ADDIS ABABA UNIVERSITY

SCHOOL OF GRADUATE STUDIES

DEPARTMENT OF SOCIOLOGY

LARGE-SCALE AGRICULTURAL INVESTMENT AND ITS IMPACT ON LOCAL COMMUNITIES: THE CASE OF *GURA-FERDA* WOREDA, SNNPRS

BY: ADDISU GUTA

DECEMBER, 2016

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A THESIS SUBMITTED TO THE DEPARTMENT OF SOCIOLOGY IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN SOCIOLOGY

BY: ADDISU GUTA

ADVISOR: TAYE NIGUSSIE (PhD)

DECEMBER, 2016

ADDIS ABABA, ETHIOPIA

Addis Ababa University

School of Graduate Studies

Department of Sociology

This is to certify that the thesis prepared by Addisu Guta, entitled: *large-scale agricultural investment and its impacts on local communities*: The Case of *Gura-Ferda* woreda of SNNPRS and submitted in partial fulfillment of the requirements for the degree of Master of Arts in sociology complies with the regulation of the University and meets the accepted standards with respect to originality and quality.

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Acknowledgements

First of all, I would like to extend my sincere gratitude and appreciation to my advisor Taye Nigussie (PhD), for his critical evaluation and constructive comments for improving the quality of this thesis.

I am also indebted to Mizan-Tepi and Addis Ababa University which funded my educational and research expenses.

Special mention is made to Ato. Negash Sitotaw and W/ro. Mahlet Hailu: for their material and moral support. I am also thankful to my close friends especially to my colleague Ato. Zerihun Mekuria: for his moral and intellectual support.

Special mention is also made to Ato Dereje, who was a translator, for his insight and precious time during my stay in the field. My sincere gratitude is also going to all informants and focus-group discussion participants.

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Abbreviations

ABD – Accumulation by Dispossession

AISD – Agricultural Investment Support Directorate

BRICS – Brazil, Russia, India, China and South Africa

CAADP – Comprehensive African Agriculture Development Program

CIRS – Center for International and Regional Studies

CSA – Central Statistical Agency

FAO – Food and Agricultural Organization

FDI – Foreign Direct Investment

FDRE – Federal Democratic Republic of Ethiopia

FGD – Focus-Group Discussion

GCC – Gulf Cooperative Council

GTP – Growth and Transformation Plan

IFAD – International Fund for Agricultural Development

IFC – International Finance Corporation

MoARD – Ministry of Agriculture and Rural Development

MoFED – Ministry of Finance and Economic Development

NGO – Non Governmental Organization

OI – Oakland Institute

PA – Primitive Accumulation

SNNPRS – Southern Nation, Nationalities and Peoples' Regional State

SSA – Sub-Saharan Africa

UNHCR – United Nations Higher Commissions for Refugee

Abstract

The main purpose of this study was to assess the effects of large-scale agricultural investments on local communities: And a special concentration was made on the situation in Gura-ferda woreda. The necessary data for the study were generated both from primary and secondary sources. Hence, in-depth interviews, key-informant interviews, focus group discussions (FGDs, observation and documentary reviews were the principal means of generating data from primary and secondary sources. The finding of this study shows the investment plan doesn't consider the specific contextual situation of the study area. The local communities' role and participation was non-existent in the process of land deals and local customary use patterns and rights never been recognized by the government while identifying suitable land for investors. However, the concept land certification and titling was non-existent, ownership certificate was the only criteria to identify the eligibility of the local communities to be considered as the owners and to take part and participate in the process of land deals and allocations. However, the land allocated to investors have been considered as vacant in the eyes of government officials, the arrival of investors resulted a change on holding and use patterns of cultivated land and other land based resources such as forest areas, grazing, water sources and pools, roads and transit routes by the local communities. , it has resulted economic, social, cultural and spiritual impoverishments among the local small holders. The impacts for the ressetler communities emanate from their eviction from their cultivable lands and water sources, while the me'enit communities suffered from the destructions on forest areas and grazing lands critical to their livelihood. The problematic nature of land deal and implementations of large-scale agricultural investments influenced the nature of relationships among local communities, local government and investors.

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Appendix: Instruments

A. Checklist for Key-Informant Interviews

Introduction

The researcher is undertaking this research to investigate effects of large-scale agricultural investments on the life of local communities: in the case of Gura-ferdaworeda of SNNPRS of Ethiopia. For this purpose, the researcher would like to know your opinion and your pragmatic view regarding the local trends in land deals and implementations of large-scale agricultural investments. Trends of land identification and transfer to investors and the level of local communities' involvement in the process of large-scale agricultural investments.

The researcher would like first to inform you that participation in the study must be based on your free will. Second, the researcher is very much grateful for the sacrifice you paid to this end and the information gathered will be highly confidential and will only be used for the purpose of this research. Furthermore, any information that you provide is valuable to this study. I would like to extend my appreciation and thanks for your cooperation and committing your precious time.

Thank you in Advance!

Date of interview: ____________

Place of interview: ____________

Sex: _____

Age: _____

Community/Occupational status: ____________

Part One:Questions regarding local trends and the position of local communities in the implementation process of large-scale agricultural investments.

For Government Officials and Experts

1. What are the role of your office in the process of land deals and the entire process of large-scale agricultural investments?
2. What are the major standards to identify the land to large-scale agricultural investment?
3. Are local trends in the process of large-scale agricultural investments encouraging the local communities to participate?
4. What was the level of local communities' participation in the process?
5. What was the role of the local communities in the process?
6. Were there community consultation sessions before and during the implementation of large-scale agricultural investments?
7. What are the agendas of those consultation sessions?

Part Two:Questions regarding the nature of local government relationship with local communities and investors.

For Government Officials

1. Are there changes on the nature of relationship between local communities and local government during and after the implementation of large-scale agricultural investments?
2. If yes! What are those changes? How do you describe the nature of relationships of local government with local communities and investors?
3. What factors are responsible for the change in the relationships among the two parties?
4. What mechanisms are applied to deal with the change in the relationships between local communities, local government and even investors?

For Investors/farm Managers and Community Elders/elders

1. Is there any interaction between local communities and private investors?
2. If yes! How do you describe it? Is it hostile or collaborative?
3. If it is hostile or collaborative, what factors are responsible for its hostile or collaborative nature?
4. Is there local government's intervention in the interaction between local communities and private investors?
5. If yes! What is the role and intents of government's intervention in the interaction between local communities and private investors?
6. How do you generally describe the nature of relationship between local communities and private investors and government's intervention?

Part Three: Questions regarding the major land uses and covers and their socio-economic and cultural contributions to local communities.

For Community Elders and Workers of Agricultural Extension and Rural livelihoods

1. What are the major land uses and covers in the area?
2. Which land use or/ and cover is more important for your community?
3. What are the socio-economic, cultural and spiritual contributions of land and associated resources for your community?

B. Checklist for In-depth Interviews with Sample Household Heads

Introduction

The researcher is undertaking this research to investigate the effects of large-scale agricultural investments on the local communities: in the case of Gura-ferdaworeda. In this study, the researcher would like to know, in your opinion, what your experience is regarding the effects of large-scale agricultural investments on your community. The researcher would like first to inform you that participation in the study must be based on your free will. Second, it is not obligatory to answer all questions. Third, your autonomy to refrain yourself from the study at any point in time and to ask any question is fully respected. Finally, the researcher would like to guarantee you that the confidentiality and anonymity is kept for whatever information you would provide.

Thank you in Advance!

Part One: Questions regarding the Role of local communities in the process of large-scale agricultural investments.

1. Did you get any information on which land is identified and transferred to investors?
2. Did you participate in the process of land identifications to large-scale agricultural investments? If yes in what way did you participate?
3. Were there any meetings? If yes who are participants of the meetings?
4. How do you explain the meetings in terms of their participatory nature?
5. What are the agendas of meetings?
6. What was the role of local community members in the meetings?
7. Do you think they were important for the local communities in protecting land ownership rights access to other resources vital for local livelihoods?Finally, how do you describe the entire process of large-scale agricultural investments in your area?

Part Two: Questions regarding the major land uses and covers and their contribution to local livelihoods.

1. What are the majorland uses and covers in your area?
2. What the major livelihood activities and strategies demanding such land uses and covers?
3. Which land use or/and cover is/are more important for the livelihood of your household and other members of your community?
4. What are the major contributions of such land use and covers for your household and other members of your community?

Part Three: Questions regarding effects on the major land uses and covers

1. Are there effects on your access to land and associated resources after the arrival of investors?
2. What livelihood assets you lost after the establishment of large-scale agricultural investment companies?
3. was there any compensation provided by the government and investors for your lost livelihood assets due to large-scale agricultural investments?
4. If yes, what was provided for u and other community members as a compensation?
5. Do you think it was adequate and sufficient to recompense the livelihood assets that you lost?

C. Guides for Focus-Group Discussions(FGD)

1. What were local processes involved in the large-scale agricultural investments?
2. Level of local communities' involvement in each steps of large-scale agricultural investment from its inception to implementation.
3. Were large-scale agricultural investments based on local consensus between all stakeholders, including local communities?
4. Local land and associated resources ownership and use patterns before the arrival of large-scale investment companies.
5. Legal recognition and treatment of local land and associated ownership and use patterns in the process of large-scale agricultural investments.
6. The major contributions of land and associated resources for the local communities.
7. Effects of the large-scale agricultural investments on local communities' access to land and associated resources and the socio-economic, cultural and spiritual implications to the local communities.
8. The nature of relationships between local communities and government before and after the arrival of private investors.
9. The nature of relationships among local communities, government and private investors and its determinants.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

A big-push for the acquisition of arable land has been underway in many African and other developing countries, particularly since the early years of the 2000s, although the land question has always been central to the livelihoods of millions of smallholders.

The global food price crisis that occurred in 2007/08, even as recently as 2010, had greatly affected the poor where the combined effect of the crisis may have added tens of millions of people to the hungry people worldwide (Christiansen, et al. 2010, IFAD 2010, Wiggins et al. 2010). These crises have further complicated the food insecurity situation of many vulnerable countries, on the one hand, and rich countries that previously are dependent on global food markets, on the other. This in turn had resulted a global focus towards the agricultural sector in general and the acquisition of large areas of farmland in particular. As a result, several private and sovereign investors from a range of countries in the Gulf, Asia and Europe have been involved in large-scale land acquisitions in sub-Saharan Africato cultivate food crops and bio-fuels for export (Castel and Kamara 2009, Cotula et al. 2011, Cotula et al. 2009, FAO 2010, Visor and Spoor 2011).Due to the rapid increase in the large-scale rural land investments, the role and future of smallholder farming is controversial, even though, many scholars advocating for its development in order to eradicate poverty.

Regardless of which theory one supports, solving the smallholders issue is not an overnight project rather a long process. Thus, smallholders, which represent over 80 percent of the Sub-Saharan population, should be handled with great care. Evidence shows that they are the main victims of the ongoing foreign and domestic large scale private investments on land. Investments on agriculture, foreign or/and domestic may be vital for most Sub-Saharan

African countries, with the governments' responsibility to monitor that they are generating desired social benefits and not increase vulnerability. Large-scale agricultural investments should not jeopardize local and indigenous communities' food security, socio-cultural values, human and political rights, and access to land and land based resources but rather strengthen it. The Comprehensive African Agriculture Development Program (CAADP) 2003; provides a clear direction for African governments to take measures to attain food security, achieve more equitable distribution of wealth through more equitable access to land, knowledge, information, technology, physical and financial resources, and to integrate farmers into the market economy in order to improve their access to global markets (NEPAD, 2003). But still, facts on the ground seem to show the contrary; almost none of these recommendations have been taken seriously by governments so far (Mesfin, 2013). Local smallholders and pastoralists are in some way or another affected by the ongoing agricultural land investments in SSA in general Ethiopia in particular.

Like other lowland areas of Ethiopia, Gura-ferda woreda is negotiating its productive agricultural lands for long-term leases to foreign and domestic investors. But, evidences are limited about The role of local communities in the process of large-scale agricultural investments and its consequential impacts on the local communities. Hence, this study is concerned on examining the role of local communities in the process of large-scale agricultural investment and its impacts on the local communities. In doing so, this study focused on examining the role of local communities in the process of large-scale agricultural investments, major livelihood activities and their socio-economic and cultural contributions to the local communities, effects of large-scale agricultural investments on the major livelihood activities; and on the nature of relationships among the local communities, local government and investors in *Gura-ferda* woreda of SNNPRS of Ethiopia.

1.2. Statement of the Problem

Land and associated resources are among the major factors of livelihoods for small holder rural communities. Thus, secured access to land and associated resources are the backbone of rural livelihoods and provide substantial economic and social benefits for the local communities. Although the issue of access to land and associated natural resources has always been central to the livelihoods of millions of smallholders, the issue has gained particular momentum today due to the on-going heightened and fierce competition for this critical resource involving a wide-range of actors.

As a result of a global focus towards the agricultural sector in general and the acquisition of large tracts of farmland in particular, several private and sovereign investors from a range of countries in the Gulf, Asia and Europe have been involved in large-scale land acquisitions in sub-Saharan Africa and former Soviet countries to cultivate food crops and bio-fuels for the export market (Castel and Kamara 2009, Cotula et al. 2011, Cotula et al. 2009, FAO 2010, Visser and Spoor 2011).Like other African countries, Ethiopia has received foreign and domestic investors, and blamed for that the land investments are not carried out in a manner that safeguards the environmental, social, cultural, and food needs of local people. In the course of reviewing findings of some previously conducted studies, it has been indicated that many recent large-scale farmland investments have entailed the dispossession and displacement of rural households, damaging their local livelihoods, food security and access to key resources. However, between 2004 and 2008, 1.19 million hectares of agricultural land has been leased to foreign and domestic investors in Ethiopia (World Bank, 2010) and many are affected, little is known about the terms, conditions and benefit that will come out of these investments.

Fortunately, some efforts made by few researchers to understand the situation in different areas of Ethiopia. For instance, Desalegn (2011), Obsa (2013) and Moges (2010) conducted studies on the impacts of large scale agricultural investment and land acquisitions on the livelihoods of local people in some rural areas of Ethiopia.

Tsegaye (2013) conducted a study on the implications of land acquisitions on indigenous local communities in Benishangul-Gumuz regional state. A study conducted by Mesfin (2013) was concerned on examining the effects of large-scale agricultural investments on small scale farming in Ethiopia. In addition, the study conducted by Ojot (2013) focused on large-scale land acquisitions and indigenous people's rights under ethnic federalism in Gambela regional state. The study conducted by Oakland Institute in 2011 focused on understanding the nature of land deals in Ethiopia throughout some case studies of different regional states. The first three studies focused on the effects of agricultural investment induced land acquisition on the livelihoods and food security of rural households. They focused on the impacts of expropriation of rural land and land related resources of displaced households after the land transferred to investors. But, the study conducted by the Oakland institute focused on understanding the nature of the land deals but, limited attention was given for the implementation process of land deals and local communities' involvement in the process. All mentioned studies were less concerned in understanding the implication of local communities' involvement in the process of large-scale agricultural investments and its role in determining the consequential impacts of large-scale agricultural investments on the local communities. In addition to displacements and restrictions on access to land and related resources, the level of involvement by the local communities in the process and implementation of large-scale agricultural investments determines the effects of the investment projects on the local communities. Hence, this study differs from the above mentioned for its focus on examining local communities' role in the process of large-scale agricultural investments and impacts of large-scale agricultural investments. Moreover, this study focuses on examining effects on the major livelihood activities and effects on the relationships between local communities, government and investors in Gura-ferda woreda of SNNPRS of Ethiopia.

1.3. Objective of the Study

1.3.1 General Objective

The general objective of the study is to examine the role of local communities in the process of large-scale agricultural investments and its role in determining the impacts of the investments on the local communities.

1.3.2 Specific Objectives

In addition, based on the general objective, this study tried to address the following specific objectives:

- To examine the role of local communities in the process of large-scale agricultural investments.
- To examine impacts of large-scale agricultural investments on the major livelihood activities and their socio-economic and cultural implications to local communities.
- To investigate effects of large-scale agricultural investments on the nature of relationships among local community, government and investors.

