

## Land Grabs Today: Feeding the Disassembling of National Territory

SASKIA SASSEN

*Columbia University, NY, USA*

**ABSTRACT** *This essay focuses on the larger assemblage of elements that promoted and facilitated the sharp increase in foreign land acquisitions by governments and firms since 2006. The concern is not to document the empirics of foreign land acquisition. Conceptually the essay negotiates between the specifics of the current phase of land acquisitions, on the one hand, and, on the other, the assemblage of practices, norms, and shifting jurisdictions within which those acquisitions take place. This assemblage of diverse elements does not present itself explicitly as governance. But I argue it is a type of governance embedded in larger structural processes shaping our global modernity; in fact, it may have had deeper effects on the current phase of land acquisitions than some of the explicit governance instruments for regulating land acquisitions. This mode of analysis is based on the conceptual and methodological work I developed in my book, *Territory, Authority, Rights* (Sassen, 2008); put succinctly it proposes that to explain the *x* (in this case, foreign land acquisitions) requires a focus on the non-*x* (in this case, that larger assemblage of elements that amounts to a structural enablement and embedded governance). This deeper structural level is also what makes the current phase of land acquisitions potentially deeply consequential, to the point of signaling the further disassembling of national territory. Such disassembling can enable the rise of a new type of global geopolitics, one where national sovereign territory increasingly is subject to non-national systems of authority—from familiar IMF and WTO conditionality to elementary controls by diverse foreign actors over growing stretches of a country's land.*

**Keywords:** land acquisitions, land grabs, assemblages, territory, authority, rights, expulsions

### Introduction

The acquisition of land by foreign governments and foreign firms is a centuries' old process in much of the world. But we can detect specific phases in these long and diverse histories. One

---

*Correspondence Address:* Saskia Sassen, Department of Sociology, Knox Hall, Columbia University, 606 West 122nd Street, New York, NY 10027, USA. Email: [sjs2@columbia.edu](mailto:sjs2@columbia.edu)

large-scale phase is the shift in the meaning and the modes of such land acquisitions by foreign actors once the world was mostly, though not completely divided into putatively independent nation-states. States resisted at times, including the US in the 1970s when it passed legislation preventing foreign investors aiming to buy land in the American Midwest from doing so; at that time these were mostly from the Gulf states and Europe, who had up till then bought mostly firms, hotels, office buildings, Hollywood cinema studios, and more.

In this essay I focus on the most recent phase in this long history: the rapid and sharp increase in foreign land acquisitions that took off in 2006 (what has come to be known as the global land grab). While this can be seen merely as a continuation of an old practice, the available evidence (Anseeuw et al., 2012b; Borras et al., 2011; Cotula, 2011; Deininger et al., 2011; De Schutter, 2011, p. 257; FAO, 2011; Land Matrix, 2012; UNTCAD, 2009) points to significant change in the curve describing the size of overall acquisitions. From 2006 to 2010 over 70 million hectares of land were bought or leased for which we can establish both buyers and sellers; this figure jumps to over 200 million hectares if we consider only reported sales (Anseeuw et al., 2012b; Cotula, 2011; Land Matrix, 2012; see Margulis et al., 2013, this volume). What concerns me here is this sharp change in the curve of acquisitions: it points to a break in a long-term trend that might indicate a larger structural transformation in an old practice. Analytically, and in terms of this essay, I see this sharp rise as of 2006 as more significant to understand the current period than the long-term trend towards acquiring foreign land, e.g. Japan's acquisitions of land in Asia and Brazil beginning in the 1960s (see Sassen, 1991, chapter 4) or older imperial histories of land appropriation. From a substantive historical perspective, this long history is enormously important from many different angles, an issue I address at length elsewhere (Sassen, 2008, see chapters 3 and 4).

My aim here is to situate this sharp growth of foreign land acquisitions in a larger context. The aim is not to document the fact itself of land acquisitions, a subject that has received much attention in the last few years with excellent critical and empirical studies (e.g. besides those already cited, see the recent special issues of the *Journal of Peasant Studies*) and I examine at great length elsewhere (Sassen, 2013). Nor is the aim to document the reasons behind foreign land acquisition. It is a well-known and generally accepted fact that the key reason for this growth is rapid development in several parts of the world and ongoing demand from highly developed countries (e.g. Land Matrix, 2012). The larger context within which this growth takes place is characterized by changes in the global economy and in financial markets, and, at a deeper level, changes in the larger interstate system, still the basic frame for cross-border transactions. Further, the financializing of commodities has brought new potentials for profit-making to the primary sector, from food to minerals and metals, thus stimulating speculative investments in land.

The organizing proposition for my inquiry here is that the assemblage of practices, norms, technologies, and shifting jurisdictions within which both the financial crisis and rise in land acquisitions take place all point to a deep disjuncture. It is that the simultaneous privatizing and globalizing of market economies is producing massive structural holes in the tissue of national sovereign territory. And one instance is, precisely, that of massive foreign land acquisitions that re-purpose that acquired land for their own aims. This also brings with it a shift of that acquired land from 'national sovereign territory' to the commodity 'land' for the global market. In other words, a weakening of a complex category that *at its best* brought with it a formal enabling of the state's authority and inhabitants' rights to make the state accountable (Sassen, 2008). The issue here is not one of nationalism versus globalism, but one of complexity: where once there was a prospect of democratic

decision-making, now there is an expansion of opaque transnational networks that control the land.

### **The Partial Disassembling of National Territory**

Land, broadly understood, has become one of the major new needs of advanced capitalism—for food and industrial crops, for underground water tables, for traditional and new types of mining. I use the term traditional economies here to refer to smallholder economies, and generally the absence of financialized commodification and of corporatization; thus I do not include 100-years-old plantations, even if they are old. Clearly these definitions of ‘traditional’ economies are approximations to complex and mixed realities, subjects I addressed in earlier work (e.g. Sassen, 1988) and more recently (Sassen, 2010). At a time of extreme financialization and systemic transformation, the growing demand for those material resources has ascended in importance and visibility, and has stimulated their financializing.

This demand and what it takes to fulfill it, is part of the systemic deepening of the current phase of capitalism. It comes down to an expansion of the operational space for advanced capitalism through the expulsion of people from a range of institutional settings in both the Global South and North, with specific modalities in each (Sassen, 2013). The sharp increases in displaced peoples, poverty, illnesses that kill even though curable, are part of this new phase; they are not anomalies. So is the widespread hunger and starvation even though there is plenty of food produced. Nor are these types of juxtapositions new. They have happened in other phases of the development of capitalist economies.

One specificity of the current era that matters to my analysis here is the formal apparatus through which land acquisitions take place, and, secondly, the fact that the context is one where most of the world is organized into *formally* sovereign nation-states. Formal sovereignty can easily coexist with coloniality, that is, post-historic colonialism (e.g. Maldonado-Torres, 2007; Mignolo, 2007; Quijano, 2000, 2007; see also Frank, 1971; Bravo, 2011). Yet formal sovereignty here helps make visible the substantive assemblage of elements that need to come together in order to execute some of these large-scale acquisitions of land in a foreign country. In considering formal sovereignty on its terms, I can trace the transformations that need to take place in order for these acquisitions and associated investments to be negotiated by foreign parties and a national government. It helps me recover the work of acquiring large amounts of land in a foreign country.

In my reading, this can easily lead to a shift from sovereign national territory to land. One way of conceiving of this shift is as a partial and specialized reassembling of bits and pieces of territory, authority, and rights once ensconced in the formation that is the nation-state, which now begin to shift towards a novel formation. The massive increase in land acquisitions by foreign buyers/leasers after 2006 is one such reassembling of bits once fully part of national sovereign territory. It is, then, also an accelerated disassembling of national sovereign territory. And it is an instance of what I refer to as the endogenizing of the global into the national—in this case, a very material and visible one.

If the global is in good part constituted inside the national, as I argue, then globalization in its many different forms directly engages a key assumption in the social sciences and far beyond, including international relations, diplomacy, media, and more: The implied correspondence of national territory and national institutions with the national, including national sovereign territory. That is to say, if a process or condition is located in a national institution or in national territory, it must be national. This assumption describes conditions that have held, albeit

never fully, throughout much of the history of the modern state, especially since World War I, when the modern secular state achieves its most developed form; to some variable extent, it has continued to be such well into the global era that took off in the 1980s. But by the end of the 1990s, with the neoliberal project thoroughly installed in a large part of the world, these conditions—the correspondence of national territory and national institutions with the national—began to be actively unbundled. This active unbundling does not mean that nation-states disappear. Rather, I argue, we see emergent denationalization processes that are part of the formation of the global. In the case of the post-2006 foreign land acquisitions, it is their scale and the unequal power of the actors involved that can be interpreted as an accelerated denationalization of national territory.

