South-South Land Grabs

The Case of Korean Investments in the Greater Mekong Subregion

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According to Anders Riel Muller, by walking through Seoul, South Korea's cosmopolitan capital of 10 million people, one can easily appreciate the abundance of food in affordable restaurants and the propensity of Koreans to eat out, especially in a competitive society in which working long hours replaces the time spent cooking at home.[1] Furthermore, the increasing popularity of Korean food as an ethnic cuisine that is making waves in the world magnifies the importance of food in the emerging global identity of Korea as an economic and cultural superpower. However, Muller notes that Korea's worrisome record on land grabs threatens this celebrated global reputation as a success story since, as a country that has lost much of its agricultural land to urbanization and rapid industrialization, it faces a distinct problem of food insecurity. Except for rice, Korea imports nearly 90 percent of its food. Whereas 70–80 percent of its population derived its livelihood from working in the agricultural sector in the 1950s following a very successful land-reform program, today a mere 8 percent are employed in agriculture. Rural poverty is endemic, and farmers who were once favored through protectionist measures from the state are now a shrunken population with an average age of 60 years, burdened with debt, and farming on leased land. Korean agriculture, once the pride of East Asia in terms of food self-sufficiency, has been considerably reduced, giving people few incentives to return to farming as a viable livelihood.

To address the problem of food insecurity, South Korea has embarked on an aggressive program of land acquisition overseas, following in the footsteps of

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wealthy but food-insecure countries like Japan, China, Vietnam, and the Gulf states—notably Saudi Arabia, Kuwait, and Qatar. Rising incomes and increased consumption, as well as rapid population growth and urbanization, have pushed the governments of wealthier countries such as South Korea to expand production systems overseas. These nations have been at the forefront of land grabs in Southeast Asia, and the model for negotiating land deals is patently the same as that of the West: companies (usually with state subsidies) in alliance with local politicians and bureaucrats enter into bargaining for long-term land concessions. In many countries in Southeast Asia, large tracts of land have been taken over by Vietnamese companies for coffee production, Chinese state-owned enterprises for rubber, Korean companies for mining, Qatari or Kuwaiti companies for wheat production, or Malaysian companies in joint ventures with Filipino corporations for growing palm oil. A later part of this article provides some examples of land deals among Asian and Middle Eastern investors in Southeast Asia that exemplify a new phenomenon in land grabbing in the global South, alerting us to the rise of "South-South land grabs." The article explores this concept, using Korea as a case study of investments in Southeast Asia that have become worrisome in terms of deleterious effects on development processes in the recipient countries of Korean investment.

Why Are Land Grabs Happening?

In many parts of Southeast Asia today, land grabs form part of a comprehensive agro-food-feed-fuel complex—one that underlies many of the relationships among states, corporations, multilateral institutions, and communities.[2] At the apex of this relationship are states and corporations, who, in alliance with local capital and local political agents, promote global strategies to address food and energy insecurities through large-scale acquisition of land. Massive land deals are happening all over Southeast Asia. These countries currently lack robust institutional mechanisms—independent legislative and judiciary systems, well-developed civil society organizations, and an independent media—to serve as countervailing forces against aggressive moves by the state and corporations to acquire land. The result is a "global race for arable land" that oftentimes lies at the center of public policy among wealthy countries as an effort to secure future energy and food, as speculative investments in anticipation of massive profits, or as a hedge against the risk of potential food and fuel shortages in the future.[3] In turn, developing countries pursue a development strategy premised on attracting foreign investment, the core feature of which is concessionary land deals to foreign investors involving huge tracts of land. In many instances, this approach results in a displacement of local populations, the further immiseration of the rural poor, and an overall sociopolitical framework in which basic rights to land, food, water, adequate housing—as well as the right to self-determination, freedom of assembly, and the right to fair exploitation of natural resources—are denied. This phenomenon has accelerated in the past few years as the alliance between national and transnational capital through joint-venture profits continues unabated. Central governments, in turn, whose preferred development strategy is through foreign direct investment—often urged by multilateral institutions—either wittingly or unwittingly encourage these events.

According to the Amsterdam-based Transnational Institute, the term *land grabbing* reemerged on the international stage in the context of a spike in global food prices in 2007–8. A combination of crises in food, energy, the environment, and finance coalesced during this period, producing a response among transnational and national economic actors to acquire extensive swaths of land in order to maintain and extend large-scale extractive and agro-industrial enterprises. The term since then has come to be understood as land grabbing although authors Saturnino Borras and Jennifer Franco argue that the more precise term should be *control grabbing*, which refers to the "capturing of power to control land and other associated resources like water, minerals or forests, in order to control the benefits of its use."[4]

In 2009 the Washington-based International Food Policy Research Institute (IFPRI) estimated that 15–20 million hectares in developing countries were either sold, leased, or under negotiation with foreign entities. IFPRI has compiled different media reports on large-scale land acquisitions from different investor countries all over the world. See table 1 for a sampling of such reports on land grabs. The shaded areas indicate that the biggest land deals are from new investor countries (China and South Korea).