1.4. Scope of the Study

The scope of the study was limited in terms of coverage owing to financial and time resources available. In terms of location, this study is only confined to those rural areas of *Gura ferda* woreda, particularly to those three rural *kebeles*; *Biftu, Kuja* and *Qutir Amist*. The study was also confined to use qualitative research method as a sole approach to generate primary information. In its focus, the study is also limited to analyze the existing social, economic and cultural aspects related with large scale agricultural investments, especially to examine the situation related with the role of local communities in the process of large-scale agricultural investments, the major livelihood activities and socio-economic and cultural contribution to local communities, effects on the major livelihood activities and socio-economic and cultural implications to local communities and effects on the nature of local community - government - investors relationship.

1.5. Significance of the Study

The study will be helpful for further studies in the area of large-scale agricultural investment and its impact on the local communities. In addition, the study is also significant to serve as important inputs for knowing how to win the desired positive outcome of large-scale agricultural investments. Furthermore, the study can help the government to reevaluate its trends and operation and take measures before any large-scale agricultural investment and government interventions requiring rural lands and associated natural resources.

1.6. Ethical Considerations

Since, it is believed to be that research must be regulated by ethical norms and values, the researcher used the following obligatory Ethical guidelines while conducting the study.

This research tried to follow certain ethical standards and considerations. These include informing the participants about the purpose of research, voluntary participation, confidentiality, avoiding dependent relationship and asking for approval. In this regard, all participants were informed about the purpose and duration of the interview. The research has been conducted after getting full willingness and consent from the participants. In addition, prior to the interviews agreement has been reached concerning confidentiality, not to expose personal information that could lead to any person experiencing danger or difficulty because of the information gathered. As a result, personal name is made anonymous throughout the thesis.

1.7. Organization of the Thesis

This thesis consists of five major chapters. The first chapter deals with general background of the study. The second chapter reviews related empirical literatures, key concepts and theories. The third chapter presents research methodological approach and methods of data collection instruments. The fourth chapter deals with data presentation and analysis. The final chapter makes succinct conclusion.

CHAPTER TWO

REVIEW OF RELATED LITERATURES

2.1. Introduction

Identifying relevant previous work is an essential skill in social research. The massive expansion in the volume and type of information, together with the increasing complexity of interrelated branches of knowledge, has given added importance to the need for systematic searching, and for critical appraisal and synthesized accounts of previous research (Robert, Miller, John, and Brewer 2003). This entry addresses the task of searching for relevant literature in the information age. Hence, in this section of the paper, an endeavor was made to review existing literatures and past studies related to the subject under study. In doing so, the researcher has made consideration and sharpened his idea on the existing concepts, theories, and empirical literatures relevant to the subject under study.

2.2. Review of Related Literatures and Conceptual Considerations

Land as a crucial economic, social and cultural factor aged long enough almost equally with existence of human being (Eric 2014). So it is obvious to expect various literatures addressing large-scale agricultural investments and its impact on the life of local smallholder communities. There are some previous researches concerning the issue under study. Therefore, this section of the chapter will present reviews of some of these previous literatures.

2.2.1 Controversies on Large-Scale Agricultural Investments

In recent times the debate on the expansion of large-scale agricultural investment is burning issue in academic, development and aid organizations, politicians and the community at large. There are very controversial viewpoints on the benefits and downsides of large-scale agricultural investments. While mostly civil society organizations and peasant networks from developing countries are concerned over impacts on food security, the environment (water, soil and biodiversity) and human rights, others welcome increasing investment activities in developing countries as an important step for boosting national and regional economies.

Proponents of large-scale agricultural investment argue that, the investment flow increases capital in agriculture sector particularly in the developing world, enhances infrastructures expansion, creates more jobs and skill, increases the availability on domestic food supply, increases access to market and foreign exchange reserve and these contributes to ´´sustained´´ and ´´broad based development´´ (World Bank, 2010), however, Andersen (2010:275) argues that if the risks associated with land acquisition unaddressed, could lead to failure to become development opportunity for host countries.

One key problem of current land deals identified is that land ownership in developing countries is rarely simple and clear, land may be owned communally and never be formally registered, being overseen by elders. Thus, a land sale is not a simple exchange of ownership titles. Communities could lose access to the land without due compensation or suitable alternatives (Friends of the earth, 2010).

As it is indicated in Friends of the earth (2010), many development organizations also criticize that land is sold to investors for export purposes in countries with high malnutrition rates among the local population. Instead of selling off the land, they claim, money has to be spent to enhance local food production and to stabilize local and regional markets. Land grabbing increases competition for land which will likely lead to higher land prices, and in turn, the price of food might also increase. Local communities in developing countries will become less able to afford that food, even though it grows in their own country.

NGOs, such as FIAN, Friends of the Earth, GRAIN, and the Oakland Institute, have also criticized the considerable influence and control granted to the foreign private sector in land purchases. While public officials may be involved in negotiating the deals, the private sector will ultimately be responsible for production and delivery of food and fuel products. From the point of view of these NGOs, private corporations are unlikely to invest in sustainable economic development to the benefit of local populations because they are, by definition, profit-driven. In some cases, state-led investment in agriculture may be preferable, as they allow developing countries to maintain control over the land; donor countries could provide funds for this aim.

In response to the heavy criticism, donor countries, some research institutions and international organizations have argued that large-scale agricultural investments can be a "win-win" deal. The International Finance Corporation (IFC) argues that agriculture can be a growth opportunity for developing countries. According to the IFC, increasing the amount of land under agricultural production and improving productivity through technology transfers and economies of scale will benefit host countries financially (Shepard and Mittal, 2009.6). The World Bank also sees a potential for improving productivity through large-scale agricultural investments. In countries with vast amounts of suitable land and a large proportion of smallholders with very low productivity, the inflow of foreign investment and technology "could provide large benefits to local populations." (World Bank, 2010). In the World Bank's view, local communities can learn new production methods from foreign investor's expertise and capital in order to utilize their own resources more efficiently and become more productive. However, the World Bank also recognizes that "the risks associated with such investments are immense" mainly because the demand for land is focused on countries with weak governance and insufficient legal frameworks (World Bank, 2010.102). However, if governments implement the right policies the risks can be turned into "equally large opportunities" in the World Bank's view (World Bank, 2010.103). Through the process of selling land, governments can strengthen their institutions and create new strategies for growth and development that take advantage of the increased investment in agriculture. Some observers doubt whether under current legal, political and institutional frameworks positive effects of large-scale land acquisitions can compensate the negative ones (Friis and Reenberg, 2010.6).

In any event, the acquisition of land is currently happening much faster than policies to regulate land deals are adopted. The lack of transparency concerning the process of their adoption and their content is a major problem. This is true in particular in countries with weak governance structures, and lack of civil society involvement.

2.2.2 Large-Scale Agricultural investment and Competing Visions of Rural Development

It is the same land that peasant producers across rural Africa require to support their livelihoods and smallholder production that is targeted for large-scale agricultural investment. Tensions between large-scale agricultural investment and smallholder production are underpinned by competing perceptions and approaches about rural land use, agricultural productivity, and overall development. On the one hand are those who see the future of Africa in smallholder production. On the other are those who reject the idea that “the disorganized produce of thousands of small African farmers relying on their bare hands and God’s rain” can move African agriculture and its development to the next level and this advocate for the introduction of intensive capital and technology through foreign direct investment (FDI) in rural land (Michael, 2011. 6).

Commercialization of agriculture constitutes one of the major driving forces behind the privatization and individualization of rights to land (Boserup, 1981; Barrows and Roth, 1990). Eicher and Baker (1982) have argued that there are negative links between commercialization of agriculture, food consumption and nutritional status. The suggested link is an increase in cash income, but a decline in subsistence food at the household level, and hence increased market vulnerability and food insecurity. Von Braun and Kennedy (1994)refute these negative links and suggest that the integration of traditional smallholder agriculture into the exchange economy is part of a successful development strategy, since the developing world cannot afford the presumed inefficiencies of resource allocation (especially of human and land resources) that subsistence agriculture entails. They conclude that, while there is some variation in the specific crops that are commercially produced, increased production, employment, income, food consumption, and nutrition are all associated with the commercialization of agriculture.

Michael. (2011; 8) also argues that While smallholder land use is perceived to be backward and incapable of facilitating rural development, the kind of investments coming in the wake of large-scale land acquisitions are seen to offer the prospect of throwing these societies towards industrialization.

Those opposed to this view push for an approach to rural development that builds on what exists, seeing secure livelihoods as the foundation for overall economic development. In particular, there are concerns about the implications of these acquisitions for food security, given that their stated objective is to produce not for the local market but for the purposes of ensuring food security in the investor countries and for sales in international markets. It is fascinating that countries such as Ethiopia, in which food insecurity is already a major problem, find it agreeable to enter into arrangements that will potentially take land away from local food production to help feed other countries.

2.2.3 Large-Scale Agricultural Investment as a Development Strategy

The World Bank (2010) argues that increased demand for food products in the developing world will be driven by population growth, expanding urbanization, and rising incomes and this will have to be met by bringing more land into cultivation and by improving productivity. The Bank expects Africa to benefit immensely because potential farmland is most plentiful here and at the same time productivity on land currently under cultivation is very low compared to what could be achieved. Accordingly, as to several literatures, The Ethiopian government is an active partner in the general trend in Africa to hand out large tracts of land to foreign companies and governments for big commercial farming in order to enhance national development.

In the early 1990s, the Ethiopian government's rural development strategy was to focus on smallholders and policies were therefore biased towards small-scale agricultural production. However, these small holders have various challenges that include, but not limited to, having fragmented land, lack of capital for investment and lack of market information. For these and other reasons, working on the improvement of smallholder production does not guarantee the desired agricultural transformation unless it is linked up with domestic and international markets as well as involving large-scale commercial farms that are reported to have higher levels of productivity (MoFED, 2003).

In addition, according to the rural development policy and strategy document, there are two investment options that seem particularly suited for domestic and foreign investor investing in the agricultural sector. The first one is to develop unutilized vast land with irrigation and the second one is to produce high-value agricultural products (like flowers) at small or medium scales. The former is mainly located in the lowlands of the country where irrigation is a must in order to meet the anticipated capital requirement as well as utilizing economics of scale, while the latter requires more investment in technology (production methods) and marketing.The commercialization of land and the shift to large scale agriculture is being presented by the Ethiopia government and international bodies such as the World Bank as an essential measure for agricultural modernization and the improvement of productive efficiency which is said to lead to increased food production and economic growth (Rahmato, 2011; 4).

2.2.4 Large-Scale Agricultural investments and Local Community's Participation

According to Jesse, (2002: 2) decentralization and community participation are vital channels for bringing broader sections of a population into the decision-making process. It is the way for the bottom-up approach where the community and other stakeholders at all levels play an active role through participating in planning, implementation, benefit sharing, etc. of a given resource management or a project activity.

There is now a growing consensus among the large body of literature about the attribute of users and resource has been applied in the design of policies intended to enhance the participation of local user in the governance and management of land and natural resource (Catacutan and Tanui, 2000).

Yeraswork, (2000: 45) divided participation as *mobilist, instrumentalist and radical* model. As he argued *mobilist* are participation based on material and labor contribution and it is not applicable to rural development discourse and practices. The *instrumentalist* model is "participation as a means" in which people must have some voice because they may be in unique possession of information essential in planning and their involvement will help build their commitment. Here the involvement of people is limited to provide information and expressing felt needs and preference during and prior to the stage at which detail are worked out.

The *radical* model is "participation as an end-in-itself" in which people are the center of planning, implementation and evaluation, "putting people first or putting the last first". The approach advocates a lot of good can be done if only people engaged in development work were endowed with the right attitude. In this types of participation people are active in decision making and they play a great role in planning, implementing and evaluating processes (Yeraswork, 2000:45).

With regard to large-scale agricultural investment scenario, each land deal and agricultural investment project involves multiple parties on both sides of the agreement. On the provider side, several government agencies are typically involved, such as the Ministry of Agriculture or the agencies responsible for foreign investment. On the buying side, land deals are often a public private venture; the purchasing private investor or country's government signs and sponsors the land contract, and then brokers a deal with a private entity to implement and carry out productive activities (Cotulla, 2011). It is also common that the buyer will involve a number of advisors, consulting firms, and international lawyers to acquire the necessary local knowledge and capacity to carry out the purchase. The process of concluding a land deal is complicated to the extent that even investors lack a clear overview of exactly what steps are involved (cottula.et.al. 2009). Moreover, a number of the deals do not address environmental impacts such as water depletion and/or only provide weak safeguards for local interests. Often, local people are not involved in the decision-making processes before the deals are signed. Negotiations and contracts are rarely transparent or made public in a detailed way. Information on the deals is frequently not accessible (Cotulla, 2011).Participation has become the key concern in the discourse and practices of rural land investments and sustainable rural development. One of the proponents of participatory thinking Chamber (1983), for example argues that the traditional top-down approach is inefficient, ignore local knowledge, skill and right of rural poor and marginalized community. Therefore, participation of the concerned stakeholders is essential to achieve the desired sustainable development. In literature, participation does not have one comprehensive definition. For example, the framework participation proposed by Roger (2005) uses to assess the effectiveness of decision making in terms of the extent of the participation of the concerned stakeholders. The principles show the condition of participation and negotiation lead to fair and “principled outcome” so that no one party is disadvantaged from the process and decision making.

In most cases, the main focus of community participation and consultation is on securing land rights for the investors, in line with policy objectives of the state to promote private investments (Tanner and Baleira, 2006). But, legal experts dispute this interpretation, and they point out that local communities have the implicit power to say "no" to any investor, borne out of its status as collective title holder, with private and exclusive rights to the land being sought. Therefore, throughout the process of community participation and consultation, local communities have three options with respect to large scale land investments. The first is, to say that the land is occupied and that it declines to relinquish or cede it, in which case the investor has to look elsewhere for land. The second option is to say that the land is not occupied, in which case the state is free to grant the land to investors without the necessity of an agreement with the local community. The third option is to say that the land is occupied but the community is willing to cede it in which case the community can negotiate the benefits and terms for relinquishing its land rights to the investor.

2.2.5 Secure Access to Land and Rural Livelihood in Developing Countries

Secure access to productive land and land based natural resources is crucial for poor rural people that are often dependent on agriculture, livestock or forests for their livelihood. Besides, land has a cultural and emotional significance for indigenous people. Since land is often the only asset of these people where they can rely on, it reduces their vulnerability and farmers are more likely to invest in their land. However, according to the International Fund for Agricultural Development (IFAD) land tenure security is necessary, but it is not sufficient for sustainable rural poverty reduction and improved livelihoods (IFAD, 2008). That is because access to other types of capital; human, physical, financial and social, is also necessary. However, secure and stable access to land provides a basis for better livelihoods and living conditions (Prosterman and Hanstad, 2006).

Small-scale farmers need to be protected from more powerful actors by law. This is necessary because huge power imbalances exist between the investing companies in alliance with local elites on the one hand, and local farmers on the other. 'Good governance' is in this essential to acknowledge the rights of small-scale farmers, though frequently lacking. Equitable and transparent land administration is of great concern in this respect (Palmer, 2010).

A characteristic feature of agriculture in developing countries is cultivation by smallholders. The majority of the rural population relies on farming for survival. And this illustrates the significance of the small scale sector for food security in the developing world. Implementing appropriate agricultural policies with the aim of improving or protecting the local population could mean to prevent the large scale land acquisition phenomenon (Blok and Kruse, 2010). Large scale farming would limit the access to land for indigenous people and turn small-scale farmers into wage laborers. Yet it is also possible that these investments could have a positive effect and increase the level of wealth of indigenous people and creates new opportunities for rural households to earn an income. It is important that efforts to make land available to investors do not undermine livelihood opportunities. It is the case whether this large-scale acquisition of farmland is either 'land grab' or a development opportunity, but of course this will differ per case.

2.3. Theories of Land Grabbing

According to Strauss and Corbin (1994) a theory is a set of relationships that offer a plausible explanation of the phenomenon under study. Orienting towards these characteristics of a theory, in the study, therefore, theories were used as systematic tools to explain some of the ways in which large-scale agricultural investments affect the economic, social and cultural aspects of life of local smallholding communities.