Thus the fact that a process or entity is located within the territory of a sovereign state and encased in national policies and institutions does not necessarily mean it is a national process or entity, nor that it can be assumed to be encompassed by national sovereign territory. Today it is an empirical question. While most such entities and processes are likely to be national, we need empirical research to establish whether it is for a growing range of localizations of the global and, perhaps more difficult to establish, for components of the global that are becoming endogenous to the national. Much of what we continue to code as national today may well be a sufficiently transformed condition to barely qualify as national—the national here understood as a historically constructed condition. Developing the theoretical and empirical specifications that allow us to accommodate such conditions is a difficult and collective effort. Again, I think of large-scale foreign land acquisitions as having a particularly strong capacity to make the global endogenous to the national; it does so in the form of widening structural holes in the tissue of national sovereign territory.

The larger conceptual landscape within which the specifics of this article need to be situated is the active *making* of an increasingly large number of partial, often highly specialized, cross-border spaces and arrangements. The International Monetary Fund (IMF) and World Bank restructuring programs launched in the 1980s are an early instance of this. These programs take on new and expanded forms through the IMF conditionalities and later the World Trade Organization (WTO) rules launched in 1995 to secure open borders for global firms and privatization of erstwhile public sectors (see also McMichael, 2013, this volume). These types of arrangements disassemble particular components of the nation-state and of the formal state apparatus from the inside. In this process, also, lie the elements for enabling national actors, including governments, to operate in global spaces. These operations have mostly been guided by narrow economic and geopolitical interests, resulting in negative outcomes for much of the world's population in both so-called rich and poor countries, and some fast movers in between. Nonetheless, there have also been some promising initiatives aimed at the global common good, such as the International Criminal Court (ICC) and less formalized global civil society initiatives; these lack power but they matter because they point to the feasibility of common-good global governing (see also McKeon, 2013, this volume).

Neither the proliferation of these partial assemblages nor the denationalizing of key components of the national necessarily entails the end of national states. In fact, in my reading of the evidence (e.g. Sassen, 2008, chapters 4 and 5), the national state, most particularly the executive branch of government, has played a significant role in the development of the current global corporate economy. But that proliferation and denationalizing do dislodge bits and pieces of national and interstate governance out of their traditional institutional settings (whether national or international) and shift them to novel settings.<sup>1</sup> The case of massive

foreign land acquisitions is a particularly material and visible instance of this dislodging of traditional government functions, a process which today mostly takes more elusive, though powerful, forms; for instance, the installing of a private interest in national law, making it appear as a public-interest norm in old or new national law, such as has happened with finance (Sassen, 2008, chapter 5).

These novel assemblages capture partial, often highly specialized, elements of diffuse national orders and reorient them to particular utilities and purposes. The vast foreign land acquisitions illustrate a range of such reorientations, including: growing food for a foreign country's vastly expanded middle classes, access to abundant water supplies for manufacturers of mass-consumption sodas, developing palm plantations for making biofuels, and the constructing of large ports and roads to access minerals. What was once part of national sovereign territory is increasingly repurposed for a foreign firm or government.

More generically, but still including the case of massive foreign land acquisitions, these cross-border systems amount to particularized assemblages of bits of territory, authority, and rights that used to be part of more diffuse institutional domains *within* the nation-state and the traditional supranational system. The tendency is toward a mixing of constitutive rules once solidly lodged in the nation-state project. They can privatize what was once public regulation, as is the case with the Lex Constructionis, or they can constitute jurisdictions that cut across the borders of nation-states, as is the case with the ICC and with WTO's Agreement on Trade-Related Intellectual Property Rights (TRIPS). The case of massive foreign land acquisitions includes both of these.

Their emergence and proliferation have consequences even though this is a partial, not an all-encompassing development. They are potentially profoundly unsettling of what are still the prevalent institutional arrangements—nation-states and the supranational system. They promote a multiplication of diverse spatiotemporal framings and diverse normative orders where once the dominant logic was toward producing unitary national spatial, temporal, and normative framings. The concern here is not to protect these systems, but that these are now among the few that provide some protections and legal grounds for claim-making to those without power and at risk of losing the little they have. Again, all of these features apply to the case of land grabs.

### **Repositioning Territory in the Global Division of Functions**

The extent of land acquisitions in the Global South by foreign governments and foreign firms and investors over the last few years marks a new phase. It is not the first time in modern times: this is a recurrent dynamic that tends to be part of imperial realignments. China's acquiring of mines in Africa is linked to its rise as a global power. Britain, France, the US, and others all did this in their early imperial phases and in many cases have owned vast stretches of land in foreign countries for hundreds of years. But each phase has its particularities. One key feature of the current period is that unlike past empires, today's world consists largely of nation-states recognized as sovereign, no matter how feeble this sovereign power is in many cases. Rather than imperial grab through force, the mechanism is foreign direct investment or direct buying/leasing. Buyers include governments, sovereign wealth funds, foreign firms, nationally based foreign corporations and investment banks, or some combination of these.

What is actually being measured in general descriptions of these acquisitions can vary considerably depending on the study. I have chosen the collectively generated data of the Land Matrix project in collaboration with International Land Coalition (Anseeuw et al., 2012a,

2012b; Land Matrix, 2012), a major contribution to the subject.<sup>2</sup> According to their definition the pertinent types of land acquisitions included have the following characteristics:

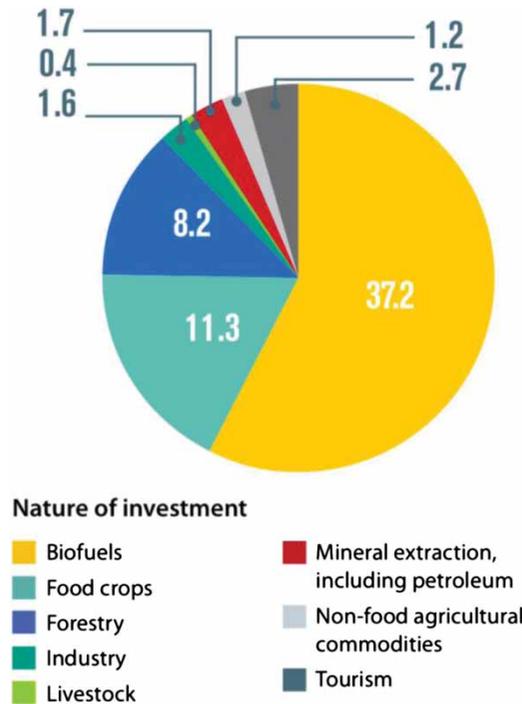
- They entail a transfer of rights to use, control, or own land through sale, lease, or concession.
- They imply a conversion from land used by smallholders, or for important environmental functions, to large-scale commercial use.
- They are 200 hectares or larger and were not concluded before the year 2000 when the FAO food price index was lowest.

The Land Matrix Database contains information about two types of data covering respectively acquisitions ‘reported’ (200 million plus hectares) and ‘cross-referenced’ (70 million hectares). ‘Reported’ data cover deals presented in published research reports and media reports and government registers where these are made public. ‘Cross-referenced’ data refer to those reported deals that are referenced from multiple sources; the cross-referencing process involves an assessment of the reliability of the source of the information, triangulation with other information sources, and, if necessary, confirming with in-country partners in the networks of the Land Matrix partners. Media reports are not considered sufficient for cross-referencing. Research reports based on fieldwork, confirmation by known in-country partners, or official land records have been considered sufficient evidence.

