

NAI Travel report

Land deals, and how not all states react the same: Zambia and the Chinese request

PhD candidate Marie Widengård, Global Studies, Gothenburg University

Field working Zambia, between December 2014 and February 2015

Introduction

My research related to the recent in land literature; land grabbing, or the foreignisation of land and land authority. However, other dimensions may be influencing the ways in which land is implicated, transferred, regulated, and becoming. Through the support of NIA, I situated the analysis in the national tissue of Zambia, seeking to discuss how the relationship between state and customary authority, territory, and sovereignty shape, and is shaped by, the land rush and specific deals. My researched focused on the authorisation of deals in Zambia, and the contingent question of which authority is legitimised to assume and guarantee decision-making and the forms of territory that are created. Such attempts to create and assert authority to exercise land control can be viewed as state formation. Based on ethnographic work, the research contributed to an article demonstrated how dual land governance is both challenged and made to cohere, reconfiguring the possible ways land deals are authorised and land leased.

This time around I bypassed the question of size and number of deals to provide a focused analysis of how land deals are shaped by and shaping national land governance and state formation. Spending six weeks in Zambia, I investigated national land politics, concerned with the shifts in the dual relation between state and customary authorities. My research specifically elaborates these issues by discussing the events that took place around a massive Chinese deal – known as the ‘Chinese request’ for 2 million hectares for *Jatropha curcas* L. production in northern Zambia. Data collection includes interviews and observations in Zambia during periods between 2009 and 2015, and the NAI grant enabled me to follow the deal it became part and parcel of political negotiations, as I conducted my field work during the 2015 presidential election. Semi-structured interviews have been conducted with governmental, intergovernmental, and non-governmental officials and traditional leaders involved in land administration in Lusaka and involved districts in the north of Zambia, as well as with the Chinese company in question and other land speculators and investors. Land laws, policy drafts, and administrative measures have been analysed and set in relation to debates around land practices, including parliamentary debates downloaded from Parliament Online (available at www.parliament.gov.zm/). I elaborate the findings below, and I have to some degree kept my ethnographic approach in this travel report to allow the narrative to flow over interviews, media and political debates.

Shifts in land governance

It was evident that the PF government coming into power in 2011 had made changes to the land politics, and also pushed the negotiations for a land reform forward. In Zambia, deals above 1,000 ha require consent from the president, or from the Commissioner of Lands acting on behalf of the president. Coming into office, late President Sata sent a Letter of Decree to the commissioner stating that all deals had to be assessed by the president himself, and according to an interview with the Lands commissioner in January 2015, President Sata had not approved any deals during his four years in office, either foreign or domestic, despite of some forty applications. The PF government also issued an administrative ban restricting chiefs to alienate land without properly involving state actors and decision-making processes. Following these changes in land administration, the commissioner denied that land grabbing was going on in Zambia. He received a lot of visitors who proposed this, yet 'were they really speaking about Zambia; they must pick it from other places.' The commissioner pointed out that Zambia may differ from other countries in the way that land is vested in the president. He explained that acquisition 'is a bit more complex' since presidential approval is a legal requirement, and he welcomed those who claimed there was land grabbing in Zambia to check the public register. The commissioner took time to explain that the existing larger private holdings were remnants of previously state-held land, which upon bankruptcy had been sold by the bank to private entities, while noting that three MMD presidents had a continuing legacy of promoting land privatisation. As I interviewed a chief on the matter, he concurred with the Lands commissioner and other interviewed governmental officers. There was no way for foreign actors to simply grab land without national support. What was being grabbed, he said, was chief authority over land. And the actor seeking to grab was not foreign but the government. Grabbing is therefore a more complex question than the simplifying narrative that foreign investors grab land in Africa, and whether customary authority will be reduced remains uncertain.