2.3.1 Political Economy of Land Grabbing

Courses of global capital and changes at local level and 'actors' and 'structures' that organize production, commanding labor and land at different levels are analyzed by the political economy approach. According to Bernstein and Byres, 'agrarian political economy' in general investigates "the social relations and dynamics of production and reproduction, property and power in agrarian formations and their processes of change, both historical and contemporary" (Bernstein and Byres, 2001.1). Historically, this theory has been applied to studying the interactions and impacts of the capitalist mode of production on small-scale farming. Particularly, questions of Bernstein; who does what, who owns what, who gets what and what do they do with it help to analyze the power difference between different actors involved in large scale farming in a labor relation context (White et.al, 2012:621). The current global land grabbing is defined as the explosion of (Trans) national commercial land transactions, large-scale production and export of food and bio-fuel (Borras and Franco, 2012:34). As noted by White et.al (2012:631) diversified 'crises' lies in capturing marginal and empty land across the globe. Similarly, the coming together of global crises has contributed to the dramatic readjustment of land in the global South since 2008 (Borras and Franco, 2012:36). The current land rush accelerated after the food crisis of 2008 provided new opportunities of accessing cheap land, labor and other resources required to respond to the growing demand for food and bio-fuel (Baglioni and Gibbon, 2013:5). So, land-abundant Southern countries, especially in Sub-Saharan Africa (SSA) are the objects of a global land rush to overcome limited opportunities for accumulation and used as a response to crisis of neoliberal capitalism (Baglioni& Gibbon, 2013:2).

2.3.2 Accumulation by Dispossession, Primitive Accumulation and Land Grabbing

'Primitive accumulation' is taken as an ongoing process or 'accumulation by dispossession' by criticizing that Marx's 'primitive accumulation' is only attached to an original stage of capitalism (Harvey, 2003:143-144). Accumulation by dispossession is then caused by over accumulated capital that lacks opportunities for profitable investment (Harvey, 2003:139). So, access to cheap inputs (labor and land) at very low (and in some instances zero) cost from non-capitalist territories taken as an opportunity to accumulate (Harvey, 2003:140). Capitalism knows both how to create, respond and resolve crisis of capital accumulation. In accumulation by dispossession, financialization and privatization are systems of creating capital crises and 'the management and manipulation of crises'. Also Harvey's market liberalization causes chronic crises of over-accumulation that requires continual release of new assets in which over-accumulated capital seize and convert to profit (Hall, 2013:5-6). In the other way, land grabbing and accumulation by dispossession are considered as a response to crisis which is similar with the view of Borras et.al, convergence of multiple crises as well as the emerging needs for resources by newer cores of global capital; BRICS and MICs(Hall, 2013:5).

Land grabbing can be contextualized from the dimension of national capital accumulation and involvement of national actors. Accumulation by dispossession thesis emphasizes land grabbing as derived by global forces, foreign capital and investing states as key actors (Hall, 2013:5-7). The role of actors and structures in the recipient states by mediating exogenously-generated land demand in the pursuit of agricultural development is not also well recognized (Hall, 2013:8). It is similarly argued that the demand for land is generated not just by exogenous forces but by state priorities and opportunities (Oya, 2013:20).

In relation with domestic land grabbing there is on-going, but slow agrarian transformation towards capitalist forms of production by ongoing rural accumulation, differentiation and domestic agrarian capital. As a result, the development of agrarian capital involves different paths of transition and accumulation from ‘above’ or ‘below’ exist in the current ‘land rush’ (Oya, 2013:20). So, capital accumulation could be seen from different scale of farmers and indigenous actors.

Small sized and scaled domestic farms can be considered in capital accumulation and land grabbing that may limit, advance rural livelihoods and cause resistance. Land grabbing by smallholder is not taken in to consideration and there are also smaller-scale land acquisitions by actors other than smallholders. Moreover, dispossession is expected to be massive and the amount of land taken than the number of dispossessed people is overemphasized (Hall, 2013:710).

Land grabbing could take place through using economic or extra-economic means. As Akram-Lodhi views land grab as a ‘market-led’ processes that involves ‘the expropriation of producers from their assets through imperfect markets’. This is similar with Harvey’s accumulation by dispossession while labeling it as primitive accumulation which is ‘the expropriation of producers through extra-economic means. The term 'land grabs' refers that land being seized by force which is considered as accumulation by extra-economic means. In similar way, land acquisitions are only grabs when they take place through extra-economic coercion and ‘capital needs force at any place and time to sustain accumulation'(Hall, 2013:11). But, land markets cannot be considered as land grabbing in the absence of extra-economic means like enclosure and dispossession are not automatically taken as land grabs. Similarly, Borras et.al conceptualized that grabbing of control over land does not ‘always require expulsion and dispossession of people'. Nonetheless, extra-economic means is not the only means of capital accumulation.

In contrast, economic means, like land markets, do not straightforwardly show ‘economic’ relations. Land sales are usually shaped by the powers of regulation and force. Ruling regimes measures tariffs, taxes, rents and wages that cause loss of land. Though transactions seem market-driven, fraud, vague or unwritten contracts and un-kept promises are usual problems observed in land grabs. Therefore, economic and extra-economic distinction may be better seen as a continuum than as a dichotomy (Hall, 2013:11-13).

Capital has the power to penetrate and transform non-capitalist system in to a more commoditized form. PA and ABD indicate that capitalism has an inherent drive to commodify more and more of the life-world. Land is given for capital out of its capacity to utilize (Hall, 2013:13-14).

The challenge in the current land grabs is how the dispossessed and landless people meet their livelihood through a poor wage labor. In classical context, David Moore defined PA as 'the separation of producers engaged in pre-capitalist or subsistence production from the means of production and their subsequent proletarianization'. But, currently capital needs land, but the labor is not then it results expulsion of people from their land (Borras and Franco, 2013:9 & 12). The dispossessed people are assumed as they were 'outside' of capitalism and self-sufficient peasants producing for subsistence. So, the key point is whether the current land grabs creates 'free' and proletarianised laborers. The highly mechanized large-scale mono-crop plantations prefer to save on labor and labor management cost (Borras and Franco, 2013:12). The dispossessed people create a 'surplus population' due to limited job opportunity and capital's strategies of creating labor reserve that suppress wage (Hall, 2013:15). But, the risk is if expelled people have no place to go and no access to jobs that occur often in highly mechanized mono-crop large farms and labor expelling (Borras and Franco, 2013:9-12).

Territories settled by indigenous communities and spaces relatively out of human reach become ideal for enclosure and transform them in to economic centers. ABD is understood as a process in which 'common resources are enclosed and transformed into exclusive places' and 'the enclosure of commons, dispossession of indigenous people and altering the environment.' Though primitive accumulation indicates that capitalism has become global, the analysis that land grabs occur in areas 'outside' of capitalism may mislead the politics of and resistance to land grabbing. Because land leased from one capitalist concern by another cannot be seen as ‘extra-economic’ accumulation and transactions do not always bring anything into it from the ‘outside’ (Hall, 2013:16).

Now land grabbing extends its scope by seizing public assets that are purposely built for public purposes. Further, land deals occur on state-claimed land that is rather claimed by people whose rights are not recognized (Hall, 2013:14 & 17).

2.3.3 State and Land Grabbing

In SSA the convergence of multiple crises, lagging in capitalist transition and slow progress of rural development have led to the support of large-scale investment by African states. African states implement conflicting policies of agricultural modernization and the preservation of family farming (Baglioni and Gibbon, 2013:7). So, land grabbing is initiated by national states and actors.

States involve in a multidimensional areas of land investment. They make a systematic policy and administrative issues targeted at capturing ‘marginal lands’ and convert them into investable commodity. They involve also in the formation of cadastres, land records and titles as a means of simplifying a complex land-based social relations (Scott 1998; cited in (Borras and Franco, 2013:67). Land deals taken as a state-building mechanism where sovereignty and authority are expanded to previously ‘non-state spaces' using coercion and violence to enforce compliance (Borras and Franco, 2013:7).

Moreover, state give substantial incentives to corporate actors in pursuit of political stability, simple predation and rent seeking (Hall, 2013:8). Similarity, the role of states in the current land rush is changed in to a 'broker'(Baglioni and Gibbon, 2013:5, cited in Borras and Franco, 2013). In general, according to Jonathan Fox's argument state performs conflicting activities of facilitating capital accumulation and maintaining a minimum level of political legitimacy simultaneously (Borras and Franco, 2013:7).

2.3.4 Political Ecology

Political ecology as a research field studies the complex interaction between the environment, politics, economics, technology and social traditions (Bryant and Bailey, 1997). As such, it also looks into diverse topics such as environmental conflicts, marginalization, environmental degradation and conservation, environmental identities and social movements (Robbins, 2004). Most important to this thesis, in its study of environmental issues and natural resources, ‘political ecology’ restates the importance of understanding the pre-existing economic and political power relationships among stakeholders (Raleigh, 2010). As such, it grounds the study of natural resources and environmental changes in their wider political and economic contexts (Turner, 2004).

Despite the multiple definitions and understandings of political ecology, Bryant and Bailey (1997) have developed three fundamental assumptions that define its core principles. Firstly, political ecology argues that environmental changes do not affect society in a homogenous manner. In other words, the benefits and costs accompanying environmental changes are not distributed equally among society. Secondly, political ecology maintains that this unequal distribution of costs and benefits associated with environmental changes inevitably either reinforces or reduces the existing economic and social inequalities. In the words of Bryant and Bailey, “any change in environmental conditions must affect the political and economic status quo” (Bryant and Bailey, 1997.28). Finally, political ecology concludes that these uneven distributions of benefits and costs and the reduction or reinforcement of pre-existing disparities carry political implications as a result of the new power relationships (Bryant and Bailey, 1997). All in all, the political ecology framework has been mainly used in this research to collect and analyze data relevant to environmental degradation, environmental conflicts, marginalization and indigenous communities’ right to land.

2.4. Large-Scale Agricultural Investment in Ethiopia

According to MoA, (2011), the government of Ethiopia argued that large scale agriculture expansion is part of the country's strategy and policy to achieve the national food security objective. But, other critics argue that rather than promoting rural development, it neglects the local rights, exploits the natural resources of the host country and impoverishes farmers not bringing about the promised benefits (Theting, et. al 2010; Kachika, 2010; Grain, 2008, cited in Gobena, 2010;4).

The Ethiopian government and international bodies such as the World Bank have presented the commercialization of land and the shift to large scale agriculture as being an essential measure for agricultural modernization and to the improvement of production efficiency which will lead to increased food production and economic growth (World Bank, 2010). According to the World Bank's argument, population growth in the developing countries will lead to increased demand for food products, expanding urbanization, and rising incomes which needs to be met by bringing more land into farming and by improving productivity.

In line with, the World Bank's argument the Ethiopian government also confirms that there is plenty of "unused" land for investors to operate efficiently without posing a threat to the livelihood of smallholders. But facts on the ground show the contrary, as the rights of smallholders to land have been clearly compromised during the implementation process.

For instance, CIRS, 2013 explains that, the acquisition of agricultural land in developing countries like Ethiopia is a poor and risky strategy for the objective of securing food supplies for Gulf cooperative council (GCC) states. This is because such approaches, if not carefully managed and maintained, tend to dispossess, injure, or impoverish local communities, jeopardizing the viability of projects.

Like other SSA countries, Ethiopia is negotiating its productive agricultural lands for long-term leases to foreign investors. There is no doubt that there is a need for foreign direct investment (FDI) in Ethiopia. The concerns are that the land investments are not carried out in a manner that safeguards the environmental, social, and food needs of local populations.

Large-scale Agriculture sector development is of prime concern to the Ethiopia government. Hence, large scale agriculture acquisition included in the new Growth and Transformation Plan (GTP) (2010/11-2014/15) to increase agricultural growth mainly in the low land parts of the country. Low land places are where the altitude is below 1500m above sea level. Generally, a total area of 3.3 million hectares of land is allocated for private investment of large scale farming (MoFED, 2010).

Of this amount certain area of land has already been transferred to investors. Recently the federal government is playing a key role in the allocation of large scale farming to ´´developmental investors´´. Regional governments are also providing lands if the land size is less than 5000 hectares (MoA, 2011). However, land more than 5000 hectare of size is administered by the newly established Agricultural Investment Support Directorate (AISD) within the Ministry of Agriculture (MoA). The directorate will sign lease contracts with investors on behalf of the regional governments. The directorate makes sure their own assessment such as where the land is free from forest, not used by the community and settlement area etc… (MoARD, 2009). Then the directorate signs the contractual agreement with the investor on behalf of the regional governments. The directorate issues a letter to the regional states for demarcation of the proposed land to the investor. Nevertheless, most land deals that are operational in the country were not enforced through in the above mentioned procedures and rules. This process has been criticized by scholars. For example, Tamrat (2010) argues that the current land provision by the federal government is based on ´´shaky base of the constitution´´ as there is no provision in the constitution that provides the upward delegation of mandate given to the regional states. It is not only the question of mandate, but also it does not give enough room to participate the local community and other stakeholders.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This section presents the method used in the study. It began with a discussion of the methodological approach of the study, followed by data sources, study design, details of the data collection tools and process, sampling procedures and study site selection, data analysis methods and description of the study area. Further, it gives an explanation of how the informants of the proposed study were selected, what different instruments were prepared, how the data was collected, and the methods by which the collected information was analyzed.

3.2. Methodological Approach of the Study

In order to achieve its objectives, the researcher used a qualitative method approach. The focus of this study was on participants' perceptions and experiences regarding large-scale agricultural investments and its impacts on the local communities. Thus, this approach was helping the research subjects to be able to describe their experiences and knowledge in their own voices. Therefore, the voices of the study subjects were used to generate data from the field. In so doing, the data emerge from the field was descriptive. That is, data were reported in words (primarily the participant's words rather than in numbers). Hence, it was listening to participants and helped the researcher to build an understanding based on their experiences. Therefore, in this study a combination of different qualitative data collection instruments have been used and data was collected through in-depth interviews, key-informant interviews, focus-group discussions, observations and through documentary review.

3.2.1 Data Sources

In order to achieve the objectives of the study, both primary and secondary sources of information were consulted. The primary sources of information for this study were informants such as traditional community elders, government officials (who have higher positions in land management, investment, administration and development bureau of the *woreda*, and investors and project managers, experts on agricultural extension and rural livelihoods and household heads affected by large-scale agricultural investment projects. To enhance the data from primary sources, available secondary data were referred from different books and literatures dealing with the issues under investigation.

3.2.2 Data Collection Instruments

The following four major data collection tools were employed in order to gather the relevant primary data from the targeted informants.

3.2.2.1 In-depth Interview

In the context of this study, in-depth interviews were used as informal conversations that allowed the researcher to extract rich and detailed information from interviewee(s). In so doing, the researcher had prepared a guide list to remember what he wants to raise during interview. In general, the main purpose of the in-depth interview was to obtain relevant data from sample household heads. For this very purpose the researcher interviewed twenty (20) purposively sampled household heads from the three purposively selected kebeles. Among twenty in-depth interviews, twelve (12) were conducted with sample household heads from the indigenous me'enit community in *Kuja, Biftu and Qutir Amist* kebeles and the rest eight (8) in-depth interviews were conducted with sample household heads from the ressetler communities in *Biftu* and *Kuja* kebeles. Throughout in-depth interviews, the researcher gathered detail information about the role of local communities in the process of large-scale agricultural investments, the major livelihood activities and their economic, social and cultural contributions to local communities, effects of large-scale agricultural investments on the major livelihood activities and socio-economic and cultural implications to local communities. In-depth interviews were also important to gather essential information about the effects of large-scale agricultural investments on the relationships among local communities, government and investors.

3.2.2.2 Key-Informants Interview

This method was quite important whereby the well informed informants provide the researcher with rich and detailed information on the subject of inquiry. Key-informants are persons who have unique knowledge about the issue under study, and have access to other information of interest to the researcher (Kaufman 2005). In the context of this study, key-informants were traditional community elders, agricultural extension workers and experts, government officials and private farm managers and investors. Thus, this method helped to generate valuable information on the role of local communities in the process of large-scale agricultural investments, the major livelihood activities and their social, economic and cultural contributions to local communities, effects on the major livelihood activities and their socio-economic and cultural implications to local communities, and effects on the nature of the relationship among local communities, government and investors. Furthermore, for the purpose of collecting this information, interview guides were designed and employed to track the interview session.

Totally, nine (9) key informants were contacted. The three informants were influential community elders (two were from the *Me'eni*t community and one was from ressetler communities). In addition, three key-informant interviews were conducted with local government officials and two interviews with private investor and farm manager at SEKA Agro-processing company and ORAL Agro-processing company respectively. and one key-interview was conducted with an expert on rural livelihood and agricultural extension in the woreda. Except the interview with the community elders, the other six interviews were conducted in the office of the informants and each took 40 to 45 minutes. The interview with community elders was conducted in their own home and took 40 minutes each.