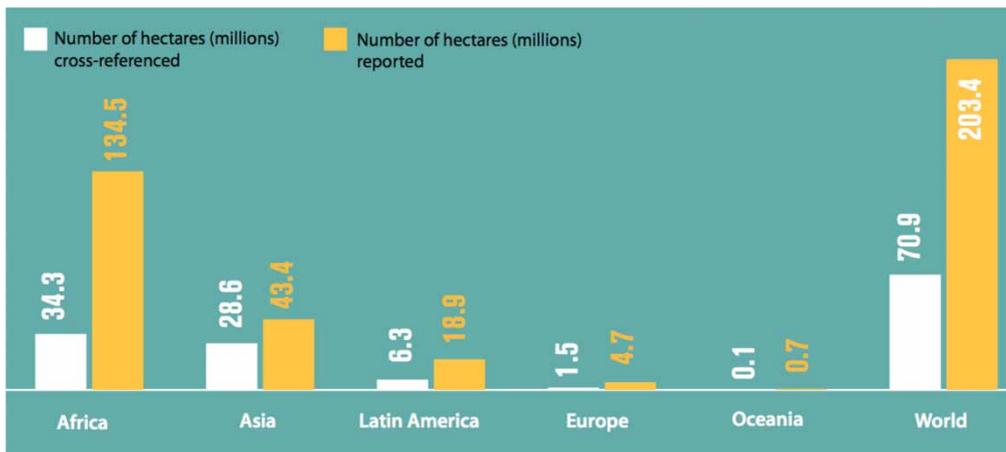
While the much reported explosion in food demand and in its prices was certainly a key factor in this new phase of land acquisitions, it is biofuels that account for most of the acquisitions.<sup>3</sup> Cross-referenced data from the Land Matrix show biofuel production accounts for 40% of land acquired. In comparison, food crops account for 25% of cross-referenced deals, followed by 3% for livestock production, and 5% for other non-food crops. Farming broadly understood accounts for 73% of cross-referenced acquisitions. The remaining 27% of land acquired is for forestry and carbon sequestration, mineral extraction, industry, and tourism (see Figure 1).

A second major pattern is the massive concentration of foreign acquisitions in Africa. Of the publicly reported deals, 948 land acquisitions totaling 134 million hectares are located in Africa; 34 million of these hectares have been cross-referenced. This compares with 43 million hectares reported for Asia (of which 29 million hectares have been cross-referenced) and 19 million hectares in Latin America (of which 6 million hectares have been cross-referenced). The remainder (5.4 million hectares reported and 1.6 million hectares cross-referenced) is in other regions, particularly Eastern Europe and Oceania (see Figure 2).

A few examples signal the range of buyers and of locations. Africa is a major destination for land acquisitions. South Korea has signed deals for 690,000 hectares and the United Arab Emirates (UAE) for 400,000 hectares, both in Sudan. Saudi investors are spending \$100 million to raise wheat, barley, and rice on land leased to them by Ethiopia’s government; they received tax exemptions and export the crop back to Saudi Arabia.<sup>4</sup> China secured the right to grow palm oil for biofuels on 2.8 million hectares of Congo, which would be the world’s largest palm oil plantation, and is negotiating to grow biofuels on 2 million hectares in Zambia (*The Economist*, 2009; Hall, 2011; Putzel et al., 2011). Perhaps less known than the African case is the fact that privatized land in the territories of the former Soviet Union, especially in Russia and Ukraine, is also becoming the object of much foreign acquisition. In 2008 alone, these acquisitions included the following: a Swedish company, Alpcot Agro, bought 128,000 hectares in Russia; South Korea’s Hyundai Heavy Industries paid \$6.5 million for a majority stake in Khorol Zerno, a company that owns 10,000 hectares in eastern Siberia. Gulf investors are planning to acquire Pava, the first Russian grain processor to be floated on the financial markets to



**Figure 1.** Global land acquisitions by sector, 2011 (in millions of hectares, cross-referenced). *Source:* Anseeuw et al., 2012a, p. 24.



**Figure 2.** Regional distribution of land acquisitions, 2011 (in millions of hectares, cross-referenced). *Source:* Anseeuw et al., 2012a, p. 23.

sell 40% of its landowning division, giving them access to 500,000 hectares. Also less noticed than the African case is that Pakistan is offering half a million hectares of land to Gulf investors with the promise of a security force of 100,000 to protect the land.

In what follows I focus briefly on one set of countries. The aim here is to illustrate the range of foreign actors involved in acquiring land. It is merely one small window into a large and varied reality.

### Six Destinations for Acquiring Land: A Snapshot

In an analysis of 180 large land acquisitions in Africa, Friis and Reenberg (2010) categorize major investors into four main groups: (1) oil-rich Gulf states (Saudi Arabia, UAE, Qatar, Bahrain, Oman, Kuwait, and Jordan); (2) populous and capital-rich Asian countries such as China, South Korea, Japan, and India; (3) Europe and the US; (4) private companies from around the world. Investors are mostly energy companies, agricultural investment companies, utility companies, finance and investment firms, and technology companies.

Using the Friis and Reenberg (2010) data presented in their report, I constructed the following graphs (Figure 3) to represent this geography by focusing on the top six sellers in Africa and their investors. These graphs aim at visualizing the important data Friis and Reenberg (2010) provide. Squares indicate the top six land sellers in Africa and circles indicate buyers; the thickness of the line between a seller and a buyer is measured by the reported size of land acquisition in hectares. The top six African land sellers are Ethiopia, Madagascar, Sudan, Tanzania, Mali, and

