

## Chapter 8

# Foreign Land Acquisition: Food Security and Food Chains – The Nigerian Experience

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### ABSTRACT

*Land grabs, a recent phenomena, have been documented to have effects on the activities of the indigenous farmers. This chapter examines the impact of foreign land acquisitions on food security and food chain in Nigeria. Quantitative and qualitative methods of data collection were adopted. A total number of 250 respondents were included in the quantitative sample, and 20 In-Depth Interviews (IDI) were conducted with opinion leaders. The study found the nexus of interaction between foreign land acquisition, commercialization of agriculture, food security, and food chains in Nigeria. The study recommended that the government should not make the process of land acquisition too cumbersome for interested people or agencies to acquire; the government should make efforts to encourage interested local investors in large-scale farming to allow competition to increase food production as well as to sustain the agricultural sector of the national economy.*

### INTRODUCTION

Land is a fundamental factor of production in the agricultural sector. It has an essential role to play in increasing as well as sustaining agricultural production. Agriculture is the mainstay of many economies. All over the world, the development of an enduring economy goes hand in hand with agricultural development. The extent to which

this role is performed is determined in part by methods of land acquisition and arrangements for the ownership and use of land. For instance, in the agrarian economy like Nigeria, the land as a unit for agricultural production provides the needed fulcrum upon which a sustainable development would blossom. Agriculture was, and still is, the mainstay of the economy of the Nigerian communities. Agriculture has been the

DOI: 10.4018/978-1-4666-7405-9.ch008

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largest revenue earning source for most Nigerians particularly the rural populace which accounts for well over 80% of the country's population. It should be mentioned that, even, many artisans in addition to their vocations, still supplement their means of sustenance with farming activities. The development of agriculture is critically important for ensuring food and nutritional security in the country. However, apart from the provision of food, agriculture provide income and employment opportunities for a majority of people, even though, in a subsistent manner and helps to stimulate overall economic development of the country. Like in Nigeria, Agriculture is the main employer, job creator and export in most developing countries. Historically, agriculture has driven economic performance in Nigeria, generating growth that has been shown to be at least twice as effective in reducing poverty as growth in other sectors. Investment in agricultural and rural development is therefore vital to food security and sustainable economic development. Over the years, more than 80 percent of the economically active populations in sub-Saharan Africa in general and Nigeria in particular were engaged in agriculture (FAO, 2010). However, this became a story told shortly after the discovery of oil in Nigeria. Many abandoned farming for white collar jobs, particularly in the oil industry. This no doubt affected food supplies in the country.

In recent years, the global foreign interest in land acquisition has been on the increase tremendously. Large-scale acquisitions of land in Africa and other parts of the developing world have made headlines across the world. Lands that seemed of little interest some couples of years ago are now being sought by international investors to the tune of hundreds of thousands of hectares. Today, the issue of large-scale foreign land acquisitions is now a hot issue because land, especially in Africa, is extremely central to identity, livelihoods and food security (Cotula, et al., 2009). Put differently, the upsurges in agricultural products and its attendant increased prices during mid 2007

and 2008 gave rise to widespread concern about investors causing a global land rush in developing countries (Areski, et al, 2011). This renewed interest in agricultural business and investment largely in the aftermath of the global financial crisis and the increase in volatility of food prices has made some decry what they have called the "re-colonization of Africa" or the "New Scramble for Africa land" with it's possible positive and negative effect on food security and food chain in the country (Obasi, 2012).

Farming in Nigeria has taken a dramatic turn to better directions in recent years, creating jobs and opportunities for investors who dare to go into farming Business. There are good reasons why farming in Nigeria is currently doing very well and understanding these reasons will help any serious investors to think seriously about setting up Farm in Nigeria. For instance, Nigeria has a huge population of over 175 Million people, twice more than the populations of Zimbabwe and South Africa combined. Rapid population growth and urbanization have been identified as one of the major factors influencing food production, food demand, food security and food chains trends in any given human society. Today, the entire population of Nigeria depends on staple foods produced from farms and other farm produces for their daily meals and sustenance, and more than 80 percent of Nigerians buy their Farm Produce from the market. In addition, Nigeria has very large expanses of fertile farmlands lying fallow under utilized. Nigeria Land area when measured in sq km is about 910,770. The Land area of any country is the country's total area, excluding areas that are considered to be water bodies. So, Nigeria has one of the biggest expanses of Land in Africa of which 70 percent is available for Farming.

According to Olomola (2007), in 1990, 82 million hectares out of Nigeria's total land area of about 91 million hectares were found to be arable, although only 42 percent of the cultivable area was farmed. Much of this land was farmed under the bush fallow system, whereby land is

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