The Chinese deal

These processes came to play in the Chinese case. In July 2011, the deal had been sealed through a signing ceremony of a US\$450 million biofuel project, Investment Promotion and Protection Agreement (IPPA), between the Government of the Republic of Zambia and Kaidi Biomass Zambia Limited (KBZ) (Bloomberg 2011; Zambia Daily Mail 2011; ZANIS 2011). The ceremony included optimistic statements by the involved traditional leaders, being the Chief and Chieftainess in Isoka and Nakonde districts who agreed to extend land for the project. The deal had concretised at 80,000 ha (around 42,700 ha and 38,000 ha in the two chiefdoms), and the negative accounts on jatropha plantations had led to a diversified plan towards the production of bioethanol from sugarcane, sisal, cassava and sweet sorghum and biodiesel from jatropha, soya bean, palm oil, and castor (Zambia Daily Mail 2011). Phase one of the project was to commence immediately, including the setting up of

biofuels feedstock plantations, construction of biofuels processing plants, construction of biomass power plants, and construction of local infrastructure such as houses, roads, electricity, and schools (ZANIS 2011). While the Chieftainess had been willing to surrender customary land for the project, the involved chief expressed strong reluctance to alienate such large tracts. Indeed, no formal titling existed within his chiefdom (chief interview, 2015). A customary trust was to be set up, which would lease out customary land to the company. This compromise was accepted by the state authorities and investors, and it was described as a new form of leasehold in Zambia. While permits and other operational issues would be governed by statutory law, the customary body would retain its sovereignty over the land, and land rents (of around 6US\$/ha) would not be given to the government but to the Trust and purposed for community development. Thus, traditional leaders manifested authority here.

No displacement of people was necessary according to the chief and company representative. Only eighteen households resided within the designated area, and the company's preference had been for people to remain on their land and work as farm labourers or watchmen. One community had expressed a preference to move and receive compensation, and the company representative said the Zambian Development Agency (ZDA) had given resettlement rules to follow in the resettlement. Also, the area was described as degraded through slash-and-burn practices. No interviews were conducted with the residents to confirm that no eviction of people, villages, farming, or flora and fauna would take place, yet the narrations by the company and the chief were on par in this regard, and also the ZDA stated that the acquisition process had worked through the step-by-step procedures required when creating leaseholds (interviews, 2015).

Up to October 2011, negotiations had been supported by the MMD government, and the traditional leaders frequently extended their gratitude to the Banda government. However, change was expected as Michael Sata's Patriotic Front (PF) defeated MMD's Rupiah Banda in the 2011 election. Sata had publically opposed the Chinese proposal while in political opposition on the basis that leasing such large parcels would disadvantage Zambians already scrambling for land to grow food, and that such a project would only benefit the Chinese labourers expected to be brought in to work on the plantation (DPA 2009). Since the deal had not been finalized during the MMD's rule, the PF Government retained the authority to agree, or not, to this deal. ZDA had agreed to the scaled-down project of 80,000 ha, and although the PF Government made such recommendation an obligatory passage point for the approval of large-scale foreign leaseholds, the president still had the final say (ZDA interview, 2015).

Known as the man of action, Sata decided to personally monitor the deal (interviews, company repr., 2012/2015; The Post 2012). Sata had 'understood the project' according to the company and the involved chief, but wished to see the step-by-step performance. The Zambian partner remembered

Sata saying, 'when I see that you perform, you can develop the project fully fledged'. The PF Government agreed to issue a permit for two initial parcels of 2,000 ha in the two chiefdoms, and only upon review would the PF government allow sub-leasing of the entire 80,000 ha (interviews, 2015; Namutowe 2013). The Chinese decision to pay Sata a visit at State House was also described as a breaking point. Drawing on the collective memory of my respondents, it seems that Sata had been puzzled by the Chinese wish to discuss the issue with him in person, as there were appointed people at the Lands ministry to deal with land acquisitions. According to this narrative, the deal had been caught up when the investor wanted to fast-track and Sata sensed there was something fishy with the deal, requiring extra attention. Fast-tracking is often equal to side-stepping lower level offices by jumping to 'larger' offices (ZDA interview, 2015). In this case, approaching the president might have been a mistake.

In response to the scaled-down offer, the Chinese investors decided to pull out of the country (according to the Lands commissioner they moved on to Tanzania). The land offered in Zambia was inadequate to justify the investment required, such as dams, irrigation, electricity, roads, which had been budgeted in relation to the whole project (interview, company repr., 2015; Namutowe 2013). This type of shilly-shallying is also associated with high costs. More than four years of negotiations with the governments, state agencies, traditional leaders, and residents resulted in a cost of US\$1 million on preparations for the project. The company showed a great deal of frustration in this regard; in the view of the Zambian partner, the agreement with the government had changed with the elections, which was not good conduct if the country wished to be perceived as a stable nation for foreign investments. When I left Zambia, this deal was becoming part and parcel of the 2016 elections, a brick in the negotiations of what the different parties and presidential candidates offered in terms of sharing land authority with chiefs, and their thoughts on how to develop rural areas.