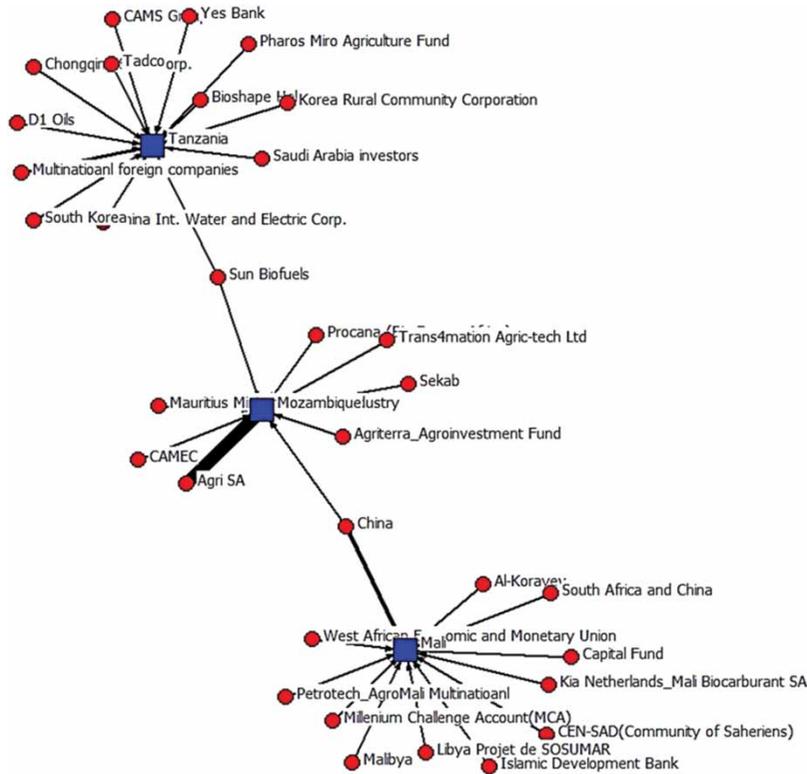


Figure 3. Top six land sellers in Africa and their investors

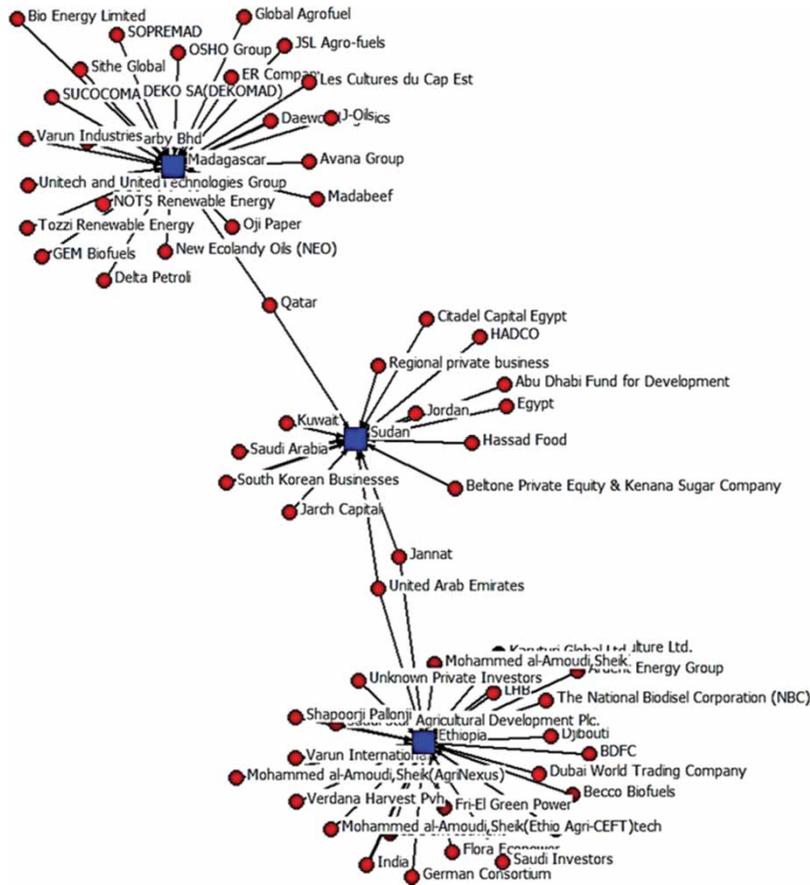


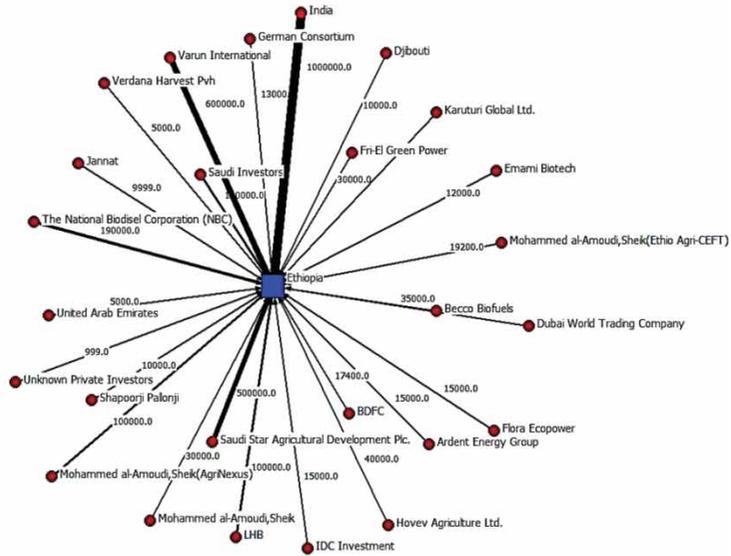
Figure 3. Continued

Mozambique—all Sub-Saharan, and all, except Mali, in East Africa. In all these countries both private investors and government agencies have acquired land.

No specific investor dominates in five of these six top-selling countries. The exception is Mozambique, where Agri SA, the South African farmers’ association, is the largest buyer, and overwhelmingly so. When we measure by national origin, each seller does have a dominant country in terms of size of acquisitions: India in Ethiopia, South Korea in Madagascar, Saudi Arabia in Sudan, China in Mali. In Tanzania, it is a multinational group. There are few cross acquisition cases; here are some cases: Sun Biofuels<sup>5</sup> bought land in Tanzania and Mozambique; China, in Mozambique and Mali; Qatar, in Madagascar and Sudan; UAE and Jannat, in Sudan and Ethiopia.

Overall there are a total of 47 different country origins among investors in these six countries. Among the countries with the most diverse group of investors by country of origin are Madagascar, with 24 foreign investors from 15 countries, and Ethiopia, with 26 investors from 12 countries. Asian countries (China, South Korea, India, and Japan) make up almost 20% of investors, as distinct from investments, in these six countries. Middle Eastern countries (Saudi Arabia, UAE, Egypt, Jordan, Qatar, Lebanon, and Israel) account for almost 22% of investors. European

Ethiopia  
By investor



By nationality

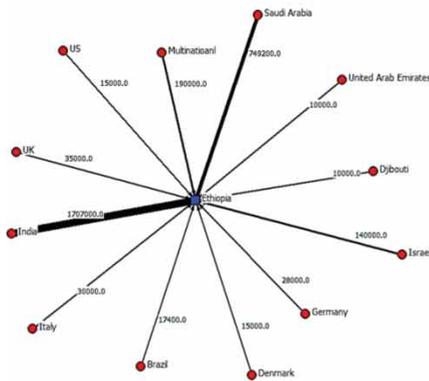
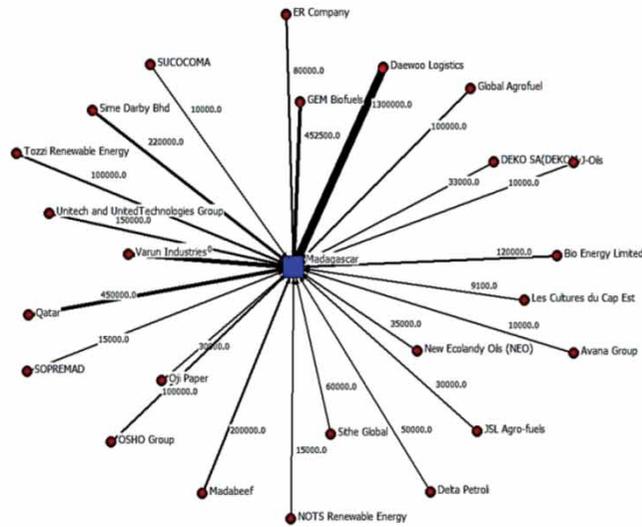


Figure 3. Continued

countries (UK, Sweden, Netherlands, Germany, Italy, Denmark, and France) account for 30% of investors. African countries (South Africa, Mauritius, Libya, and Djibouti) account for about 10% of investors. The remaining investors are from Australia, Brazil, and the United States.

As for investments, three countries dominate. The United States, United Kingdom, and Saudi Arabia together account for 25% of all investments in these six countries, and each has investments in four countries.

Madagascar  
By investor



By nationality

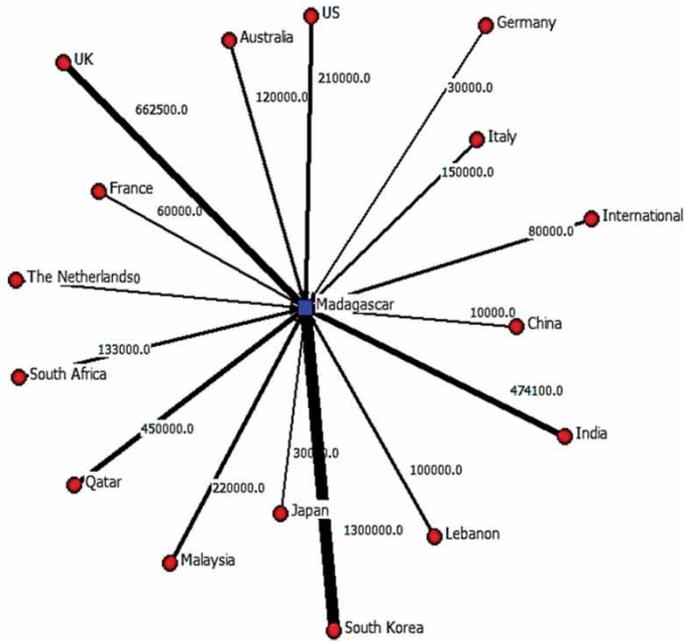
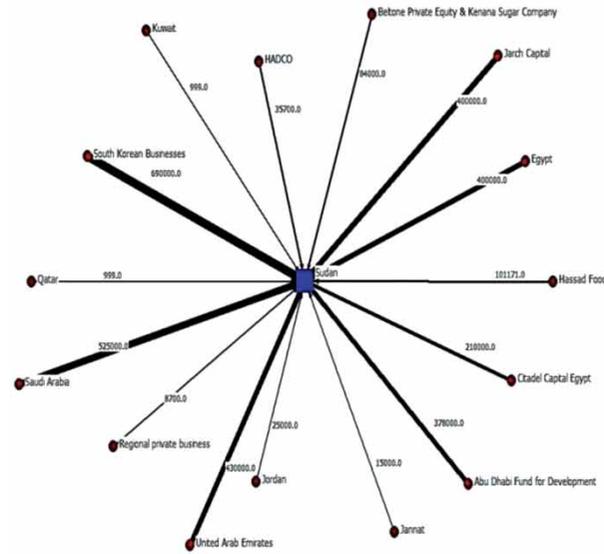