3.2.2.3 Focused-Group Discussions (FGDs)

Focus-Group Discussions were employed to generate qualitative data to supplement data obtained through in-depth and key-informant interviews. Accordingly, FGDs were conducted to generate additional information concerning the role of local communities in the process of large-scale agricultural investments, major local livelihood activities and their socio-economic and cultural contributions to local communities, effects of large-scale agricultural investments on the major local livelihood activities and their socio-economic and cultural implications to local communities and effects on the relationships among local communities, government and investors.

Thoroughly, three FGDs were conducted. The first two FGD were conducted with household heads selected from *me'enit* communities in *Biftu and Qutir Amist* kebeles. One FGD was conducted with household heads selected from ressetler communities at *Kuja* kebele. Participants were selected purposively, depending on their interest to participate in the discussions. Each of the FGDs took more than an hour. The discussions were held in the local languages (i.e. *Me'nit and Amharic*) and were facilitated by the researcher himself. the researcher was with a translator while conducting the FGD with the *Me'nit* language speakers.

3.2.2.4 Observation

This method is one of the widely held ethnographic techniques employed in order to gain the deepest insight about local realities. In more comprehensive terms, observation involves “direct and sustained social contact with agents, and of richly writing up the encounter, respecting, recording, representing at least partly in its own terms, the irreducibility of human experience” (Willis and Trondman 2000 cited in Prowse 2010). It was then very vital in this study, so as to observe the environmental situation including farm lands, forested areas, water bodies and grazing land.

3.2.2.5 Documentary Review

In order to achieve the objectives of the study via generating data, triangulation of data sources is necessary. Accordingly, both primary and secondary sources of information have been consulted. In order to enhance the data from primary sources, available secondary data was scanned from different books, thesis, dissertations and journals dealing with the issue under investigation.

3.2.3 Sampling Procedures and Study Site Selection

Snowball sampling uses qualitative thinking to approach the meanings and social relationships of those being studied (Gilgun and Handel 1992: 24). It is often used as a stand-alone qualitative technique, especially investigating topics of high sensitivity (Abbott-Chapman 1973). Likewise, in this study, purposive sampling particularly snowball-sampling technique was employed to approach study participants in the study area. Accordingly, informants were selected by using purposive sampling particularly snowball-sampling technique by which a first key informant was identified through informal conversations with other informant in the study area. Then, the informants were asked to indicate potential informants and were invited to suggest for other potential informants. This process was kept continuing until the necessary data for the study is collected.

Among twenty-two (22) kebeles within the woreda, three kebeles*; Biftu*, *Kuja* and *Qutir Amist* are purposively selected by the researcher as a study site. The kebeles are selected for their larger share of land transferred to investors in the woreda.

3.2.4 Methods of Data Analysis

Data analysis in the study pursued thematic approach. Thus, the qualitative data generated from the in-depth interviews, key-informant interviews and focus group discussions was analyzed through careful interpretation of meanings and contents; and through organizing, and summarizing in accordance with the issue under investigation. Hence, all the data that was collected using local language- *Me'nit and Amharic* was directly translated into English by the researcher. In so doing, an attempt was also made to maintain the originality and clarity of information while translating it into English. In line with this, the researcher was made descriptive presentation of the data in a reflexive and narrative manner whilst keeping its original content. Furthermore, the analysis supported the data with secondary sources.

Box.1. Summary of Methods and Instruments Used

Specific Objectives	**Unit of Analysis**	**Observation Unit**	**Methods of Data Collection**
To examine role of local communities in the process of large-scale agricultural process.	Local trends in land selection deal and transfer. . Community participation and level of local communities' bargaining power.	Community elders. Sample Household heads. Government officials. Investors and farm managers.	In-depth Interview Key-Informant Interview Focus-group discussion
To examine effects on the major livelihood activities and socio-economic and cultural implications to local communities .	Impact on local productions; cultivation, forest products, livestock… Impacts on spiritual and cultural practices. Effects on access to land and associated resources	Traditional community elders Investors and farm managers. Sample Household heads.	Key-Informant Interview In-depth Interview Focus-group Discussion (FGD) Observation

To investigate effects on the nature of relationships among local community, government and investors.	The nature of relationships between local communities, government and investors. Factors of conflict between local community, government and investors. Government's mechanism and commitment in solving conflicts among local communities and investors.	Government officials Investors and farm managers Local community elders Sample household heads	Key-informant interview In-depth interview Focus-group discussion

3.3. Field Experiences and Challenges

Since the research involved the willingness of local communities, local government officials as well as community elders, the targeted persons to be interviewed avoided the researcher for political reasons. To mention, for instance, the staff in the targeted local government offices even in face of the authorized letter I provided to them sometimes refused to cooperate, referring the researcher to somebody else from other offices. They further gave wrong time just to avoid the researcher and this delayed the process of data collection. Eventually, the researcher sought means of overcoming the challenges posed by the informants. Among the strategies used, the researcher made use of rapport; this involved building trust and confidence in the key-informant by assuring the interviewee that the research was meant for academic purpose. In due process the researcher obtained permissions from the targeted groups.

3.4. Description of the Study Area

In this section description of *Gura-ferda* woreda is given. This section is about presenting and describing the data for background of the study area providing essential data pertinent to the research objectives.

3.4.1 Gura-Ferda Woreda

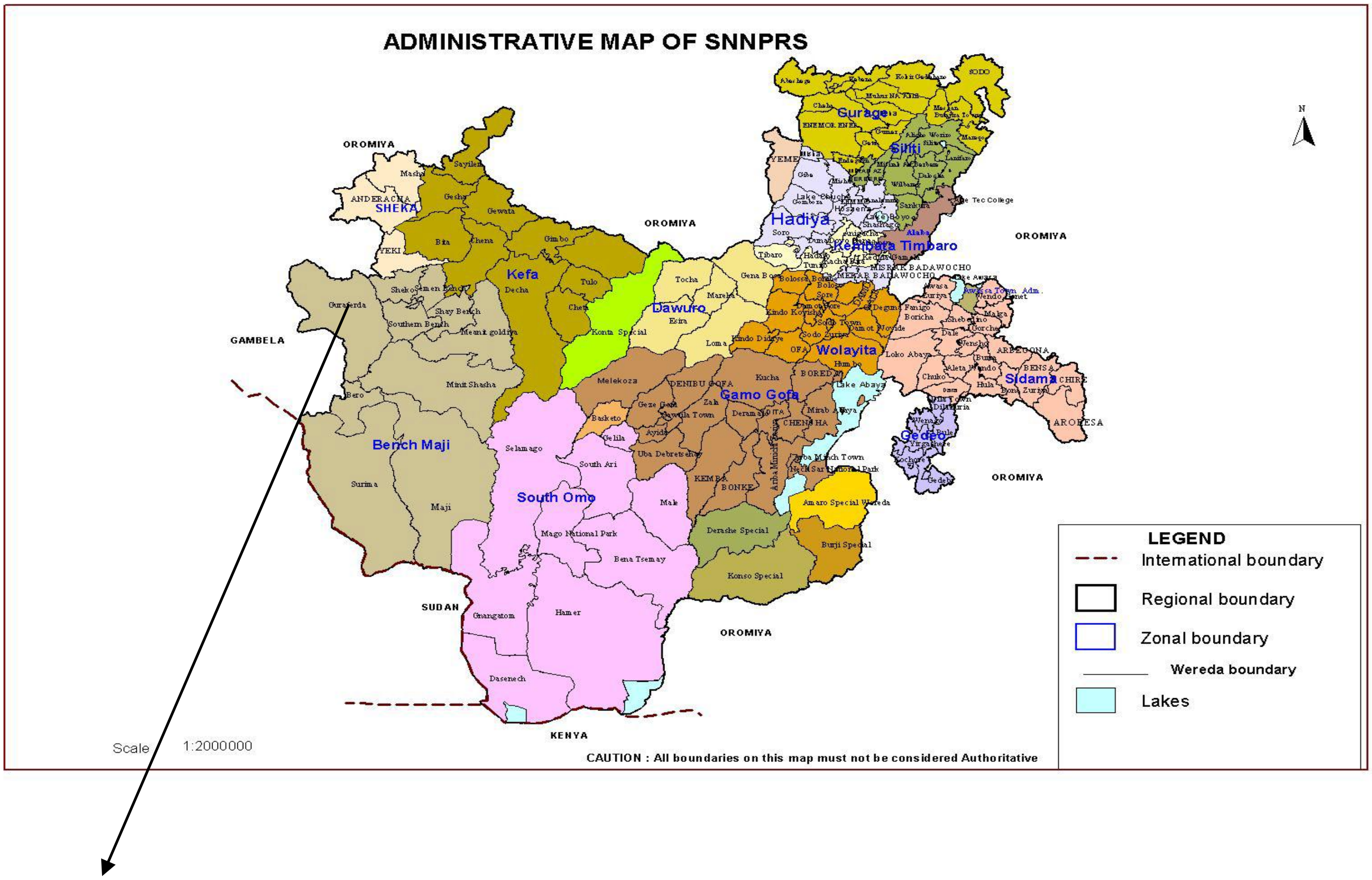
Gura-farda is one of the ten Woredas in Bench-Maji Zone. In this section an attempt was made to highlight the woreda's location, agro-ecological characteristic, Population and related issues. The description here under is to give a glimpse of the area where many large-scale agricultural investors have arrived.

3.4.1.1 Location, Population and Ethnic Composition

Gura-farda is located in the southwest part of Bench-Maji Administrative Zone and the country as well. The woreda is located 602 Km southwest of Addis Ababa and 42 Km from *Mizan Teferi* (the principal town of the zone) in South Nation Nationalities and Peoples Regional state (SNNPR).

Geographically, it is positioned between 6049'33"- 6058'06" N latitude and 35007'03"-35025'02" E longitude (Belay 2009:33). It is bordered by *Sheko* Woreda in the north, *Me'enit Shasha* Woreda in the south, South Bench Woreda in the west, Surma Woreda in the southwest and the Gambella region in the northwest. For this reason, the woreda has had fluctuating population figures. According to the 2007 census of the country it was 35,678 (CSA, 2008). However, as of the survey conducted by the Woreda Health Bureau, it reached 47,000. This is because of the steady influx of internal migrant population to the Woreda.

Box.2. Map of the Study Area



Gura-Ferda

Since 2001, people from around North Shoa, *Gondar* and *Wollo* came in to the area seeking for farmland. As a result, it became home for a multitude and diverse population. In addition to the spontaneous resettlers who replaced the 1980s state-organized scheme, the government identified the Woreda as one of the places to resettle 1758 household in five years' time since 2003 (The Woreda Rural Development and Food Security Office:2010).

Before the 1980s resettlement of the Derg, the Woreda comprises only three ethnic groups namely *Majangir*, *Shako* and *Me'enit*. Each ethnic group settled in the direction through which they could get connected into their people who live numerously in the neighboring Woredas.

Accordingly, the *Me'enits* resides around the northeastern part of the Woreda ranging from Biftu (the capital) to Kuja (Megen'teya). On the northwestern portion alongside the *Shako*Woreda, *Shakos* inhabit. At the side of the south on the boundaries of Gambella the *Majangir* inhabitants occupy. This pattern, can be assumed, has enabled them to peacefully coexist in accessing the natural resources in their own territory. However, now, the resettlement and large-scale agricultural investments has already altered the pattern of the local population settlement design and their livelihood strategies. Now, the woreda became the place of multiple ethnic and linguistic groups. Therefore, the Woreda is home for Amhara, Sidama, Wolayta, Kambata, Guragie, Hadiya, Bench, Gedeo, few Oromo and others.

3.4.1.2 Agro-Ecology and Economy of the Woreda

Agro-climatic zones of *Gura-ferda* are low land (Moist *Qolla*) and medium (*Woynadaga*), which constitute 78.25% and 21.75% respectively. The altitude ranges from 700 to 1995m. The annual rainfall varies from 1601-2000mm.The mean is about 1332mm. The mean annual minimum and maximum temperature of the area ranges between 20^{o}C and 29^{o}C, respectively (Belay, 2009:35). The main rainy season, *Mahar*, is considered as important for rain-fed cropping. Although the precipitation of the *Balg* is smaller than that of *Mahar*, it is adequate to grow crops.

Like the economy of the Zone, *Gura-ferda* is predominantly plough-based agriculture dominantly of cash crops, like coffee sesame and rice. The first three major products of the woreda are coffee, rice and sorghum. The type of sorghum named as *Gobi* which is being used for baking *Injera* (the traditional Ethiopian bread) is widely produced next to rice. Among the annual crops rice covers the bulk of production. Perennial cash crops; such as coffee and fruits were being intensified in the woreda.

Gura-farda becomes one of the surplus crop producers in the region. Besides crop production, the farmers of the woreda raise livestock for their farm and for their milk consumption.

Since the resettlement, as a coping strategy to the new culture and subsistence system, some *Me'enits* are used to harness oxen to plough their plot. Formerly they were slash and burn shifting cultivators using stick locally called *"Shonqla"* as a plowing tool. In *Me'enit* culture, harnessing animal labour for farming was considered to be an abomination against animal. Usually peasants of the woreda use the household labour to cultivate their plots. Sometimes the resettlers and the local *Me'enit* people use *dabo* (festive work group) and *wanfal* (reciprocal work group) for sowing, weeding and harvesting.

There are two weekly markets on Sunday and Saturday in *Biftu* and *Kuja*, respectively. *Kuja* (Megen'teya), is recently established town following the 2001/2 spontaneous resettlement. Being center for the farmers from different directions, it becomes the biggest market place in the woreda. For this reason, the town is piled with services like hotels, cafés, shops and bars. It became service center to the resettlers and people in the large-scale agricultural investment sites around the town.

The woreda has unfit all-weather road which has never been repaired for years. The road was constructed by UNHCR to access the South Sudan refugees resettled in *Dima* refugee camp which is about 90 Km from *Mizan-Teferi*. The road connects the woreda capital, *Biftu*, with the zone capital-MizanTeferi, and now, it is under construction to make it all-weather road. In addition to this main road, there are dry-weather roads to the large-scale agricultural investment sites. Of these the one which runs from Biftu to Bibita from Berji junction to Bibita (the former capital of the woreda) passing through *Quttir and*, *Quttir Sost*, *Qu'ttir Amist* and reaches. The second track runs from Kuja to the west through *Komata*, *Kuki* and *Samartha* leads to Bibita again. These two roads hardly serve for tracks like ISUZU only during the dry season with the assistance of people. Regardless of the devastated infrastructure, the woreda become known for its booming economy not only because of the smallholders' farm but also being site for many large-scale agricultural investors planting different perennial and annual crops. It is also a path way to gold mining places in neighboring woredas and South Sudan.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter brings us to the systematic presentations and analysis of data gathered from the field. In doing so, the chapter has utilized different items and inputs; these are voices of the interviewee, FGD participants and key informants, and relevant scholarly works relating to the issues under study. The chapter begins by providing a general discussion on the ethnic composition, traditional, socio- economic and cultural characteristics of the local communities; the sex composition and community statues of sample informants and FGD participants. And then, moves on to present the data about the role of the local communities in the process of the large-scale agricultural investments, and proceeds to discuss on the major livelihood activities and their socio-economic and cultural contributions to local communities, effects of large-scale agricultural investments on the major livelihood activities and socio-economic and cultural implications to local communities. Finally, the data relevant to effects of large-scale agricultural investments on the nature of relationships among local communities, government and investors are discussed.

4.2. The Condition of Large-Scale Agricultural Investment in Gura-Ferda and Investors' Profile

Large-scale agricultural investments and the allocation of farm land to investors in Gura-ferda have been going since 1999. At the beginning, those requesting farm land were predominantly local investors and the land granted was mostly small in size. The emergence of foreign agricultural investors is a recent phenomenon. By the end of 2008, there were around 4 foreign investors in the woreda, two of them on their own and two in joint ventures with domestic investors. Foreign investors are given much bigger land in size, according to government officials, as they are better endowed in capital and technology and are more likely to be successful of their operations.

The types of large-scale agricultural investments taking place in Gura-ferda are two kinds. The first consist of those who are growing food crops, with the main food crops being, rice and maize. The second ones are more engaged in cash crops and fruit production like, coffee, mango. But there is no strict division between the two, as there are some engaged in both types of farming. Among the individual large-scale agricultural investment company with multiple interests and varied investments, Bebeka Coffee Estate is the largest, controlling extensive agricultural land in *Biftu* kebele, one of the three kebeles included under this study. The majority of large-scale agricultural investors are located in the three kebeles namely, Biftu, Kuja and Qutir Amist those are the the three sample kebeles particularly for the purpose of this study.