While in the country, I also traced the continuation of two other deals associated with the biofuel crop *Jatropha curcas* L, being the 'German' deal of 100,000 hectares in Mpika in the north and the 'NGO' deal in Macha in the south. In short, the German acquisition had been cancelled because nothing had been done on-ground. Yet, as the tract had already been alienated from the customary domain and transferred to state land, the effect was a permanent re-writing of its status. The agreement had been for the land to return to customary land if the investors failed to perform, yet, through local negotiations, the 100,000 ha remained in the state domain, probably because a state irrigation project had been promised (it was not yet implemented, however). In the Macha case, the NGO had abandoned the area due to land conflicts, and rural residents have to some degree reclaimed the land. Two court cases are on-going, seeking to establish if the expropriation and displacement had been legitimate.

Together these findings highlight that the lay of the land is contingent. Foreign leaseholds have historically been created through the alienation of customary lands into state and then private hands. However, as this case demonstrates, this is not a fixed trajectory. My cases do not demonstrate a foreignisation of land, nor did the Chinese deal produce massive structural holes in the national tissue as land literature has proposed. While the customary tissue is a matter of concern, new policies, laws, and ways to fragment governance are also emerging, which reinstate both state and customary authorities. My field work reveals that the nation-state hyphen remains porous in Zambia, with land both keeping the country together and tearing it apart. ‘One Zambia-One Nation’ is still a national challenge, with land being a space of belonging, identity, livelihoods, and conflict. Recent elections tainted by tribalism and calls for chiefdom independence show that land plays a complex role in the formation of the nation, with the constitutional re-drafting being kept back as chiefs and the state struggle over land. Authority, territory, and sovereignty are not fixed here, but they are entities shaped in the everyday political game. Customs are changing in the same vein. Who governs land in Zambia is therefore not a small issue, as the fundamentals of the society rests upon tribal belonging and the existence of traditional leaders who draw their authority from land. Deals, land governance, and the nation-state are in these ways recursively created.

I am grateful to NAI for enabling the field work, in order to provide a more nuanced, and situated account of land deals in Africa. Please share my report with the larger audience on your webpage. For a longer version, see the land paper in Widengård (2015). A revised version is planned to be submitted to the journal *Africa*.

References

- Bloomberg. 2011. Wuhan Kaidi Will Invest \$450 Million to Develop Biomass Energy in Zambia. www.bloomberg.com.
- DPA. 2009. Zambia's opposition condemns reported Chinese biofuels project. Accessed at: <http://farmlandgrab.org/2863> [accessed October 12, 2014].
- Namutowe, J. 2013. Zambia: Biomas Firm KBZ to Pull Out of Zambia. *Times of Zambia*, Accessed from <http://allafrica.com/stories/201303111698.html>: [e-pub date March 11, 2013; cited June 28, 2013].
- The Post. 2012. Sata asks Nawakwi to oversee bio-fuel investment. *The Post Online*, Available at: <http://zambia.co.zm/headlines/2012/10/30/sata-asks-nawakwi-to-oversee-bio-fuel-investment/> [e-published October 30, 2012; accessed September 17, 2014].
- Widengård, M. 2015. Becoming biofuels: The messy assembling of resources, sustainability, poverty, land use, and nation-states. PhD thesis, University of Gothenburg.
- Zambia Daily Mail. 2011. Northern Province in \$450m energy project. Accessed at: <http://www.zamnet.zm/newsys/news/viewnews.cgi?category=10&id=1310632639> [accessed February 10, 2015].
- ZANIS. 2011. Nakonde investments cheer Chieftainess Nawaitwika *Lusakatimes.com*, Accessed from: <http://www.lusakatimes.com/2011/07/14/nakonde-investments-cheer-chieftainess-nawaitwika/> [e-published July 14, 2011; cited July 05, 2013].