Figure 3. Continued

Sudan  
By investor



By nationality

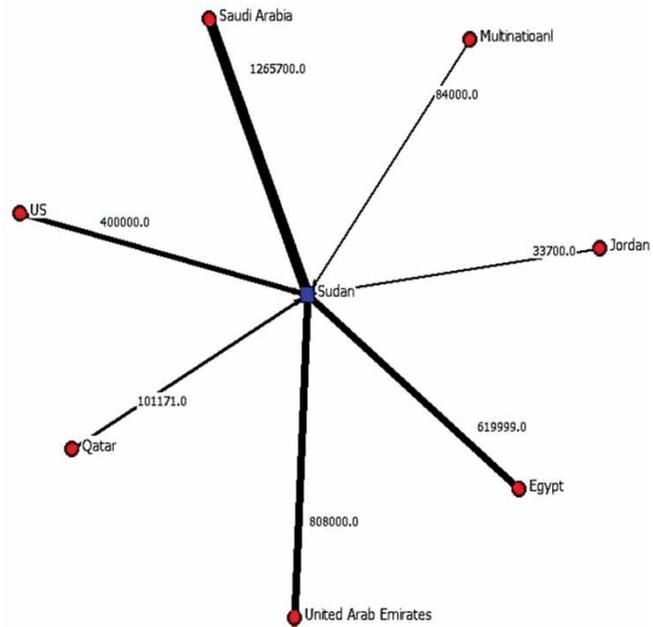
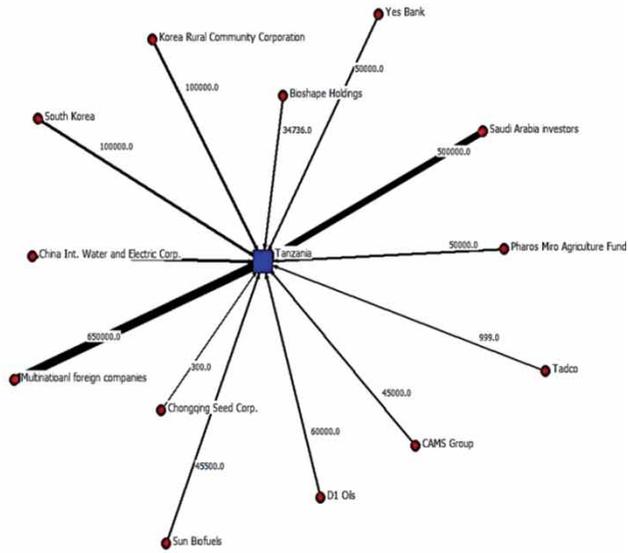


Figure 3. Continued

Tanzania  
By investor



By nationality

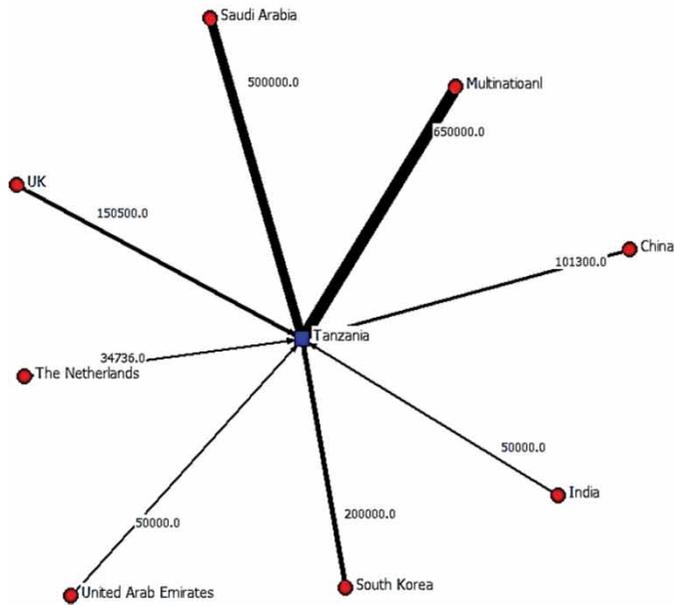
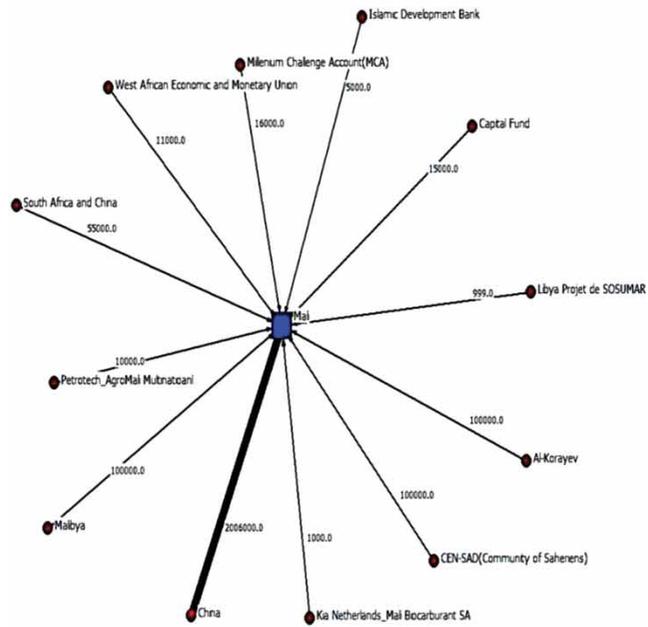


Figure 3. Continued

### Mali By investor



### By nationality

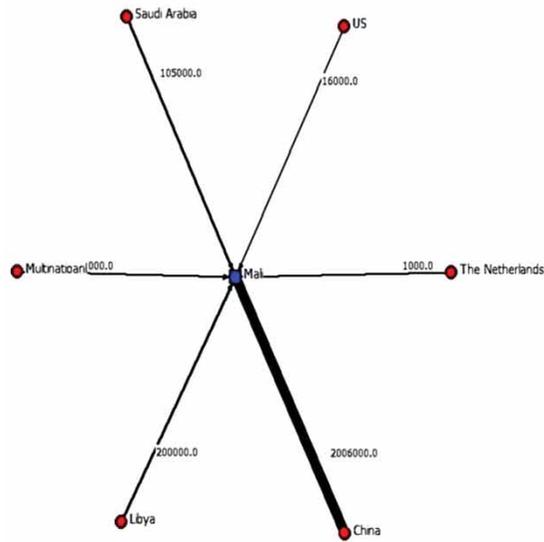
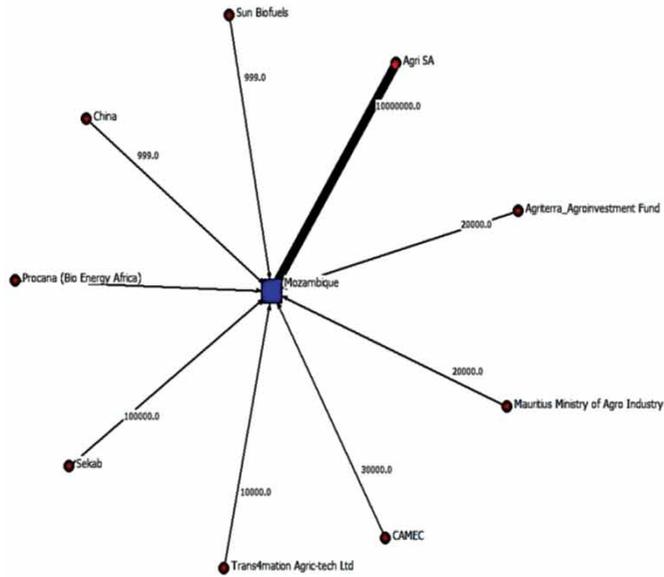


Figure 3. Continued

### Mozambique By investor



### By nationality

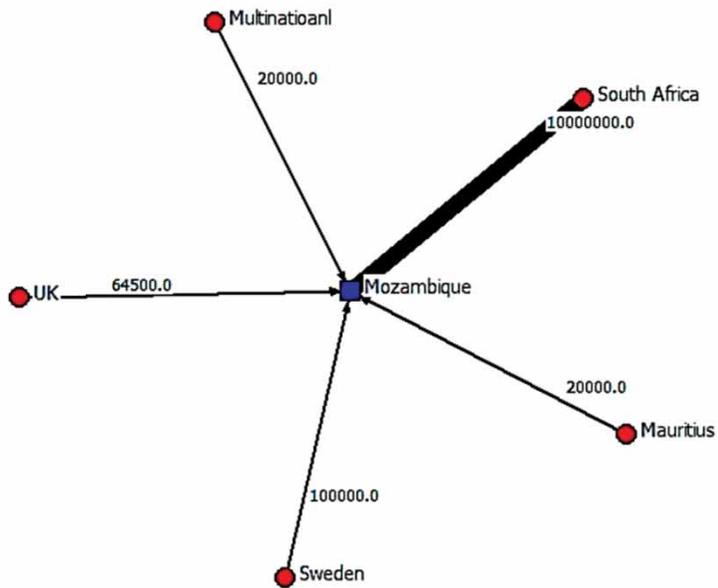


Figure 3. Continued

### **Land Acquisitions Are Part of a Larger Story**

The actual mix of material practices that underlies these acquisitions vary enormously depending on how the land will be used. I am interested in these material practices: they transform sovereign national territory into a far more elementary condition—land for usufruct. This process brings with it a degrading of the governments that sold and leased the land. It evicts farmers and craftspeople, villages, rural manufacturing districts, smallholder agriculture districts, all of which degrades the meaning of citizenship for local people. And when there are no long-term inhabitants, these acquisitions often include uses that poison water, air, and land. Such material practices reconstitute parts of national territory.