Box.3. Partial list of large-scale agricultural investors in Gura-ferda

Investor	**Domestic/ Foreign**	**Land size per Hectare**	**Type**	**Location**
Abraham Zerefegn	Domestic	500	Crop production	Qutir Amist
Abdu Suleman	Domestic	750	Crop production	Biftu
Ras- Dashen Agro-industry	Domestic	750	Coffee and spices	Biftu
Asasahegn Tamiru	Domestic	400	Coffee and honey	Gellit
Bebeka coffee Estate	Domestic	14000	Coffee and spices	Biftu
Birhan Plc	Domestic	810	Coffee and spices	Ajomta
Betrework Alemu	Domestic	527	Coffee and spices	Biftu
Dawit Tadesse	domestic	500	Crop	Kuja
Efrata Mechanized-Agriculture	Jointly	1275	coffee and spices	Kuja

Gashaw Kinfe	Domestic	618	Coffee and spices	Qutir Amist
Goma-Zaaf	Domestic	2723	Rubber plantation	Qutir Amist
Gezahign Adege	Domestic	547	Coffee and spices	Ajomta
Kemal Musa	Domestic	553	Coffee and spices	Mala
Legu trading Plc	jointly	1079	Coffee and spices	Kuja
Moges Yimer	Domestic	622	Coffee and spices	Ajomta
Oral Agro-Processing	Foreign	4077	Crop production	Kuja
Seka Agro-Industry	Foreign	2714	Mango production	Kuja
Sintayehu Tesfaye	Domestic	991	Coffee and spices	Ajomta
Wubitu Abeje	Domestic	2241	Coffee and spices	Qutir Amist

(Source: Gura-ferda investment office)

According to the above table and some other approximated data, in Gura-ferda, above 25, 760 hectares of land transferred to private and domestic large-scale agricultural investors for varieties of agricultural investment projects. Investors are involved into crop production, coffee and spices, rubber and mango production and processing. Investors those are involved in coffee and spices production share around 68% of the large-scale agricultural investors in the woreda, and the rest are involved in food crop, rubber and mango productions.

Among the large-scale agricultural investors in the woreda, two of them are foreign investors. Two large-scale agricultural investment companies are established jointly by domestic and foreign investors, and the rest are established domestically by Ethiopian investors. Among the large-scale agricultural investors in the woreda, companies those are established by foriegn and jointly with domestic investors received more hectares of agricultural lands than domestic investors. This was due to that foreign agricultural investors were with larger capital (both financial and material) capital than the domestic ones.

4.3. Socio-Economic and Cultural Characteristics of the Community

This sub-section of the chapter presents the socio-economic and cultural characteristics of the local communities in the study area. Doing so is very important for it makes also clear the socio-economic and cultural characteristics of participants of the study which in turn adds to our understanding of the socio-economic and cultural similarity and difference of the study participants under consideration.

Based on their socio-economic and cultural characteristics, the local communities in the study area can be classified into two groups i.e. the *Me'enits* and ressetlers. The three studied kebeles are occupied by the indigenous Me'enits and ressetlers. The larger proportions of the customary lands transferred to investors have been under the control of the Me'enit community. Only some parts of cultivable lands belong to ressetler households. Likewise, the difference in their socio-economic and cultural background, the local communities are heterogeneous in terms of their land use patterns and livelihood activities. Within the three targeted kebeles, two diverse communities are found, Me'enits (the one among the three indigenous communities of the woreda), and ressetlers who came from other areas of the country in different times. However, they share similar agro-ecological environment, there is observable socio-economic and cultural difference among the two communities.

4.3.1 The Indigenous Me'enit Community

The indigenous *Me'enit* communities are distinguished from other ressetlers by their living conditions, prolonged isolation from other cultures, their distinctive material and spiritual culture in addition to other traits. One important feature shared by this group is deeper and overall reliance on customary and traditional arrangements to govern some social, economic, political, and cultural as well as land and land based resources. Me’enits, according to

Awoke (2007), is agro-pastoralists, but Me'enits in Gura-*farda* woreda are different in their livelihood from the same ethnic group in *Me'enit Goldiya* and *Me'enit Shasha*. Me'enits living in other woredas are agro-pastoralists whereas, Me'enit in the research woreda, like the neighbouring Shako and Majangir ethnic groups, are agro-foresters with little involvement in livestock raising. The forest for the Me'enits is not only the natural resource that others think about but everything necessary in which their living is obtained from. Customary based and non-market land tenure arrangements are dominant in the lowland areas where much of the current land investments focused (Oakland institute, 2011). The same is true for the case of local communities in the study area, especially to the *Me'enit* community. For *Me'enits* land is communal, and customary land holding tenure is the only system of governing land and land based resources before the arrival of large-scale agricultural investment projects. Among other things, the social organization of Me'enit community is based on a kin-ordered mode of production. Land in Me'enit, is held by exogamous patrilineal descent groups or clans called *du'uts* literally mean seed. The main purpose of the descent group sections is to gather as many people in the homestead as possible through multiple marriage and many children. Customary land is land falling under the jurisdiction of a recognized traditional authority which has been granted to a person under customary law (Bosworth, 1998). Accordingly, in the me'nit such land has been allocated to the clan, family or person by the traditional leaders holding a jurisdiction over the land. Previously, before the arrival of large-scale agricultural investors and occupied large size of customary land, the land has been allocated to the family or lineage under the customary tenure. The land was already perceived as the property of the family in perpetuity.

The economy of the *Me'enit* community is predominantly based on perennial and cash crops, like sorghum, coffee, sesame, honey production and fruits such as mango, avocado and banana. The first three major products of the community are coffee, fruits and sorghum. The type of sorghum named as *Gobi* which is being used for baking *Injera* (the traditional Ethiopian bread) is widely produced. Cash crops; such as coffee and fruits are being intensified in the *Me'enit* community.

Since the resettlement, as a coping strategy to the new culture and subsistence system, some households from *Me'enits* community used to harness oxen to plough their plot. After population resettlement from different areas of the country, *Gura-farda* becomes one of the surplus crop producers in the region. Besides crop production, the farmers of the woreda raise livestock for their farm and for their milk consumption.

4.3.2 The Ressetler Communities

In addition to the indigenous Me'enit communities, the three sample *kebeles* are place of the ressetlers. However, they are in the same geographical and agro-ecological environment, resssetlers are different from the Me'enits in terms of their settlement, livelihood strategies, social and cultural arrangements. Contrasting to the indigenous Me'enit communities, the ressetlers primarily relied on crop production such as, rise and maize. In the case of ressetlers, land is for the household with a limited size. Each household owned the land prepared by the household labour. The land occupied by ressetler household was a forest which has been communally owned by the indigenous Me'enit community.

The ressetler households have been using the land to cultivate crops such as rice, maize and sorghum. In addition to crop cultivation, their access to larger size of land allowed the local households to engage in diversified agricultural activities, such as, cultivation of fruits and livestock raising. Engaging in diversified agricultural activities, have played a significant role in ensuring food and income security of the local smallholding ressetler households. Indeed, diversified livelihood and income sources are practically the norm among ressetler households, and diversification is often a key aspect of households' strategies to reduce and manage risks of failure in any single income source. The resettler households have managed to reach the stage of social re-articulation before they are forced to leave their farm lands. They began to produce surplus and diversify their income sources. The resettler households have firmly established their prestige to be called as 'hard working ' and prosperous. Since, the aforementioned categorization of the local communities was based on their socio-economic and cultural characteristics, it has treated throughout the study to indicate the issues under study distinctly.

4.4. The Role of Local Communities in the Process of Large-Scale Agricultural Investments

This sub-section of the chapter is dedicated to reflect the voice of informants about the process of large-scale agricultural investments and the role of the local communities. Discussion is based on empirical information gathered from the sample informants. Throughout, the discussion issues regarding the working trends, and existing contradictions to local realities, and the issue of community participation and consultation are addressed.

4.4.1 Implementation of Large-Scale Agricultural Investment: Local Trends and Contradictions

The process large-scale agricultural investment in Ethiopia is constantly evolving. Investments involve different government actors. The FDRE Constitution provides regional governments with the mandate for rural land administration. Consequently, these regional governments have negotiated the bulk of land investments, and continue to do so today, however, in January 2009; Proclamation 29/2001 changed the process (Oakland Institute, 2011). The Agricultural Investment Support Directorate (AISD) was established under the federal Ministry of Agriculture and Rural Development (MoARD), responsible for identifying potential land for investment, receiving this land from all regions and transferring it to investors. It also monitors activities of the investors and provides them with both technical and administrative support. While AISD is now responsible for all domestic and foreign agricultural land investments over 5,000 hectares, all investments under 5,000 ha are still the mandate of the regional governments. Due to, the shift in the way lands allocated to agricultural investors several problems including inconsistency, lack of central planning, concerns over corruption, and lack of public coordination, participation and consultancy have been observed in the process of land deals at the national, regional, zonal and even woreda level.

For instance, in the case of *Gura-ferda* woreda, the land selection and deal process begins with the regional government who carry out socio-economic assessments on candidate lands. Based on these assessments the federal and regional governments evaluate lands' appropriateness for agricultural investment. In the process of large-scale agricultural investments, the role of the woreda administration offices is only to identify and make sure the availability and size of potentially suitable land to agricultural investors. An informant who is a government official at the woreda, has outlined some basic criteria that have to be taken into consideration while selecting land to agricultural investors, such as soil suitability, water availability, and lack of human settlement. Land was given out if it, had suitable soil and water conditions for agriculture, was free of settlement, and was not densely forested, tourist areas, protected areas of any kind, reserved forest, or where there were existing farms, however, the criterion of "lack of human settlement" is clearly arbitrary. In the case of Gura-Ferda, the lands that had been identified and transferred to large-scale agricultural investors have been contained numerous small settlements of Me'enits and some other resettled communities, ranging from a few scattered households to villages. These large parcels of lands are marketed as being suitable for a variety of agricultural investment purposes.

Land uses such as pastoralist use, shifting cultivation, grazing, and other communal uses vital for local livelihoods, had never been mentioned as point of reference in the process of selecting land to investors. Here, the data tells us, in the process of selection and deal of rural land for large-scale agricultural investment, the government is highly concerned on protecting the tourist sites, existing large-scale private and government farms, instead of shifting cultivation, grazing, forests and other customary land uses fundamental to livelihood security of the local communities. However, the local smallholder inhabitants have been highly influenced by the alteration on the social, cultural, economic and physical environment resulted from the large-scale agricultural investments, they had received less attention in the process of large-scale agricultural investment and its implementation.

According to, my informant who is from the woreda's investment office, in the case of *Gura-ferda*, all of the lands allocated to investors have been considered as empty and vacant land. The reason is that, no group or household is with legal and officially recognized use and ownership title. According to the manual for the process of land selection and deal, legal and officially recognized use and ownership title is the standard to identify that whether the land is vacant or owned by a group or household. In these circumstances, the land considered as "empty" or "vacant" will be sold or leased to agricultural investors without taking into account their socio-economic and cultural significance to the local communities. However, living of local community was thoroughly relying on the land and forest areas allocated to investors; they are marginalized in the process of large-scale agricultural investment and its implementation. The reason behind government's limited attention to the local community in the process of land selection and transfer was due to absence of legal ownership and use title with the hands of households. An informant who is an official and responsible to grant large-scale agricultural investments explains the situation as follows:

> *In the case of our woreda, the transferred land and forest has been considered as no mans and vacant land. Actually, it is obvious that the presence of households on the land and in forest areas. But, our working manual does not give a legal recognition to the local inhabitants due to the absence of a legal and official ownership and use title with them. However, much land is used by local communities for livestock grazing, seasonal or shifting cultivation, subsistence hunting and for harvesting forest products, we are not concerned with these local and small scale utilization of the land, because, we are guided by the legal principles forwarded from the regional government. While we select and transfer the potential land to agricultural investors, we are expected to ensure that the investment is not against tourist sites, previously established private and government large-scale farms, legal and officially recognized settlements and reserved forests and parks.*

The above statement discloses that, getting legal land use and ownership title is an opportunity for local community to secure and protect their ownership and use rights of land and resources on land. In the case of *Gura-ferda* woreda, local communities would be illegible to take part in the process of large-scale agricultural investments, only if, they are certified and settled in a legal and officially recognized manner. The above statement witnessed that the guiding principles adopted by the government to grant large-scale agricultural investments contradicts with the local land tenure arrangements in the local communities. The fact on the ground is that, Customary based and non-market land tenure arrangements are dominant in the studied areas where much of the large-scale agricultural investments focused. Much of the land was governed through customary based tenure arrangements. A form of communal land use is quite common among the rural communities of *Gura-ferda* woreda, mainly among the *Me'enit* community, those are tremendously affected by the large-scale agricultural investment projects.

According to, an informant, who is a respected *Me'enits'* community elder, the issue of land ownership and use title is too recent and external to their mainstream culture, social arrangements and land use patterns. He elaborated the issue as:

> *I myself and my community members are quite strangers to the issue of land ownership certificate. We have been using our land and resources on land communally since, from our ancestors. We have some customary laws to regulate use rights of land and resources on land. We never been experienced any certification to regulate land use rights among members. But, now a day, the situation has changed. We have been evicted from much of our land that we were using it for grazing, shifting cultivation of crops and fruits, forest productions and bee keeping, because of that we are not certified from any government authorities.*

As it has said in the above statement, much of their land was a customary land and land was falling under the jurisdiction of a recognized traditional authority which has been granted to a person under customary law. So as to an informant, such land has been allocated to the person, resident or migrant by the traditional leaders holding a jurisdiction over the land. Previously, before the arrival of investors, the land has been allocated to the family or lineage under the customary tenure without any certification. The land was already perceived as the property of the family in perpetuity. According to the same informant, customary land tenure involves some claim to ancestral lands and hereditary rights.

In the case of *Gura-ferda*, there are variations of land ownership and use rights among the ressetlers and the me'enits. Among the *me'enits* and some other ethnic groups indigenous to the area, customary based land tenure system is dominant. For Me'enit community, in addition to arable land, there are rights to shared resources, or "commons" which are used for grazing, hunting and other forest productions, spiritual purposes, and other resource uses. Typically, these are managed through customary arrangements before the arrival of private agricultural investors to the area. The mode of access and sharing of use, as well as the use of these areas by other groups, such as migrants are often governed by informal, but well understood, rules. State involvement in these processes was very minimal and the systems of communal land ownership provide an informal local order that guarantees many villagers' basic rights to use the land and related resources.

Unfortunately, in the studied areas, majority of the land and associated resources governed through customary and traditional laws, however, the legal land certificate is a key criterion to consider the local communities as owners of the land and land based resources. Similarly, the study conducted by Cotula, et.al in 2009 in Ethiopia and four African nations reported that farmers who were cultivating land in customary way are losing as their governments do not give recognition for this type of land tenure arrangement. The government awarded concession with little regard for those who have occupied or used such land. This legal distinction effectively eliminated the traditional land rights of indigenous me'enit and ressetler communities who occupied these lands, possibly for generations. The finding tells us that government officials and investors interpret the law in ways that deny customary arrangements; this in turn facilitated the transfer of lands to outsiders without compensation. The ambiguous legal status of inhabitants on such land makes them vulnerable to displacements when the government and investors decide to convert the land and forest areas from customary to private plantation management by investors, something often done without proper consultation.

4.4.2 Local Communities' Role in the Process of Large-Scale Agricultural Investments

Based on international standards, respect for the rights of communities and of their authority to make decisions grounded on those rights are encapsulated in, among others, the principle of free, prior and informed consent. This principle is enshrined in international human rights law and upheld in the FAO Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests. It has been also adopted by the African Commission on Human and People's Rights as a standard for protecting community rights to land and natural resources. The Consultative Council is an elective body consisting of representatives from civil society, private sector and the local community, whose role is primarily to serve as conduit between communities and local governments, including by raising awareness of national laws and ensuring participation by community members in the elaboration of the local strategic plans (Orgut Consulting, 2012). It is therefore, critical to evaluate the legal framework and state action respecting community participation in the process of large-scale agricultural investments in the study area in accordance with this principle.

