples, one is the subtle resistance to the heightening of the Roseires Dam on the Blue Nile for almost four decades, which would have availed 4bcm3 to irrigate the fertile lands on both the shores of the Nile. Another example is the resistance in the creation of the Arab Authority for Agricultural and Investment and Development (AAAID) which was supposed to make the Sudan the granary of the Arab world. Egypt insisted that it should be chaired by an Egyptian, who was not really meant to develop it with Arab money but to reduce its effectiveness to such an extent that AAAID will not be able to attract Arab funds to develop the Sudan. If Sudan became economically strong, it would also become politically strong. Such a matter that Egypt never desired. If Egypt were to help develop Sudan, why then was it trying to takeover one million acres of land or half of the Gezira Scheme, using Sudan's share of the Nile water, in order to develop agricultural products that were to be exported to Egypt immediately after harvest. Would Egypt ever think of helping the Sudan in improving its Cotton in the Gezira, and, therefore, create a competitor for it?!! I guess the same would apply to Ethiopia. One is not good in politics but one's own feeling is that Egypt's strategy is to try to keep the countries around it under its control. That is why it is not surprising to read about the Ugandan diplomat who called upon the riparian countries to be careful of Egypt (The Observer-Uganda-December 2010) or the statements made by the Ethiopian PM Meles Zenawi who said on 14.12.2010 to Reuter that, "The only solution to the Nile water sharing issue was one that satisfied all parties and takes into account their interests without prejudice against any country." He added that, "the seven upper riparian countries have no agenda of benefiting themselves at the expense of Egypt and Sudan. "Unquote."

It is, therefore, clear that considerable change in mind and heart has to take place in the attitudes of Egypt towards its neighbors to create a real win-win cooperation with its partners in the Nile Valley.

In conclusion the attempt of Egypt to take over one million Feddan from the Gezira Scheme should not be thought of in isolation of the overall selfish and narrow strategy which aims at preserving Egypt's national and other interests in ways that will not achieve any win-win situation. Moreover, such an attitude shall not abate the distrust of the other members of the riparian countries in whatever suggestions that Egypt usually throws out from time to time. The Nile to Egypt as mentioned by Waterbury is not a question of life and death but rather a question of choices as stated above !!

Ali Abdalla Ali, is Professor of Economics, Omdurman Ahlia University and Economic Advisor, Khartoum Stock Exchange, Sudan. He can be reached at: [aliabdalla.abd@gmail.com](mailto:aliabdalla.abd@gmail.com)

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