These investments in land have crowded out investments in mass manufacturing and other sectors that can generate good jobs and feed the growth of a middle class. And it happened at a time when several countries of the Global South were beginning to experience significant growth in mass manufacturing, and much foreign direct investment was in this sector. This is the type of development that can contribute to the growth of a middle class and a strong working class. If we just consider Africa, for instance, the data show a sharp decline in foreign direct investment (FDI) in manufacturing. South Africa and Nigeria, Africa's top two FDI recipients accounting for 37% of FDI stock in Africa by 2006, have both had a sharp rise in FDI in the primary sector and a sharp fall in the manufacturing sector.<sup>6</sup> This is also the case in Nigeria, where foreign investment in oil has long been a major factor: the share of the primary sector in inward FDI stock stood at 75% in 2005, up from 43% in 1990. Other African countries have seen similar shifts. Even in Madagascar, one of the few (mostly small) countries where manufacturing FDI inflows began to increase as recently as the 1990s and onwards, this increase was well below that of the primary sector.<sup>7</sup> Overall, the current phase of land acquisitions dwarfs investments in manufacturing.

### **Preparing the Ground for Foreign Land Buying: Debt as a Disciplining Regime**

The key empirical trend in the preceding section that matters for the larger argument of this article is the sharp growth in foreign land acquisitions after 2006, and the rapid international diversifying of those doing the acquiring. It is not the fact of foreign acquisition per se, as these have long been part of the world's economic history. But it is not enough to invoke that long history. Every epoch has its specificities, an issue I have examined at length (Sassen, 2008, chapters 3 and 5). Thus today, what also matters is that this sharp growth is happening in an interstate system based on the sovereign authority of the state over its territory. In other words, there are obstacles that were not there in earlier imperial phases. Even if such authority is merely formal for many countries, it makes cross-border land acquisition a different transaction from what it was in an empire. Let me mention two elements here that are a contrast with earlier imperial phases: one is the weight of internationally accepted contractual formats, and the other is the enormous diversity of those acquiring land. These are all obstacles to the ease of foreign land acquisition.

The empirical aspect developed here concerns the IMF and World Bank restructuring programs and, secondly, their effect in reconditioning land for its insertion in today's novel global corporate circuits.<sup>8</sup> The direct and indirect expulsion of people and the destabilizing of a large number of Global South governments via debt restructuring were key mechanisms in this process of reconditioning.

The core conceptual move is to see these programs as a disciplining regime, not simply as a banking transaction, and, secondly, as making the executive branch of government beholden to international and particular foreign national actors (both governments and firms of powerful countries). The initial aims of IMF and World Bank restructuring programs in their many diverse manifestations may have had specific aims that diverge somewhat from the shapes and contents they had taken on by the 1990s. After decades of operation this regime has had the effect of disassembling particular components of a growing number of Global South nation-states. Whether this may (Bello, 2004) or may not (Krueger, 1993) have been the aim, that disassembling took place as a structurally complex, often contingent, development; these features also made it easy to attribute the failures to bring about development to the particularities, i.e. flaws, of each country rather than IMF, World Bank, or WTO policies. The language of failed states, the commonest way to describe these weakened, often devastated nation-states, leaves out many of the locally specific issues that concern me here (e.g. Carrington, 2011; Colchester, 2011; Molnar et al., 2011). Such language represents the facts of these states' decay as set in a historic vacuum, a function of their own weaknesses and corruptions. These states are indeed weak, they are mostly corrupt, and they have cared little about the wellbeing of their citizens. But it is important to remember that it is and was often the vested interests of foreign governments and firms that enabled the corruption and the weakening of these states; and good leaders who resisted Western interests did not always survive, notably the now-recognized murder of Patrice Lumumba by the United States government. Further, the process of foreign land acquisitions now under way cannot be understood simply as caused by the corruption and weakness of host states.

As I have described at greater length in an earlier special issue of *Globalizations* on the financial crisis (Sassen, 2010), IMF and World Bank restructuring programs prepared the ground for the systemic deepening of advanced capitalism. I do agree with the well-known critiques of restructuring programs. But here I want to focus on something that has received less attention: The often devastating socio-economic effects of those programs prepared the ground for the ease with which foreign buyers can get land, in addition to assets like de-nationalized companies, water, and other public services, in many of the countries subjected to the IMF and World Bank restructuring programs. There are (at least) two vectors through which we can identify this bridging. One is the debt regime as one factor contributing to weaken and impoverish national governments in much of the Global South; this in turn has often been one factor stimulating governments' extreme corruption and disregard of the nation's wellbeing in many resource-rich countries. The other is the debt regime as a strong and 'legitimate' point of entry (by the IMF, the World Bank, and so many other international agencies) into a sovereign national state; this in turn enabled extensive disciplining and prioritizing payment of the foreign debt over national priorities, such as education and health. To put it bluntly, it is easier for rich foreign governments, sovereign wealth funds, and corporate investors to buy vast stretches of land in Sub-Saharan Africa and parts of Latin America and Asia, if they have to deal with weakened and/or corrupt governments which function as 'comprador bourgeoisies' (Bravo, 2011; Brautigam and Xiaoyang, 2011; Frank, 1998; Galeano, 1997; Ravanera and Gorra, 2011) and a population left with little and no political representation in the government.

Debt and debt servicing problems have long been a systemic feature of the developing world. But it is the particular features of IMF negotiated debt rather than the fact of debt per se that concerns me here. Further, the gradual destruction of traditional economies prepared the ground, literally, for some of the new needs of advanced capitalism, notably the demand for land—for food and fuels, and for access to water, metals, and minerals. While each of these

components is familiar and has happened before, my argument is that they are now part of a new organizing logic that changes their valence and their macro-level effects. This notion or proposition is based on a methodological and interpretation practice I develop at length elsewhere (Sassen, 2008), though I regularly invoke some of its elements in this article.<sup>9</sup>

With few exceptions, poor countries subjected to the restructuring regime that began in the 1980s now have larger shares of their populations in desperate poverty and less likely to enter the ‘modern’ economy via consumption than they did even 20 years ago. Many of the Sub-Saharan countries had functioning health and education systems and economies, and less destitution than today. Even resource-rich countries have had expanded shares of their people become destitute, with Congo and Nigeria the most familiar cases. The dominant dynamic at work for these populations is, to a good extent, the opposite of the Keynesian period’s valuing of people as workers and as consumers. This expelling has given expanded space to criminal networks, to people trafficking, and greater access to land and underground water resources to foreign buyers, whether firms or governments. Systemically, the role of rich donor countries has also shifted: overall they give far less in foreign aid for development than 30 years ago. As a result, the remittances sent by mostly low-income immigrants are larger than foreign aid. Since the late 1990s an increasing share of foreign aid comes through NGOs and philanthropic organizations, further marginalizing the role of governments in the work of development. One extreme outcome is governments that are effectively downgraded to predatory elites.

These systemic shifts contribute to explain a complex difference that can be captured in a set of simple numbers. Generally, the IMF asks heavily indebted poor countries (HIPC’s) to pay 20% to 25% of their export earnings toward debt service. In contrast, in 1953, the Allies cancelled 80% of Germany’s war debt and only insisted on 3% to 5% of export earnings for debt service. They asked 8% from Central European countries in the 1990s. In comparison, the debt-service burdens on today’s poor countries are extreme. It does suggest that the aim for Europe was its re-incorporation into the capitalist world economy—at the time, for Germany, and more recently, for Central Europe. In contrast, the aim for the Global South countries in the 1980s and 1990s was more akin to a disciplining regime, starting with forced acceptance of both restructuring programs and loans from the international system. After 20 years of this regime, it became clear that it did not deliver on the basic components for healthy development. The discipline of debt-service payments was given strong priority over infrastructure, hospitals, schools, and other people-oriented development goals. The primacy of this extractive logic became a mechanism for systemic transformation that went well beyond debt-service payment—the devastation of large sectors of traditional economies, often the destruction of a good part of the national bourgeoisie and petty bourgeoisie, the sharp impoverishment of the population and of the state, except for the executive branch as it often benefits from extraction-based economies.