Participating and consultation with the local respective communities in the process of large-scale agricultural investment and its implementation is vital for the purpose of confirming that the area is free and had no occupants. Each land acquisition project involves multiple parties, on both sides of the agreement. It is a multi-stakeholder process led by the government, and in which investors are required to fulfill certain requirements and local communities' inputs are elicited. Local communities' inputs are elicited twice, first during land identification and second, during community consultation. Land identification is led by local administrative authorities with help from local communities. Community consultations consist of the approval process on the part of the affected local communities. Relevant to this sub-section of the chapter is concerned on describing the situation of community participation and consultation in the process of large-scale agricultural investments with respect to the level of rights, awareness and capacity of local communities to exercise their rights.

In the studied areas, there is lack of real and meaningful participation by local communities in land deals in particular and large-scale agricultural investment processes in general. As it is told by a key-informant, who is a government official who is responsible to grant land to large-scale agricultural investments, the majority of the land transferred to investors considered as being vacant and free from any population settlements, however, there are communities rely on it. The reason was that the local inhabitants were not with ownership and use title that was the only accepted way of holding land and associated resources in the legal land holding framework. In this case, based on the working manual to manage and administer rural land and resources, the government was not expected to make discussions with the illegally settled communities in the process of large-scale agricultural investments. The informant explained the situation as follows:

> *In the case of all previously transferred lands to agricultural investors, it has been considered as vacant land, even though, there have been settled communities on it. The reason behind to consider the land as vacant was that the communities were not with any ownership and use certificates and they have been seen as illegal settlers. So as to our working manual, since the land is identified as vacant and free from any legal human settlements, we were not expected to make any discussion and consultation with illegally settled communities, especially while we are identifying suitable land to agricultural investment purposes. In some cases, consultation sessions were held with some community members in Kuja (Megenteya) and Biftu kebeles just to make the land free from any population settlements. The primary focus of the consultation and discussions were that to avoid any potential conflicts between the local communities and investors and to ensure conducive environment to investors.*

As the above statement indicates us, the government institutions and officials those are responsible in granting the large-scale agricultural investments, were not expected to make any discussions and participate the local communities in the process of large-scale agricultural investment and its implementation. The local communities had received lesser attention from the government and investors in the process. The reason behind was that the settlement of the local communities on the identified land was seen as illegal and lacks legal grounds in the eyes of government officials. It was also indicated in conducted interviews and discussions that in most cases, as part of land transferring process, some meetings have been conducted to consult with the local communities how to transfer the already allocated land to investors. The focus of these meetings were just to inform and convince the local communities about the establishment of agricultural investment projects on the land previously owned by them. However, the local communities are strangers to the agricultural investment projects and consequential displacements, it was a "done deal" issued between the government and investors. The major and only stakeholders in the overall process were the government and investors. The local communities were not eligible and allowed to take part and exercise their customary rights in the process of land deals in particular and implementations of the large-scale agricultural investments in general.

There is an assumption that the land application will go through, and the objective merely is to agree on the terms, not to see if the community will agree or not to the project (Tanner & Baleira, 2006). Likewise, according to the findings of this study, the general emphasis in consultations was on the potential benefits of the investment projects, particularly job creation and community infrastructure (schools, or health centers), while concerns about potential negative impacts on local livelihoods, well-being, and the environment tend to be downplayed. There are cases as well where government agents receive specific instructions from higher ups to fast track the approval process in favor of a particular project or investor. Therefore, however it is recognized by the local authorities that the long existence of human settlements on the so called "vacant" and identified land to large-scale agricultural investments, the instruction and the overall manual is from the higher authorities. The tendency of government agents to treat land not currently settled, farmed or used for livestock as free and unoccupied. This makes common areas and off-farm assets susceptible to be allocated to large-scale agricultural investors. The land allocation process and the overall manual do not start necessarily from the Woreda level and rather it had commenced directly from the Zonal and Regional offices. For some large-scale agricultural investments, local government officials had heard about the land deal and allocation from higher government authorities. This indicates that the consultation process with the community started after the agreement had reached between the government and investors. In some cases, even the Woreda's concerned authorities like Environmental Protection and Rural Land Administration Office, Office of Agriculture and Investment Desk did not participate in the land acquisition process from the beginning. To allow more fair process, all stakeholders need to participate in the consultation process in all stage of large-scale agricultural investments. Usually the rooms to participate the local communities in the consultation process help to increases commitments to agreement made between the investor, the community and the government.

4.4.2.1 Local Communities' Level of Bargaining Power

Local communities, for their part, are barely in a position to assert their rights or deal on an equal footing with the government and investors. To begin with, low levels of literacy in rural areas mean that people have very weak understanding of their rights under the law and how to assert them effectively. They are also generally unaware of the real value and extent of the resources they own, and the socio-economic, cultural and environmental impacts of the investment project. (Tanner and Baleira, 2006).

In the case of the study area, the level of local communities' bargaining power throughout the consultation sessions was minimal. For instance, in *Kuja* (Megenteya) kebele, there was a case that the community ceded some 2500 hectares to an investor, under great pressure from the local government. The investor occupied and fenced the land, but nothing is invested on the allocated land for the last three years, and the community is now banned to get access to the land and land based resources. The project was established very nearly to the residential and grazing areas and local communities were told by the local government agents and even by the investor that the investment project is very important and promising to the local livelihoods in terms of employment creation and some other social provisions.

Given their poverty, a powerful incentive for local communities is the promise of employment opportunities and other socio-economic provisions from the project. In most consultations, the “carrot of jobs is quickly waved in front of local people” at the start of meetings, many times with the desired effect (Tanner & Baleira, 2006). But, the finding indicates that, firstly, most jobs are just promises, and secondly, most jobs available to locals are very low level and are not secure. Similarly, social infrastructure promised by investors; such as schools, health centers, rural roads, frequently at the request of the community, never gets actualized. In the cases observed in the study area, it is found out that there is little or no effort from concerned government agencies to help local communities to be prepared earlier to any consultation. Communities generally do not know in advance critical information such as who the investor is, what the planned investment will be, precisely what land is being requested. The finding shows that what happens in practice is that communities get dumped with a huge amount of information in the first and only meeting, in which the whole project is described often in technical language and containing ideas and activities that are remote and incomprehensible for local communities. Local communities are on their own, with no legal or technical support made available to guide and assist them in the whole process.

In some areas occupied by ressetler households where some informed and aware community members are active, communities are better able to assert their rights and negotiate better terms, but the presence of these individuals is generally unwelcome in the eyes of government agents, who view them as obstruction to the approval of the investment project, literally called"*Tsere-limat*".

In general terms, according to the results of this particular study, local communities were unaware of the exact size of land to be acquired or the availability and amount of compensation that would be proportionate to the value of the land and land based resources. Against the conditions of extreme poverty and need, the promise of job opportunities and community services and infrastructure prove persuasive especially to me'enit community members. These benefits tend to be insignificant and are generally not recorded in the form of a binding contract between the parties. During consultation meetings, government agents and investors usually focus on the positive impacts of the investment projects, especially employment benefits, and downplay potential negative social and environmental consequences. Even if employment opportunities are created by the large-scale agricultural investment projects, this is not necessarily “participation” in the sense that the community is able to determine the nature of the investment process and the impacts on their lives. The weak position of local communities could reduce the bargaining power of the local communities in the consultation processes.

4.5. Effects of Large-Scale Agricultural investments on Major Livelihood Activities and Socio-economic and Cultural Implications to Local Communities

In this section, the analysis will focus on the major local livelihood activities and their socioeconomic and cultural contribution to the local communities. The major local livelihood activities and their contribution to the socio-economic and cultural wellbeing of the local communities in the studied area are discussed. In doing so, the discussion and analysis of the information was guided by the key-informant interview made with an expert in Agricultural Extension and Rural Livelihood Office of the Woreda, and in-depth interviews and focus group discussions conducted with sampled local community members and elders.

4.5.1 Major Livelihood Activities and their Socio-Economic and Cultural Contributions to Local Communities

Access to productive land and land based resources is crucial for rural people that are often dependent on agriculture, livestock or forests for their livelihood. Besides, land has a cultural and emotional significance for local communities. The finding of this study show that access to land and land based resources is fundamental to the livelihoods communities. In the studied area, the vast majority of the local communities derive their livelihood from sources directly reliant on land and land based resources. While conducting FGDs and in-depth interviews, crop cultivation, livestock raising, gathering wild fruits and cash crops and other forest related products, have been mentioned as major local livelihood activities.

4.5.1.1 Crop Production

Land is the basis of subsistence for the rural population, and it is very important to achieve more diversified livelihoods. Among the major local livelihood activities, crop cultivation is the one and basis of the subsistence for the local communities in the studied area. For the majority of households in the study area, crop cultivation takes the lion share to contribute to households' consumption. In the communities of resetlers, beyond its role to households' consumption, crop production has a significant role in generating and maximizing income of the households. The nature of crop cultivation in the indigenous Me'ennit community and the resetlers varies in its productivity and socio-economic and cultural contributions. For *Me'enits, crop* cultivation is limited to contribute only for households' consumption. This is due to its low productivity. According to an informant who is a respected community elder, the cropping system especially in the *Me'nit* communities is based on traditional practices. Crop cultivation is limited to use only the lands found around villages and the surrounding fertile areas. The *me'nnits* are not highly engaged in crop cultivation. However, it is traditionally practiced and low productive, it has a significant role for the livelihoods of Me'enits in collaboration with other livelihood activities such as, gathering of wild cash crops, fruits and vegetables, honey production, firewood and charcoal.

Maize and sorghum are the main cereal crops produced by the me'nnit community. Even though the area is rich in rivers and springs, production of crops is dependent on the rainfall and households select a particular crop for sowing according to rainfall. If less rainfall is received in a particular year at sowing time they prefer to sow sorghum and if assured soil moisture at the sowing time they sow maize.

As it is indicated above in description of the study area, *Gura-ferda* is also the place for ressetlers who came from different areas of the country. However, the me'nits and these ressetlers share the same agro-ecological environment; there is a variation in the land use traditions and livelihood activities among them. Cropping system among the ressetlers is different from the indigenous Me'nit community. In the case of the ressetlers, crop cultivation is more advanced and productive than the Me'nnit community. Beyond its contribution to household consumption, crop cultivation has a significant role in maximizing households' income. The status of crop cultivation in their place of origin they came from has significantly contributed to their current experience of crop cultivation. For ressetlers, crop cultivation is a dominant and primary source of living and large amount of land utilized for crop cultivation by the resetlers. Previously, the land was covered by trees and densely forest areas. The local communities invested their household labour to prepare the land to cultivation. Maize, sorghum and rice are major cereals produced in the area especially by the ressetlers.

4.5.1.2 Livestock Raising

Since, this section of the study is concerned with identifying the major local livelihood activities in the study area, here, it provides evidence of the condition of livestock raising and subsequent products as a livelihood strategy and its contribution in sustaining the local livelihoods, since they make use and add value to resources significant to local communities. Peasant households entirely depend on cultivation of crops and raring of animals for their livelihood. Livestock is the most important asset, and can be used to access other important factors of production, particularly draft labor. Livestock is a crucial labor force of production that supplements the ability of household to cultivate their land properly and on time.

Livestock production is among dominant local livelihood activities by the local communities in the study area. Livelihood contribution of livestock raising varies among the two categories of the local communities namely, the resstlers and the indigenous me'enit communities. The me'nits are more engaged in livestock production than the ressetlers, while ressetlers more involved in crop production. In the studied area, livestock production is largely based on family labour and common grazing lands. Livestock raising contributes to local livelihoods through a variety of direct and indirect ways. Firstly, livestock provide cash income or income in kind through the sale of animals and / or the sale and consumption of milk, meat, eggs and other animal products. Second, livestock are a form of savings (capital growth through herd growth) and insurance, as the sale of animals provides immediate cash to deal with significant or unexpected expenditures (for example, school or medical fees). Third, livestock provide manure, draft power and transport services, which can be used on the household farm or exchanged on the market (for example, rental of bull for ploughing). Cattle, sheep, goat are the main livestock raised by the local communities in the studied area. In the woreda sheep rearing is an important activity and in some villages, people use horses and donkeys as a mode of transportation.

The study found out that in the ressetler communities, most of the households do not possess oxen. Ownership of a pair of oxen particularly in ressetler communities is taken as an indicator of independent and self-reliant household. However, in the indigenous *me'enit* communities, it was seen as a sign of richness. The success of households also depends on the ownership of livestock particularly oxen in the ressetler communities. In the ressetler communities, whenever a household head owns a pair of oxen he can share crop in more land. In the indigenous *me'enit* communities, if one is able to have big cattle and even small ruminants like sheep and goats, he could be said that he has enough, as the *me'enits* seldom to use animal draft power for crop production. In the ressetler communities, a household head that owns a pair or more oxen is thought to be more advantageous. He can have human labour in exchange of the draft labour. In addition to direct benefit one could have extra time to engage in off-farm activities. Thus, one can sustain his household needs, if he has draft power and some small ruminants. Results of conducted interviews and discussions reveals that the role of livestock is not solely limited to the provision of draft power, it also provides supply of milk and butter, power for transportation, production of saleable offspring and it is a means of capital accumulation.

In the studied area, livestock production is dependent on free grazing. Communal grazing is practiced in the common grazing and fallow lands of the villages. In the case of the ressetlers, when crop is harvested, animals are allowed to graze the crop residues. During the dry winter months when there is little or no grass, maize and sorghum straw and other grasses are provided to the cattle as additional feed. During milking period, dairy meal is provided to the cattle. Horses and donkeys graze on community land throughout the year and no extra feed is provided to them. After a whole day of grazing, animals are taken back to villages.

4.5.1.3 Forest Based Productions

The livelihoods of an estimated 300 million people worldwide living close to forests depend on trees or forest products for daily subsistence (Pimentel et al. 1997). Similarly, the finding of this study indicates that local communities in the study area relied heavily on the use of forests and related natural resources. In the studied kebeles, forests, trees and related environmental services play a major role for local households' income and livelihood security. The local communities are heavily rely on forests and trees to satisfy their basic needs for nutrition, construction, fodders, tools, fuel, medicines and cultural and spiritual practices.

While forests and trees are widely important among local communities, dependency on them varies considerably, depending on the socio-cultural background and spiritual attachment of the communities with forest areas. For *me'enit* communities, forests and trees are a principal source of economic, social, cultural and spiritual well-being. The *me'enits* are more attached with forests and trees to get households' subsistence and income than their neighboring ressetler communities. The variation in level of reliance on forests among the two (me’ennit and ressetler) communities is due to the difference in the livelihood activities they are involved. As a result of their historic nature of tradition, the indigenous *Me'enit* communities are heavily relied on forests and trees to satisfy their needs of food, fuel, cash, construction materials as well as cultural and spiritual practices. Forests and trees have a significant role and meaning to the life of the local communities. According to a key- informant who is a *me'enit* community elder:

For me'enits! it is impossible to exist without forests and trees. Our life is deeply rely on forests and trees. Forests are the principal source of wood and charcoal, honey, construction materials, wild and cash crops and fruit as well as medicinal plants. In addition, Forests and trees have a fundamental role to undertake some cultural and spiritual practices.

In the above statement, it has confirmed that the greater attachment of the *me'enit* community on forest areas and trees. Forests and trees are vital for the community to satisfy their socio-economic, cultural and spiritual needs. Basically, forests and trees have been played a significant role to be a source for food, firewood, construction materials, fodders and medicinal plants. As it is indicated previously, *me'nit*s are less involved in crop production, and heavily rely on forests and trees to secure their need of food and cash income. Forests and associated products such as, honey production, firewood and charcoal, and some wild and cash crops and fruits are among the major local products based on forest areas on which living of the local communities depend. Households support their livelihood by involving in the above mentioned forest productions for their home consumption and to sell on the nearby local markets.

More importantly, in addition to the above discussed socio-economic significance, forest areas and trees have a fundamental role to undertake some cultural and spiritual practices by the local communities particularly by the *me'enit*s. According to an informant who is a community elder in the me'enit community, forest areas are crucial for undertaking some cultural and spiritual practices by the local communities. For instance, in the me'enit community's culture there are circumstances to act upon women to leave villages and stay in forest areas during the periods of menstruation and delivery. According to the same informant, the cultural and spiritual rationale for the avoidance of women from residence areas to the forest areas is that women are assumed to be more exposed to contamination and bad spirits. Therefore, women are forced to leave residence areas and stay in forests until they end up with their duty. Protecting the remaining members of the community and cattle from contamination and bad spirits is the reason to avoid women during the two periods. Here, women are not allowed to stay in forest areas identified for any production purposes, just to protect the subsequent products from the contamination and bad spirits. Furthermore, *Me'enit*s seek forest areas to accomplish some spiritual practices. Forest areas are the appropriate place to accompany sacrificing of animals and worship their god.