Table 1. Media reports on overseas land investments to secure food supplies, 2006–9

Country Investor	*Country Target*	*Plot Size (hectares)*	*Current Status*	*Source*
Bahrain	Philippines	10,000	Deal signed	*Bahrain News Agency*, February 2009
China (with private entities)	Philippines	1,240,000	Deal blocked	*The Inquirer*, January 2009
Jordan	Sudan	25,000	Deal signed	*Jordan Times*, November 2008
Libya	Ukraine	250,000	Deal signed	*The Guardian*, November 2008
Qatar	Kenya	40,000	Deal signed	*Daily Nation*, January 2009
Saudi Arabia	Tanzania	500,000	Requested	*Reuters Africa*, April 2009
South Korea (with private entities)	Sudan	690,000	Deal signed	*Korea Times*, June 2008
United Arab Emirates (with private entities)	Pakistan	324,000	Under implementation	*The Economist*, May 2008

Reprinted from Joachim van Braun and Ruth Meinzen-Dick, *"Land Grabbing" by Foreign Investors in Developing Countries: Risks and Opportunities*, IFPRI Policy Brief 13 (Washington, DC: International Food Policy Research Institute, April 2009), 2, http://ebrary.ifpri.org/cdm/ref/collection/p15738coll2/id/14853.

The United Nations Special Rapporteur on the Right to Food issued a statement in 2009 that an estimated 30 million hectares were under acquisition "in order to grow food for China and the Gulf States who cannot produce enough for their populations."[5] Globally, the World Bank estimates that 45 million hectares' worth of large-scale farmland deals were announced even before the end of 2009.[6] These estimates, however, are problematic. Lands classified as "suitable" for cultivation oftentimes imply that such areas are "marginal," "idle," or "unused" and therefore under the jurisdiction of the state. The reality, however, is that most of these lands are occupied and have been used by communities and households for generations without interference from outside interests. As land markets opened up, the push for land reclassification to make them available to foreign investment also spurred the drive for population displacement, with or without adequate compensation.

Shifts in land-use patterns, from subsistence farming to large-scale monocrop agriculture, have been at the forefront of massive land deals in recent years. Yet, as Borras and Franco point out, change in land use has many faces and directions. To capture this diversity and complexity, they have developed a typology as a heuristic device to portray more systematically the different dynamics of shifts in land use. Each of the different categories of such shifts "brings in important dynamics missing from the dominant land grab narrative, and enables us to situate our analysis of land-use changes in the latest wave of capitalist penetration of the countryside of the world."[7] (See table 2.) According to Borras and Franco, the shaded areas represent changes in land use that are the object of anti-land-grabbing campaigns, all of which indicate shifts from consumption to export, whether of food or biofuels. These areas also indicate transnational activity, especially from nontraditional countries (e.g., South Korea, the Gulf states, and Japan) that either transact directly with farmers through contract farming arrangements or enter into long-term leases, typically of 99 years, or a combination of both. Further, in these areas the most intrusive forms of land grabbing occur as state-sponsored companies aggressively enter into land concessions. Such land grabs occur very rapidly. As many as 60 South Korean companies are involved in farming in 16 countries.

Table 2. The main directions of land use today

Ideal Type	*Type A Food to Food*		*Ideal Type*	*Type B Food to Biofuels*	
	From	**To**		**From**	**To**
A	Food production	Food production	**B**	Food production	Biofuels production
A1	Food consumption	Food for domestic exchange	**B1**	Food for consumption, domestic exchange	Biofuels for export
A2	Food consumption, domestic exchange	Food for export	**B2a**	Food for consumption, domestic exchange	Biofuels for local use and domestic exchange but corporate controlled
A3	Food for export, monocropping, and industrial farming	Food for consumption and domestic exchange, small-scale polyculture	**B2b**	Food for consumption, domestic exchange	Biofuels for local use and domestic exchange but non-corporate-controlled
Ideal Type	*Type C Nonfood to Food*		*Ideal Type*	*Type D Nonfood to Biofuels*	
	From	**To**		**From**	**To**
C	Nonfood	Food production	**D**	Forest and marginal/idle lands	Biofuel production
C1	Forest lands	Food for consumption, domestic exchange	**D1**	Forest lands	Biofuels for use and domestic exchange
C2	Forest lands	Food for export	**D2**	Forest lands	Biofuels for export
C3	"Marginal," "idle" lands	Food for consumption, domestic exchange	**D3**	"Marginal," "idle" lands	Biofuels for use and domestic exchange
C4	"Marginal," "idle" lands	Food for export	**D4**	"Marginal," "idle" lands	Biofuels for export

Reprinted from Saturnino M. Borras and Jennifer C. Franco, "Global Land Grabbing and Trajectories of Agrarian Change: A Preliminary Analysis," *Journal of Agrarian Change* 12, no. 1 (January 2012): 39.