Even before the economic crises of the mid-1990s that hit a vast number of countries as they implemented neoliberal policies, the debt of poor countries in the South had grown from US\$507 billion in 1980 to US\$1.4 trillion in 1992.<sup>10</sup> Debt-service payments alone had increased to \$1.6 trillion, more than the actual debt. From 1982 to 1998, indebted countries paid four times their original debts, and at the same time, their debt stocks went up by four times. These countries had to use a significant share of their total revenues to service these debts. For instance, Africa’s payments reached \$5 billion in 1998, which means that for every \$1 in aid, African countries paid \$1.40 in debt service in 1998. Debt to GNP ratios were especially high in Africa, where they stood at 123% in the late 1990s, compared with 42% in Latin America and 28% in Asia.<sup>11</sup> As of 2006, the poorest 49 countries (i.e. low-income countries with less than \$935 per capita

annual income) had debts of \$375 billion. If to these 49 poor countries we add the ‘developing countries’, we have a total of 144 countries with a debt of over \$2.9 trillion and \$573 billion paid to service debts in 2006 (Jubilee Debt Campaign (JDC) UK, 2009). Additional negative elements for these countries are the falling terms of trade and the limits of the HIPC initiative, an issue I elaborate on in Sassen (2010).

Generally, IMF debt management policies from the 1980s onwards can be shown to have worsened the situation for the unemployed and poor (UNDP, 2005, 2008). Much research on poor countries documents the link between hyper-indebted governments and cuts in social programs. These cuts tend to affect women and children in particular through cuts in education and health care, both investments necessary to ensuring a better future (for overviews of the data, see UNDP, 2005, 2008; World Bank, 2005, 2006).

## Conclusion

There is a larger history in the making. It includes a repositioning of growing areas of Africa, Latin America, and Asia in a massively restructured global economy. Weakened governments that function as ‘comprador bourgeoisies’, and the destruction of smallholder economies, have launched a new survival phase in expanding parts of the world.

The key empirical trend that matters for the larger argument in this article is the sharp growth in foreign land acquisitions after 2006, and the rapid international diversifying of those doing the acquiring. It is not the fact of foreign acquisition per se, as these have long been part of the world’s economic history. Thus what also matters today is that this sharp growth is happening in an interstate system based on the sovereign authority of the state over its territory. And even if such authority is more formal than substantive for much of the world, it makes cross-border land acquisition a different transaction from what it was in an empire.

Emphasizing the juxtaposition of formal sovereign authority and growing foreign land acquisitions leads to two conceptual issues easily by passed if we simply emphasize the power asymmetry between those acquiring land and host governments.

One of these is to recover the destructive role of IMF and World Bank restructuring, eventually amplified by WTO rules, in weakening the economies, social development, and governments of program countries. This is a larger complex of trends and conditions that actually facilitated the massive foreign land acquisition that took off after 2006. They prepared the ground for the sudden rise in acquisitions, for the relative ease of formal execution of the contracts, and for the rapid diversification of those doing the acquiring.

The other is the repositioning of national sovereign territory resulting from the sharp rise in foreign land acquisitions. National territory is not merely land. Foreign land acquisitions include vast stretches of national territory articulated through villages, smallholder agriculture, rural manufacturing districts, and through the actors that make these economies and reproduce them—whether or not this is recognized by the state. Much of this politico-structural complexity is today being evicted from that territory due to those acquisitions. At the extreme we might ask what is citizenship when national territory is downgraded to foreign-owned land for plantations and the rest is evicted—floras, faunas, villages, smallholders.

In their aggregate, these large-scale land acquisitions contribute to produce a global operational space that is partly embedded in *national* territories. This produces a partial denationalization deep inside nation-states, a structural hole in the tissue of national sovereign territory. I see foreign land acquisitions as one of several such processes that partly disassemble national territory. They become capabilities of an organizing logic that is disarticulated from the national

state even as they operate deep inside its territory. Further, in so doing, they often go against the interests not only of much of a country's people but also of national capital. It is important to note, that such denationalizing logics can also be positive, notably human rights compacts and environmental sustainability compacts. But these are as yet weak and ineffective.

Against this larger context, the materiality and visibility of foreign land acquisitions become heuristic: they tell us something about a larger process that is often not as visible and material as land and the direct participation of the executive branch of government in the execution of contracts. This is a very different way of representing economic globalization than the common notion of the whole state as victim. Indeed, to a large extent it is the executive branch of government that is getting aligned with global corporate capital, both in the Global South and in the Global North. This becomes highly visible in the case of foreign land acquisitions. At the same time, in my reading, a key implication of this strategic participation of states in global processes is that guided by different interests, states *could* reorient their goals away from the global corporate agenda and towards global arrangements concerning the environment, human rights, social justice, climate change.

## Notes

- 1 Elsewhere I develop the notion that both these developments feed into a new mode of state authority that remains insufficiently recognized and theorized (Sassen, 2008, chapters 4 and 5), and, secondly, on a more promising note, an opening up of the domain of *global* politics to *nation*-based actors such as citizens and local social movements (Ibid., chapters 7–9).
- 2 It is important to note that acquisitions in OECD countries are generally not reflected in the data, as private transactions between one commercial user and another that do not involve a conversion of tenure system or away from smallholder production are not included in the Land Matrix. It is, of course, the case that this definition of land acquisitions would not be the most common in Europe. See also Margulis et al. (2013, in this volume) on the issue of measurement.
- 3 Food commodification and the financializing of these commodities is a major growth sector. The Economist index of food prices rose 78%; soya beans and rice both soared more than 130%. Meanwhile, food reserves slumped. In the five largest grain exporters, the ratio of stocks to consumption-plus-exports fell to 11% in 2009, below its 10-year average of over 15%. Beyond price, trade bans and crises pose a risk even to rich countries that rely on food imports.
- 4 On the other side, the World Food Program spent \$116 million to provide 230,000 tons of food aid between 2007 and 2011 to the 4.6 million Ethiopians it estimates are threatened by hunger and malnutrition. This coexistence of profiting from food production for export and hunger famines, with the taxpayers of the world providing food aid, is a triangle that has repeated itself starting in the post-World War II decades (Sassen, 1988).
- 5 Sun Biofuels actually failed in Tanzania and shut down in 2011, which led to severe and sudden shocks to the local economy.
- 6 The share of the primary sector (which includes prominently mining and agriculture) in inward FDI stock increased to 41% in 2006, up from 5% in 1996. In contrast, the share of the manufacturing sector almost halved to 27% from 40% over that period (UNCTAD, 2008).
- 7 For comprehensive data, see UNCTAD (2008).
- 8 We see parallel developments, though very different mechanisms, in the Global North. I (2009) have used this lens to analyze the sub-prime mortgage crisis that began in the early 2000s and exploded in 2007 in the US and largely hit modest income households. Most of the attention has gone, and rightly so, to the massive losses for the individuals and families who were sold these mortgages, losses that will continue for years since many of the 'interest-free' periods of these mortgages only expire after 2014. In this case my argument is, again, that beyond the logics of extraction in the form of mortgage payments and mortgage agents' fees, also here we can detect a more foundational dynamic in the form of the systemic deepening of advanced/decaying capitalism and, further, that the instrument is one that can easily expand into the global market represented by c. 2 billion modest middle-class households in the world.
- 9 See Sassen (2008, chapters 1, 8, and 9) for a development of the theoretical, methodological, and historical aspects.

- 10 This section is based on a larger research project that seeks to show how the struggles by individuals, households, entrepreneurs, and even governments are micro-level enactments of larger processes of economic restructuring in developing countries launched by the IMF and World Bank Programs, as well as in WTO law implementation during the 1990s and onwards.
- 11 By 2003, debt service as a share of exports only (not overall government revenue) ranged from extremely high levels for Zambia (29.6%) and Mauritania (27.7%) to significantly lowered levels compared with the 1990s for Uganda (down from 19.8% in 1995 to 7.1% in 2003) and Mozambique (down from 34.5% in 1995 to 6.9% in 2003).