Hence, based on results discussed above, the researcher concludes that forests are important assets to rural communities in the studied area, offering numerous goods and services to local livelihoods. Forests and woodlands are recognized as an important resource base for social, economic and cultural and spiritual wellbeing of the local communities. Forests are also vital for provision of many basic benefits and opportunities to rural communities in the studied areas, however values of forest goods and services are often underestimated, wrongly attributed, or entirely omitted in the eyes of government officials and investors in the process of large-scale agricultural investment and its implementations.

4.5.2 Effects of Large-Scale Agricultural investments on Major Livelihood Activities and Socio-economic and Cultural Implications to Local Communities

The agricultural land (cultivated, grazing, forests ...) dispossession has had direct implication on economic, social, cultural and even spiritual well-being of the local communities. Here, the study is devoted to examine the effects of large-scale agricultural investments on the major local livelihood activities and its socio-economic, cultural and spiritual implications to local communities in the study area. The analysis is based on the information obtained from conducted interviews and focus-group discussions (FGDs) and supported by the data gathered through direct observations by the researcher.

The natural resource bases such as land, water, grazing, and forest, are the base for economic development, livelihood security and other basic socio-cultural necessity of its people. While access to land is the ultimate form of social, economic and cultural security for many people in the rural areas, the sustainability of land tenure systems, including land ownership and uses, is threatened by modern concepts and practices of land use, which emphasize private and secure forms of land ownership and uses.

The study found out that a loss or change in land holding and use has a considerable effect on the local communities in the studied area, as land and related natural resources are the main sources of local livelihoods. Reflecting this reality, the livelihood framework put land as an asset of the natural capital and contributes a pivotal role in enhancing improved livelihood of the rural community (Ellis, 2000).

The data obtained from the field, indicates that households were affected in one or another way by losing farm land, forest and woodland, grazing and water sources, are fundamentals of local livelihood activities. The land transferred to investors (claimed by the local communities) has been served the local communities for different purposes. These include for crop production, livestock raising , forest based productions and a combination of these and other livelihood activities. Households from the ressetlers' community in the study area, claimed that they lost their cultivated and grazing lands as crop cultivation and livestock reasing is the key sources of their livelihood. But, the claim by the indigenous *me'enit* community members was mainly concerned on forests/woodlands and grazing lands, as their livelihood is exhaustively depends on forests/trees and grazing lands transferred to large-scale agricultural investors.

4.5.2.1 Socio-Economic Implications of Impacts of Large-Scale Agricultural Investments

In general terms, large scale agricultural investments can enhance economic development and contribute to poverty reduction by initiating growth in the local economy. On the other hand, it can have a negative impact on local economies by detracting access to a production factor that is of exceptional importance for its development.

Although, Ethiopia is said to have major land resources, large parts are already used as cropland and pasture system by families and local communities (Mulligan, 2013). But, these areas are not legally recognized as their land

(Deininger et al. 2007). Land is one of the three major factors of production in classical economics (along with labor and capital) and an essential input for housing and food production. Thus, land use is the backbone of agricultural economies and it provides substantial economic and social benefits.

Government officials and investors argued that large-scale agricultural investments in the studied area are implemented on the land that was marginal, "underutilized" or abandoned and, therefore, does not negatively affect the local community. But, results of this study exposed that such lands are often important for local livelihoods.

The lands are used for crop cultivation, livestock raising, livestock transit routes, as well as for collection of fuel wood, wild fruits, honey production, medicinal plants and other natural products. There is variation on the effects of large-scale agricultural investments on the local communities based on the livelihood activities in which they are engaged, land use patterns, and socio-economic and cultural background. For instance, ressetlers are highly involved in crop production as a key source of their livelihood. Therefore, farm land is critical to these communities now hunted by agricultural investors. Ressetlers (crop cultivators) affected by direct displacement from their cultivable land. Before their land was transferred to large-scale agricultural investors, they were utilizing it for cultivation of crops such as rice, maize, sorghum, and as well as fruits like mango, banana and avocado for household consumption and for sell. As a result of newly established large-scale farms, this local system and factors of productions have been interrupted and threaten the local livelihoods. A sample informant who is from the ressetler community, and also a victim of the large-scale agricultural investment projects in *Kuja* (Megenteya) kebele explained the condition as follows:

> *I lost around ten "timad" of land that I used for crop cultivation before the arrival of investors. Now the land is fenced and it is under control of the investor, and I am limited to cultivate only on the remaining one timad land which is not enough even to produce for my family's consumption.*

The effect of large-scale agricultural investments particularly to ressetler households is associated with evictions from cultivable lands. Households invested family labour and other local resources to prepare the land for cultivation. Before it was taken by the investors, the land was a base for the life of the local communities, however it was considered as free and underutilized by government officials and investors. As it is indicated previously, ressetler households have been using the land to cultivate crops such as rice, maize and sorghum. In addition to crop cultivation, their access to larger size of land allowed the local households to engage in diversified agricultural activities, such as, cultivation of fruits and livestock production. Engaging in diversified agricultural activities, have played a significant role in ensuring food and income security of the local smallholding households. Indeed, diversified livelihood and income sources are practically the norm among ressetler households, and diversification is often a key aspect of households' strategies to reduce and manage risks of failure in any single income source. Before the arrival of large-scale agricultural investors, the resettler households have made advancement in their socio-economic status. The production system is being changed from consumption to market focused and their economic status has been changing. Formerly, they were seen as evicted for they did not have anything to eat. My informant, at Kuja (Megenteya), remembering what happened when they began to resettle in the area, asserted as follows:

> *At that time, we did not have house to live in, some of us did not have blanket to wear at night. But after some years, my friends have car, truck- ISUZU, others have grinding mill; some have houses at Biftu, Mizan, and Jimma*.

This indicates that the resettlers have managed to reach the stage of social re-articulation before they are forced to leave their farm lands. They began to produce surplus and diversify their income sources. The resettlers have firmly established their prestige to be called as 'hard working'and prosperous. Large-scale private farms resulted an eviction of these households from their cultivated lands. Hence, for this category of the local community, the effects of large scale agricultural investments emanated from their dispossession from their farm lands which was not the case for the indigenous *me'enit* community. SEKA-Agro Processing is a private company established on the land that has been cultivated by the local households in *Kuja* (megenteya) kebele. Before the arrival of SAP, the land was prepared by the local communities for the purpose of crop cultivation. According to an informant who is a manager and share holder at SAP, it is favorable condition to investors to lease lands that are previously prepared and cultivated by the local communities to reduce the costs of land preparation and clearance of trees. Hence, the establishment of SAP and other large-scale private farms forced the local communities to stay and cultivate on a limited farm lands. The taking over and decreasing the size of farm lands constrained the productivity and process of livelihood diversification by local households.

However, its proponents assume that large-scale agricultural investment in rural land will have massive contribution in ensuring local food security and establishing diversified livelihood sources, the findings suggest that local households are suffering from potential livelihood constraints resulted from establishment of large-scale private farms

4.5.2.1.1 Effects of Large-Scale Agricultural Investments on the Indigenous Me'enit Communities

In many areas, for instance, forest-based indigenous peoples have seen their common asset base threatened and reduced by private logging, land clearing to make space for plantations or large-scale farms. The same is true for the indigenous *me'enit* communities. As it is indicated earlier, *Me'enits* are less engaged in crop production, rather their livelihood is massively rely on forests and grazing lands. Livestock, gathering of wild fruits and vegetables (mango, banana, avocado, godere, coffee ...), bee-keeping, firewood and charcoal production are the major livelihood activities particularly to the indigenous *me'enit* communities. For *me'enits*, the above mentioned livelihood activities have a pivotal contribution to ensure their livelihood security. Forests and grazing lands are the base for the whole above mentioned sources of local livelihoods. Forest areas and grazing lands have been threatened and damaged due to the establishment of large-scale private farms. A key- informant who is the manager at Oral Agro-Processing, a company based at *Biftu* kebele, stated that the land lease contractual agreement between the investor and government leaves the duty for the investor to clear and avoid forest and woodlands. Since, investors are concerned on establishing large and suitable farms, forests and woodlands must be cleared. Unfortunately, the act of large-scale agricultural investors to avoid forests, grazing areas and other land based natural resources negatively affected the life of the community. As a result, me'enits are exposed to a greater vulnerability to food insecurity, in cases where communities no longer have access to resources used as part of their strategies for coping in difficult periods. For instance, there is a serious decline in honey production in the area, and they conclude that it is the direct result of the expansion of the large-scale agricultural investments. A key-informant who is a respected *me'enit* community elder believes that the deforestation might reduce the tree cover that reduces natural flowers from the trees, which could contribute to the honey production. In addition to the damage on the forest and grazing lands, large-scale agricultural investments are also accused for their impact on the accessibility and quality of water sources to local communities. In the case of the studied area, land grabbing is simultaneously water grabbing. Private investors cultivating water consuming agricultural crops and fruits require an immense amount of water and thus, have an impact on the water quantity available and on water systems at the area in general. For instance, In *Kuja*, one of the studied kebeles, there is a small river locally known as *Kuja.* The river *Kuja* is a principal water source for the local communities, and it flows throughout the SEKA farm lands. Before the SEKA began its implementation water was free for every member of the community, weather it is for home uses or for their cattle and even for cultivating some fruits especially by the ressetler households. But, when the SEKA has come to its implementation some systematic restrictions on the local communities have emerged. As it is indicated above, the river *Kuja* flows to the direction of the farm, and the investor diverted the flow of the river to small dams prepared to accumulate the water for irrigational activities. As a result, the local communities suffered from a greater vulnerability to lack of water for their home consumption and cattle. Consequently, some community members and their cattle often cross the boundaries of the farm, however, it is labeled as a crime against the investor. During the dry seasons it is very challenging to get access to water to the local communities and their cattle, and as a result the local communities will cross the boundaries of the farm to get water from the diverted and accumulated water inside the farm, as the local communities are assume that the river is still their common property, however it flows within the boundary of the farm. In most cases, the act of the local communities to cross the boundaries of the farm caused conflicts among the local communities and the investor.

4.5.2.1.2 Effects on Local Mango Production

Here, the study is concerned to deal with the effects of large-scale agricultural investment particularly on the mango production in the study area. The main reason to deal particularly with mango production was its huge socio-economic contribution to local livelihoods. Mango is abundantly available in the studied area, and highly affected by large-scale agricultural investment, particularly by SEKA Agro-Processing Company established at Kuja kebele. SEKA is a company engaged in mango production and processing. According to results from field observation by the researcher and key-informant interviews (with an expert in agricultural extension and community mobilization in the woreda), however, it is cultivated by some households, mango is more of a wild fruit, and abundantly available at the residential and forest areas of the woreda. For SEKA, mango is a fruit cultivated through specialized methods. As an expert at SEKA told the researcher throughout informal discussion, the production inputs including seeds are highly modified and prepared through experiments, and more productive than the local mango. According to the same informant, though it is more productive, the SEKA's mango is more exposed to pests that reduce the quality of the product. Before the introduction of new variety of mango by SEKA in the area particularly in Kuja kebele, nothing bad was happened on mango production. However, Pests are noticed simultaneously with the introduction of new mango variety by SEKA, the problem was shared even by the local mango varieties.

So here, the intention was not to give detail explanation about the mango variety cultivated by SEKA and its difference from the local mango. But, the study was intended to point out the effects by SEKA on the local mango production. As it is indicated above the mango variety cultivated by SEKA is more exposed and threatened by pests. But, due to the available knowledge, technology and other required resources, it is easy for the company to prevent and avoid the problem. But, unlike to the investor, the limited knowledge, technology, and other required resources are constraining the local small holders to address the problem happened on their mango production. As far as the problem was noticed simultaneously with the establishment of the farm and introduction of its new variety of mango, the local communities are still blaming the investor for his contribution to the problem and they seek to get some support from the investor to make the area free from such problems on mango production. But, until the field work was completed no support was provided by the investor to local communities to resolve the problem.

4.5.2.1.3 Effects on Local Stability: Conflicts over Resources

As far as the study is concerned on the possible effects of large-scale agricultural investments on the local communities, here it deals with the examination of prevalent conflicts between the local communities and the investors over land and land based natural and manmade resources. In doing so, the prevalence and the causes of conflicts among the two segments of the local communities; the ressetlers and the indigenous me'enit community, as well as conflicts with the investors are discussed. The discussion below is based on the data obtained throughout the conducted interviews and focus-group discussions (FGDs).

As of their common characteristics, large-scale agricultural investments require larger size of land and abundant natural resources that are scarcely available in the rural areas. As a result, the establishment and expansion of these large-scale agricultural investment projects caused eviction and/or restriction of local communities from getting access to land and land based natural resources that are critical to local livelihoods. The eviction and restrictions on local households from getting access to land and other land based natural resources caused conflicts over scarce resources among the local communities and agricultural investors.

In the study area, conflicts over resources are frequent phenomenon between local ressetler communities and the indigenous me'enit community and also between the two and agricultural investors. The effects of exhaustive land acquisitions by the large-scale agricultural investors to establish large-scale farms on the local communities are multiple as the local communities are engaged in diversified livelihood activities. As it is indicated above while discussing the socio-economic characteristics of the local communities, ressetler households are more engaged in crop cultivation, but the life of the indigenous *me'enit* community is highly relied on forest products and wild fruits with little crop cultivation activities. Due to this reason, ressetler households have directly affected by losing their cultivated lands for large-scale agricultural investments. The effects of large-scale agricultural investments on the indigenous me'enit communities are associated with the acts of deforestation and cutting of trees by the agricultural investors aimed to expand their holdings and prepare the land to cultivation. While interviewing the farm manager at Oral Agro-Processing Company, it is told that the whole land transferred to the company was not cultivable, rather, it was covered by trees and forest areas. Therefore, investors should clear forest areas and trees to expand their farm. The eviction, deforestations and restrictions on access to land and associated resources, are potential reasons for the prevalence of conflicts among the local communities and investors. For instance, the conflict between the ressetlers and investors resulted from displacement of the households from their farm lands without any compensation and substitute cultivable land. However, the displacement of the households was granted and forced by the local government officials; the local communities developed a hostile view for investors, and consider investors as responsible for their eviction from their cultivable land acquisition of other natural resources, such as water sources, roads and transmission routes for cattle without compensation and substitute lands. Conflicts between investors and the indigenous me'enit communities are derive from the acts of deforestations and clearance of trees and acquisition of grazing lands by investors aimed at expansion and preparation of the land for farming, as the life of the me'enit communities those are considered as indigenous to the area, is dependent forest products, wild fruits and vegetables and cattle that are gained from forest areas and grazing lands. In general terms, the eviction from cultivable lands, restrictions on access to forests and woodlands, and acquisition of other natural resources, such as water sources, grazing areas, roads and transmission routes for cattle, are mentioned as major causes of conflicts between local communities and investors.

In addition to conflicts between the local communities and investors, large-scale agricultural investments, also caused conflicts among the local inhabitants, particularly between the ressetlers and the indigenous me'enit community members. The reason for the conflict between the two local communities was that the acts by the ressetler households (cultivators) to settle and cultivate on the land that is remained out of the holdings of agricultural investors and covered by trees and grazing areas. As a result of the establishment of large-scale farms by private investors, land and associated natural resources became scarce, put the communities into tough competition and conflicts. According to a key-informant who is traditional community elder of me'enits, since they are nothing without forests and grazing areas, the me,enits are always against any acquisition and disturbance on forests and grazing lands. In previous times, before the arrival of large-scale agricultural investors, the two communities (ressetlers and me'enits) co-existed with a peaceful sharing of land and other local resources. But, after the forcefully eviction of ressetler households, the only option to sustain their livelihood was to look for other areas that are not leased and out of the holdings of agricultural investors. Unfortunately, these lands are covered by forests and grazing areas, on which the life of the me'enits relied. Hence, an act by the ressetlers to settle and clear forest areas and acquisitions of grazing areas is against the livelihood of the me'enits. This competition and claim over land and other scarcely available land based resources put the two communities in severe conflicts.

