

Topic : International investments in agriculture

In recent years, the large fertile soils present in Middle and Low Income Countries have been attracting large agricultural multinationals for different reasons: to provide nutrition to the populations of high income countries, to produce biofuels, to simply make profits, as well as to export technological innovation in order to promote the development of those territories.

**Argument PRO:** "The acquisition of large extensions of land in Middle and Low Income Countries by companies in high income countries is a positive fact as it exports technological innovation and creates jobs".

**Argument AGAINST:** "The acquisition of large extensions of land in Middle and Low Income Countries by companies in high income countries is not a positive fact because it promotes exploitation and new phenomena of colonization".

### Current situation, scenario, and context

The main reason for the recent increase in interest in agricultural international investment seems to be the food supply, as well as the growing concern about the recent increase in food prices in those countries that depend heavily on imports. For high-income countries, the concern is not so much for the price of imported food, but rather for their availability in the light of population growth and increasingly stringent constraints on the use of resources (land and water) due to climate change.

At the same time, some Middle and Low Income Countries are making huge efforts to attract such investments in order to exploit their land "surplus". The situation appears anomalous from the point of view of food security: Middle and Low Income Countries sell their land to high-income countries to produce food for export to feed the richer population.

According to the supporters of such investments, it would have positive effects for the medium- and low-income economies thanks to the inflow of capital and technologies; others argue that a "responsible investment" is necessary, as well as international cooperation initiatives to ensure it.

### Arguments pro:

- Within the purchase and lease contracts, conditionality clauses are often included (in accordance with the development policies of the host country) that commit the investor to the promotion of social and environmental development of local communities.
- Thanks to the newly-created jobs by investors, many people have the possibility to get out of a condition of "non-existence" or "subjection" and to obtain their own resources, which can be spent in new activities.

### Arguments against:

- A concrete risk exists for local populations to lose control and access to the land ceded and the natural resources connected to the land and soils. The problem has even greater repercussions if we consider that in many local contexts there are not many job opportunities outside the primary sector.
- Many instances exist of expropriations being carried out by force, violating the rights of local communities (arbitrary arrests, ill-treatment or intimidation).

### FURTHER INSIGHTS:

- UE: [Strengthening the EU-Africa partnership](#)
- FAO: [Investment in Agriculture and Rural Development](#)
- Global Agriculture: [Land Grabbing](#)
- [International Fund for Agricultural Development \(IFAD\)](#)