## References

- Anseuw, W., Alden Wily, L., Cotula, L. & Taylor, M. (2012a) *Land Rights and the Rush for Land: Findings of the Global Commercial Pressures on Land Research Project* (Rome: International Land Coalition), [http://www.landcoalition.org/sites/default/files/publication/1205/ILC%20GSR%20report\\_ENG.pdf](http://www.landcoalition.org/sites/default/files/publication/1205/ILC%20GSR%20report_ENG.pdf).
- Anseuw, W., Boche, M., Breu, T., Giger, M., Lay, J., Messerli, P. & Nolte, K. (2012b) *Transnational Land Deals for Agriculture in the Global South: Analytic Report based on the Land Matrix Database International Land Coalition* (Bern/Montpellier/Hamburg: CDE/CIRAD/GIGA), <http://www.landcoalition.org/publications/transnational-land-deals-agriculture-global-south>.
- Bello, W. (2004) *Deglobalization: Ideas for a New World Economy* (London: Zed Books).
- Borras, S. M., Jr, Hall, R., Scoones, I., White, B. & Wolford, W. (2011) Towards a better understanding of global land grabbing: an editorial introduction, *Journal of Peasant Studies*, 38(2), pp. 209–216.
- Brautigam, D. & Xiaoyang, T. (2011) *African Shenzhen: China's Special Economic Zones in Africa* (Cambridge: Cambridge University Press).
- Carrington, D. (2011) UK firm's failed biofuel dream wrecks lives of Tanzania villagers, *The Guardian*, 30 October, <http://www.guardian.co.uk/environment/2011/oct/30/africa-poor-west-biofuel-betrayal>.
- Colchester, M. (2011) Palm oil and indigenous peoples in South East Asia, FPP contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- Cotula, L. (2011) The outlook on farmland acquisitions, IIED contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- Deininger, K., Byerlee, D., Lindsay, J., Norton, A., Selod, H. & Stickler, M. (2011) Rising global interest in farmland: can it yield sustainable and equitable benefits? (Washington, DC: World Bank).
- De Schutter, O. (2011) How not to think of land grabbing: three critiques of large-scale investments in farmland, *Journal of Peasant Studies*, 38(2), pp. 249–279, <http://dx.doi.org/10.1080/03066150.2011.559008>.
- Dossou, P. J. (2011) Evolution and impacts of coastal land use in Benin: the case of the Sèmè-Podji Commune, VADID contribution to ILC Collaborative Research Project on Commercial Pressures on Land. (Rome: ILC).
- Economist, The* (2009) Outsourcing's third wave, 21 May, <http://www.economist.com/node/13692889>.
- Food and Agriculture Organization (FAO) (2011) Land grabbing: case studies in 17 countries of Latin American and the Caribbean, (New York: United Nations), [http://www.tni.org/sites/www.tni.org/files/download/borras\\_franco\\_kay\\_spoor\\_land\\_grabs\\_in\\_latam\\_caribbean\\_nov\\_2011.pdf](http://www.tni.org/sites/www.tni.org/files/download/borras_franco_kay_spoor_land_grabs_in_latam_caribbean_nov_2011.pdf).
- Frank, A. G. (1971) *Sociology of Development and Underdevelopment of Sociology* (London: Pluto Press).
- Frank, A. G. (1998) *Re-orient: Global Economy in the Asian Age* (Berkeley, CA: University of California Press).
- Friis, C. & Reenberg, A. (2010) *Land Grab in Africa: Emerging Land System Drivers in a Teleconnected World*, GLP Report No. 1 (Copenhagen: GLP-IPO), [http://farmlandgrab.org/wp-content/uploads/2010/08/GLP\\_report\\_01.pdf](http://farmlandgrab.org/wp-content/uploads/2010/08/GLP_report_01.pdf).
- Galeano, E. H. (1997) *Open Veins of Latin America: Five Centuries of the Pillage of a Continent* (New York: Monthly Review Press).
- Globalizations* (2010) Special Issue: Globalization and Crisis, *Globalizations*, 7(1–2), <http://www.tandfonline.com/toc/rglo20/7/1-2>.
- Hall, R. (2011) Land grabbing in Africa and the new politics of food, *Future Agricultures*, Policy Brief 041.
- Jubilee Debt Campaign (JDC) UK (2009) How big is the debt of poor countries?, <http://www.jubileedebtcampaign.org.uk/2%20How%20big%20is%20the%20debt%20of%20poor%20countries%3Fff2647.twl>.
- Krueger, A. O. (1993) *Economic Policy at Cross-Purposes: The United States and the Developing Countries* (Washington, DC: Brookings Institute).
- Krueger, A. O. (ed.) (2002) *Economic Policy Reforms and the Indian Economy* (Chicago: University of Chicago Press).
- Land Matrix (2012) *The Land Matrix, Beta version: The online public database on land deals* (ILC/CIRAD/CDE/GIGA/GIZ), <http://landportal.info/landmatrix>.

- McKeon, N. (2013) 'One does not sell the land upon which the people walk': land grabbing, rural social movements, and global governance, *Globalizations*, 10(1), pp. 105–122.
- McMichael, P. (2013) Land grabbing as security mercantilism in international relations, *Globalizations*, 10(1), pp. 47–64.
- Maldonado-Torres, N. (2007) On the colonality of being, *Cultural Studies*, 21(2), pp. 240–270.
- Margulis, M. E., McKeon, N. & Borrás, S. M. (2013) Land grabbing and global governance: critical perspectives, *Globalizations*, 10(1), pp. 1–23.
- Mignolo, W. (2007) Delinking: the rhetoric of modernity, the logic of colonality, and the grammar of de-colonality, *Cultural Studies*, 21(2), pp. 449–514.
- Molnar, A., Barney, K., De Vito, M., Karsenty, A., Elson, D., Benavides, M., Tipula, P., Soria, C., Sherman, P. & France, M. (2011) Large acquisition of rights on forest lands for tropical timber concessions and commercial wood plantations, Rights and Resources Initiative (RRI) contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- Putzel, L., Assembe-Mvondo, S., Bilogo Bi Ndong, L., Banigouila, R. P., Cerutti, P., Chupezi Tieguhong, J., Djeukam, R., Kabuyaya, N., Lescuyer, G. & Mala, W. (2011) Chinese trade and investment and the forests of the Congo Basin: synthesis of scoping studies in Cameroon, Democratic Republic of Congo and Gabon, Working Paper 67 (Bogor, Indonesia: CIFOR).
- Quijano, A. (2000) Coloniality of power, Eurocentrism and Latin America, *Nepantla: Views from the South*, 1(3), pp. 533–580.
- Quijano, A. (2007) Coloniality and modernity/rationality. *Cultural Studies*, 21(2–3), pp. 168–178.
- Ravanera, R. & Gorra, V. (2011) Commercial pressures on land in Asia: an overview, IFAD contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- Rawat, V. B., Bhushan, M. B. & Sujata, S. (2011) The impact of special economic zones in India: a case study of Polepally SEZ, SDF contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- Sassen, S. (1988) *The Mobility of Labor and Capital* (Cambridge: Cambridge University Press).
- Sassen, S. (1991) *The Global City: New York, London, Tokyo* (Princeton, NJ: Princeton University Press).
- Sassen, S. (2008) *Territory, Authority, Rights: From Medieval to Global Assemblages*, revised 2nd ed. (Princeton, NJ: Princeton University Press).
- Sassen, S. (2009) When local housing becomes an electronic instrument: the global circulation of mortgages—a research note, *International Journal of Urban and Regional Research*, 33(2), pp. 411–426.
- Sassen, S. (2010) A savage sorting of winners and losers: contemporary versions of primitive accumulation, *Globalizations*, 7(2), pp. 23–50.
- Sassen, S. (2013) *Expulsions: When Complexity Produces Elementary Brutalities* (Cambridge, MA: Harvard University Press).
- United Nations Conference on Trade and Development (UNCTAD) (2008) *World Investment Directory Volume X: Africa* (New York: United Nations).
- UNCTAD (2009) Investment report: transnational corporations, agricultural production and development (New York: United Nations), [http://unctad.org/en/docs/wir2009\\_en.pdf](http://unctad.org/en/docs/wir2009_en.pdf).
- United Nations Development Programme (UNDP) (2005) *A Time for Bold Ambition: Together we can Cut Poverty in Half: UNDP Annual Report* (New York: UNDP).
- UNDP (2008) *Human Development Report 2007–2008, UNDP Annual Report* (New York: UNDP).
- Wiener Bravo, E. (2011) The concentration of land ownership in Latin America: an approach to current problems, CISEPA contribution to ILC Collaborative Research Project on Commercial Pressures on Land (Rome: ILC).
- World Bank (2005) *Increasing Aid and Its Effectiveness, in Global Monitoring Report: Millennium Development Goals: from Consensus to Momentum* (Washington, DC: World Bank).
- World Bank (2006) *Global Economic Prospects: Economic Implications of Remittances and Migration* (Washington, DC: World Bank).

**Saskia Sassen** is the Robert S. Lynd Professor of Sociology and Co-Chair, The Committee on Global Thought, Columbia University (<http://www.saskiasassen.com>). Her recent books are *Territory, Authority, Rights: From Medieval to Global Assemblages* (Princeton University Press, 2008) and *A Sociology of Globalization* (W.W. Norton, 2007). Her books are translated into over 20 languages. Her newest book is *Expulsions: When Complexity Produces Elementary Brutalities* (Cambridge University Press, 2013).

Copyright of Globalizations is the property of Routledge and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.