The change in agricultural land uses and covers resulted in deforestation, land degradation, and biodiversity loss. In addition to large-scale agricultural investors, Resettlers in the woreda have made these consequences to happen through clearing forest and shrubs so as to expand their agricultural land (Belay2009:51). The resettlers, though not comparable with the large-scale agricultural investors, affected the environment in cutting trees for building houses other than the first house had been built around the homestead far from their farmland. When building new houses, they cleared the surrounding to make the place safe from unfriendly animals and insects. The me'enit communities are very keen and sensitive about the adverse effects of the scheme on their local natural resources, particularly the forest upon which their livelihood is embedded.

As a result of large-scale acquisitions of land and other land based resources by large-scale agricultural investors, Land, crop production and forests become the issue of conflict among the two local communities namely; ressetlers and me'enits. Land is a resource where rice and other crops grown. It is also a place where trees exhibit their gigantic body shading the ground under them. The two rival natures found to be hostile to each other in the studied areas. According to the agricultural extension officers' observation and the resettlers, the incompatibility of the trees and the crop cultivation resulted bad feeling between the resettlers and the me'enit community. An informant who is the extension worker explains that cultivation of rice and other crops by its nature dislike the presence of trees around it for two serious reasons. The first is that any crop cultivation does not like tree shade. The second reason is that the trees sometimes host pests that damage crops. Due to this reasons, the resettlers avoid trees from and around their farmland. The Trees were made dry on standing without being cut down. This has been done through peeling the barks of the trees in their farmland or setting fire underneath the trees. This unseen damage made the trees dry being erected. Subsequently, the resettlers were seen as hostile to the forest and begun to be hated by the me'enit community as dangerous to live with. Therefore, from this point of view, it could be said that the resettlers' subsistence system (intensive agriculture) is not compatible with the forest. This a hostile relation among the two local communities, have resulted from the eviction of ressetlers from their cultivable lands due to the massive acquisition of land and other natural resources for large-scale agricultural investment purposes. Subsequently, the hostile relation leads to some actual conflicts among the two local communities.

From the above discussion we learnt that the resettlers' livelihood which had been employed on the cultivable plains could not go with the forest areas. The establishment of large-scale farms was a principal factor for the eviction of ressetelers from their cultivable land and forced them to go through forest areas. Their adaptive strategy to the new area appeared to be incompatible to the local ecosystem and the subsistence strategy of the indigenous *Me'enit* community. The conflict we learnt has not been of the individual behavior but due to the livelihood and adaptive strategy difference between the resettlers and the *Me'enit* community.

4.5.2.2 Cultural and Spiritual Impacts of Large-Scale Agricultural Investments

Throughout this sub-section of the study, the data associated with the encountered cultural and spiritual effects of large-scale investments are discussed. While discussing the issue, the major cultural and spiritual contributions of land and land based natural resources, and the patterns by which the establishments of large-scale agricultural investments have affected the cultural and spiritual wellbeing of the local communities. The discussion is more emphasized on the presentation of data directly gathered from the field through conducted interviews and focus-group discussions, and supported with information from secondary sources.

The results of this study clearly show that beyond their socio-economic contribution, natural landscapes and the associated biodiversity are closely linked to the strong nature-based religious beliefs, including a strong sense of interconnectedness with nature, and have a significant role in cultural and spiritual well-being of the local communities. In the study area, landscapes and associated biodiversity such as, land, forest areas and river pools are utilized for building of churches and mosques, burial fields and other cultural and spiritual practices by the local communities. For instance, the ressetler communities in the studied areas are grouped into orthodox Christians, protestant and Muslim. These groups used the land and associated natural resources to build churches and mosques aimed to give ritual and burial services for their followers. But, as it is observed by the researcher and results from individual and group interviews, in some areas of the studied area, these religious centers and ritual and burial services have affected by the larger acquisition of land and associated natural resources. For example, as it is indicated by a Muslim participant of FGD conducted in *kuja*, the land reserved for burial services for Muslims has transferred to agricultural investor. While interviewing a Muslim person at *Kuja* kebele, he explains how and why the land reserved for burial services was taken by investor as:

> *Like in many other areas, the land reserved for burial service was found far away from the mosque. This is because of that in our religion it is not allowed to make burial fields near to mosques. But, no one understood why we make it far away from our mosque and even government officials and investors never recognized it as a part of our mosque. Subsequently, the land was allocated to the investor and we are restricted from getting access to our land reserved for burial services.*

As the above statement, large-scale agricultural investments have affected some spiritual aspects of the local communities, particularly Muslim communities. Here, it has to be carefully understood that Muslims suffered from the condition due to the difference in land holding patterns and distance between mosque and the field reserved for burial services, but not they are discriminated based on their religion. Since, the land was allocated to agricultural investor, they are forced to make the field for burial at the land very closed to their mosque, that is seriously against their religious thoughts. In addition to the above discussed effects on religious practices, large-scale acquisition of land and deforestations for agricultural investment purposes have affected the cultural and spiritual aspects of the indigenous *me'enit* community. As it was indicated in the above sub-sections, forest areas and trees are very crucial for *me'enits* to get their socio-economic, cultural and spiritual needs. Among the *me'enit* communities, effects on the cultural and spiritual aspects emanated from the acts of investors to destruct forest areas to expand their farm lands. *Me'enits* are fully rely on forests and trees to practice their cultural and spiritual activities inherited from their ancestors. For instance, in the *me'enit* community's culture there are circumstances in which women are commanded to leave villages and stay in forest areas during the periods of menstruation and delivery. According to the same informant, the cultural rationale for the avoidance of women from residence areas is that during the times of menstruation and delivery women are assumed to be more exposed to contamination and bad spirits. Therefore, women are forced to leave residence areas and stay in forests until they end up with their natural duty. Protecting the remaining members of the community and cattle from contamination and bad spirits is needed to avoid women during the two periods. Another importance of the forest areas to the *me'enits* is to accomplish some spiritual practices. Forest areas are the appropriate place to accompany sacrificing of animals and worship their god as well as to get connected and communicate with their god. But, due to the arrival of large-scale agricultural investors and massive acquisition of lands and deforestations are potential threats to these cultural and spiritual practices. Though, rural landscapes and associated resources, such as forests and river pools are basics for the cultural, spiritual and emotional well-being of the local communities, they are threatened by some external interventions in the name of agricultural investment.

In general terms, based on results discussed above, one can conclude that landscapes, forests areas and other associated natural resources are important assets to rural communities of Gura-ferda woreda, to their cultural and spiritual wellbeing, however cultural and spiritual values of forest and landscapes are often underestimated, wrongly attributed, or entirely omitted in the eyes of government officials and investors in the process of large-scale agricultural investments. In addition to being a livelihood asset, land in rural areas also tends to have important spiritual value, to provide a basis for social identity and networks. In this sense, purely economic calculations are unlikely to do justice to local perceptions about proposed land deals.

4.6. Effects of Large-Scale Agricultural Investments on the Relationships among Local communities, Government and Investors

This sub-section of the study discusses about effects of large-scale agricultural investments on the nature of relationships among local communities, government and investors. The scope is limited to deal with among the three stake holders namely, local communities, local government and investors during and after the implementation of large-scale agricultural investment projects. Results from both individual and group interviews conducted with local community members, government officials as well as investors and farm managers are treated as evidences to make sure of its empirical basis and reliability.

Most of the large-scale agricultural investments in Gura-ferda, involve only two stake holders namely, government and private investors. As it is indicated earlier, the implementation of large-scale agricultural investments at the study area ignores the local communities to take part. Even though, the local communities have been discriminated in the implementation of large-scale agricultural investments, local communities claim involvement in the process. Therefore, contrary to the legal and official assumptions, the fact on the ground was that, since the three stake holders (local communities, government and investors) co-existed at the area and share land and other natural resources, it is common to them to be involved in relationships and interactions. As far as it may be determined by several factors, the relationship and interaction among the local communities, government and investors can be nonviolent or hostile, formal or informal. Accordingly, here the study was concerned on identifying the nature and existing situation of relationships among the local communities, government and investors and its role for the local stability and peaceful co-existence.

4.6.1 Effects on the Relationships between Local Communities and Government

The relationship between government (local administration) and the local communities appeared for a long even before the arrival of agricultural investors. The study findings suggest that the dissimilarity of Government-local community relation scenario before and after the arrival of large-scale agricultural investors. The nature of relationships among the local government and local communities has changed during and after the implementation of large-scale agricultural investments and consequential displacements. The local communities' relegated role in the process of large-scale agricultural investment was a chief factor for the change on the nature of relationships between the local government and local communities. The local communities believe that government officials are the key responsible agent to disregard the local communities in the process of large-scale agricultural investments. But, as it is already discussed earlier, for the government the land transferred to investors at the studied area was considered as free and out of reach of the local communities, however, it is crystal clear that the existence of the local communities in the area for a long time even before the current regime and its local officials. While interviewing the woreda's rural development and land administration official, it is told that the land deals and implementations were granted by rural land administration office and officials are often assumed to be cause for the eviction of the local communities and the government has blamed by the local communities. The local communities' members believe that government is for investors instead of protecting its citizens. This perception of the local communities caused lack of trust and disobedience to the local government. Moreover, according to the same informant, there were situations in which the local communities reacted in a violent way and tried to destruct the properties of private investors. The forceful reactions by the local community were derived from their extreme grievance emanated from their forceful eviction from their farm lands and other essential resources and absence of compensation. Due to their violent behavior, local community members especially those of ressetlers began to be considered as *Tsere-Limat,* those are against developmental and investment activities taking place in the woreda. This degraded approach among government and local communities, in one or another has affected the nature of relationships among members of the local communities and local government and its officials, it in turn affected the local stability, local livelihood security, and rural development strategies as well.

4.6.2 The Nature of Relationships between Local communities and Investors

With regard to effects of large-scale agricultural investments on the nature of relationship between the local communities and government, the study found out that investors' intention to grab vast farm land and other natural resources and consequential displacements contributed for the rise of negative perception for investors among the local community members. As it is indicated throughout interviews and group discussions, the local communities believe that investors are immediate causes and primary beneficiaries of the large scale land acquisitions and investment projects. These investment projects produced displacements and marginalization of the local communities from their cultivable land and other land based resources fundamental to their livelihoods. The relationships between local communities and investors have affected by their competition in access to resources. These competitive spirits produced a sense of rivalry between the two parties. The study result shows that the nature of relationship between the local communities and investors is influenced by the nature of land deals and implementation process. The large-scale agricultural investments in the study area took place without adequate and genuine participation of the local communities. This condition made the local communities dissatisfied on investors and their projects. In supporting this finding, Chamber (1983) argued that, participation has different uses as it increases sense of ownership, increases commitment of stakeholders (the agreement), facilitates and increase partnership between the local institutions and contributes to the sustainable development of the project. The non-participatory nature of the land deals created diverse implementation problems in the process of large-scale agricultural investments and confrontations from the local community. The main problem was the struggle of the local community during the demarcation of land for investors.

Sense of dissatisfaction among local communities ensued from displacements and imposed restrictions on access to cultivable land and other land based resources, and conflicts over resources, put the two parties into dispute and antagonistic relationship. Besides, according to results from interviews and group discussions the other cause for the larger grievances among the local communities were false promises offered by the investors including employment opportunities. As it was indicated throughout interviews and FGDs, nothing was actualized among the promises made by the investors. Due to the above mentioned factors, in some parts of the studied area, local communities react violently against properties of investors.

The violent acts by the members of the local community and antagonistic relations with private investors have affected the employment opportunities to the local community members. According to a key-informant who is a farm manager at ORAL Agro-Processing, limited job opportunities created to local communities. Antagonistic nature of relationship with the local communities constrained investors to recruit employees from local communities though, investors promised and agreed on contractual agreements with government to provide job opportunities for the local residents. There is a fear among investors to recruit employees from the local residents. As to the same informant, the main reason for that investors' fear to recruit employees from the local community was their violent behavior. While conducting interview with an informant, he explained the issue as follows:

> *If an investor let the local community members' work in the company, it will be easy for the employee to make a sudden and hidden attack on the project.*

In general terms, in the studied area, the relationship between local communities and investors have an antagonistic nature. Consequently, the unfriendly nature of relationships among local communities and private investors affected the local stability and security, livelihood and the implementation of large-scale agricultural investments.

4.6.3 Relationship between Local Government and Agricultural Investors

With regard to the relationship between local government and investors, the study findings indicated that the relationship between government and investors was pleasing and encouraging. In supporting the above result, CIRS (2013) stated that the environment is good: government policies are favorable and the government is cooperative and easy to deal with. Likewise, in the study area, Government officials are very responsive to the requests of investors. According to an expert at the woreda's investment office, the local government officials' responsiveness to the requests of investors was mainly derived from the policy directions of the sector. In the eyes of government officials, private investors are very important to achieve the countries' economic growth goals, as investors are with huge financial and technological capitals. In addition, according to the same informant, in the field of large-scale agricultural investment private investors have enormous alternative areas other than Gura-ferda woreda. Therefore, if the relationship among stakeholders namely, local community, government and investors is not encouraging, the investors may drop their interest to invest. Hence, the appropriate and instant responsiveness of the local government and its officials was aimed at making the environment conducive for investors. An informant also explained that since, large-scale agricultural investment treated as an alternative rural development strategy in the country's policies of the sector, and any improvement in the sector benefit all stakeholders including the local communities. A farm manager at SEKA Agro-Processing witnessed that the local government officials are very responsive to investors in all circumstances. For instance, more importantly according to the same informant, local government officials are committed to take part and resolve conflicts between local communities and investors with nonviolent mechanisms; however, they are complained by the local communities for their decisions favor to large-scale agricultural investors. In general terms, from both points of view the nature of relationship between government and agricultural investors characterized as pleasing and collaborative. This satisfying and collaborative nature of relationship between government and investors critical to achieve the goals of the investment projects, but only in collaboration with the local communities, though it was failed to be recognized by investors and local government officials in the study area.

CHAPTER FIVE

CONCLUSION

5.1. Conclusion

Any large-scale agricultural investment plan has to consider the specific contextual situation of the host community. But, in the case of the study area, the empirical findings show that local communities' role and participation was non-existent in the process of large-scale agricultural investments and local customary use patterns and rights never been recognized by the government while identifying suitable land for investors. Customary based and non-market land tenure arrangements are dominant in the low land areas where much of the current land investments focused (Oakland institute, 2011). However, the concept of land certification and titling was non-existent, ownership certificate was the only criteria to identify the eligibility of the local communities to be considered as the owners and to take part and participate in the process of large-scale agricultural investments. Thus, findings show that no community participations and genuine consultations were made in the area. The lands transferred to investors were considered as "vacant" or free from reach of human settlements, even though, they are basis for the livelihoods of many households in the area.

Based on their socio-economic and cultural attributes and livelihood strategies, the local communities are categorized into ressetlers and the indigenous *me'enit* communities for the purpose of this particular study. The contribution of land and other associated resources varies among the two categories of local communities, as they are dissimilar in terms of livelihood activities they are engaged. Ressetlers are more of crop cultivators. The others are me'enits, those are indigenous to the area, engaged in agro-forestry with livestock raising as a means of living.

However, the land transferred to investors have been considered as vacant in the eyes of government officials, private large-scale agricultural investments lead to a change on holding and use patterns of cultivable land and other land based resources such as farm land, forest areas, grazing, water sources and pools, roads by the local communities. Notwithstanding, proponents of large-scale agricultural investment assume that large-scale agricultural investment is a key to improve the sector and ensure food security, job opportunities and knowledge and technology transfers, it has resulted economic, social, cultural and spiritual impoverishments among the local communities. The impacts for the ressetler communities emanate from their eviction from their cultivable lands and water sources, while the me'enit communities suffered from the deforestations and damages on grazing lands critical to their livelihood. The defective nature of implementations of large-scale agricultural investment projects affected the relationship of local communities with local government and investors. Contrasting to the relationship of local communities with local government and investors, the relationship between local government and investors has appeared responsive and collaborative. This is due to, the commitment of government officials to respect the policy directions of the sector aimed at bringing conducive environment to investors, though it was guessed by the local community that it is due to the presence of corruption.

Based on the finding of the study, Concerning large-scale agriculture investment, my recommendation is that if the investment is to result in a win-win situation to whole stakeholders, it has to be responsive for the following preconditions: genuine role and participation of all stakeholders, clear contribution to the socio-economic, cultural and spiritual wellbeing of the host community and contribution to peaceful and collaborative nature of relationships among whole stakeholders.