Palm oil production is an illustration of large-scale land grabs for monocrop agricultural production, an instance of shifting food for consumption or domestic exchange to food for export (ideal type A2), or the clearing of forest lands for food for export (ideal type C2). Further, instances of lands (mis)classified as "marginal" or "idle" and subsequently shifted to food for export constitute ideal type C4. According to John McCarthy, "Oil palm is the most significant boom crop in Southeast Asia, and one associated with large-scale agrarian transformation. . . . The area under oil palm in Southeast Asia grew from 4.2 million hectares in 2000 to 7.1 million ha in 2009, with millions of additional hectares either in transition or set aside for further development."[8]

This shift in crop use arose out of the emergence of major buyers for palm oil—namely, China and India. Over a 10-year period from 1996 to 2007, both countries have increased their importation of palm oil. Chinese importation registered from 1.07 million tons in 2007 to an almost fivefold increase of 5.22 million in 2007. Similarly, India's imports in 1996 stood at 1.11 million tons; by 2007 this amount had increased to 3.51 million. The combined importation of palm oil by the top four European Union countries (Germany, Netherlands, United Kingdom, and Italy) is only equal to the amount of palm oil imported by India alone over the same time. This fact strongly suggests that the land grabs for palm oil production are very much a reflection of the food requirements of the two largest Asian countries—China and India (see table 3).

Table 3. Palm oil import data in tons

Year	*China*	*India*	*Germany*	*Nether-lands*	*UK*	*Italy*	*Belgium*	*France*	*Top 4 EU Coun-tries**
2007	5,223,369	3,514,900	1,076,393	1,237,817	491,944	507,622	n.d.	n.d.	3,313,776
2006	5,220,161	2,766,382	963,886	1,832,217	692,513	515,337	431,340	334,841	4,003,950
2005	4,468,210	2,449,184	949,792	1,721,369	668,841	478,435	389,400	306,317	3,818,437
2004	3,980,868	3,472,518	821,987	1,378,826	706,083	369,956	345,347	267,586	3,276,852
2003	3,422,999	4,026,436	636,565	1,076,643	782,188	312,664	285,258	271,460	2,808,060
2002	2,302,730	3,052,625	679,794	1,044,336	632,401	308,318	n.d.	267,920	2,655,849
2001	1,606,287	2,733,119	605,438	989,612	619,549	303,714	253,054	251,566	2,518,313
2000	1,460,776	3,054,923	552,931	701,779	554,022	260,763	273,581	n.d.	2,069,495
1999	1,258,271	2,868,429	412,223	711,663	463,337	228,903	180,715	112,640	1,816,136
1998	990,317	1,608,056	471,911	695,263	372,101	227,454	143,147	108,271	1,382,986
1997	1,235,099	1,044,407	494,099	220,994	438,434	229,459	170,684	n.d.	1,382,986
1996	1,078,220	1,113,851	408,526	343,403	433,939	225,139	151,347	n.d.	1,411,007

Derived from Saturnino M. Borras Jr. and Jennifer C. Franco, *Political Dynamics of Land-Grabbing in Southeast Asia: Understanding Europe's Role* (Amsterdam: Transnational Institute, January 2011), 38, https://www.tni.org/files/download/Political%20Dynamics%20of%20Land-grabbing%20in%20Southeast%20Asia.pdf.
*Germany, Netherlands, United Kingdom, and Italy. These four were consistently among the top 20 importers. Belgium and France are in the top 20 for the most part (not in all years) during the same period.

Apart from the specter of food shortages in food-importing countries is the competition for foreign investment among nations that anchor their development strategies on capital infusion from overseas sources. Chief among these investments are those in rural infrastructure that in turn provide farm and off-farm employment.[9] Other investments are in agricultural technologies that spur production, thereby increasing local capacities for domestic food consumption as well as food exportation. The drive towards economic growth through foreign investments in the agricultural sector may very well offer benefits to the local economy, yet the deleterious effects on rural communities—particularly in terms of land losses—are a direct consequence of a development strategy that favors foreign investment and increases the local economy's vulnerability to land losses and dislocation among rural populations. Further, trade agreements, whether regional or bilateral, typically contain provisions in the so-called investment chapter. The major focus of this chapter is the requirement for governments to liberalize land—that is, to lift restrictions on land ownership by foreigners and to inhibit governments from enacting land-governance measures that discriminate against foreign investors. When such agreements and treaties are violated, foreign investors seek recourse to international arbitration, which in most cases treats land as a commercial asset.[10]

A third factor that drives and accelerates land grabs is the imposition of export restrictions by countries that have been traditional food exporters but were faced with sudden increases in food prices in 2007 and 2008. Exporting countries reacted defensively to food-price spikes in a bid to maintain domestic food stocks, stabilize food prices, and ensure domestic supply. During the period of food-price increases, at least 29 countries curbed their food exports, among them India, China, and Vietnam—traditionally rice exporters.[11] In the aftermath of food hoarding among the exporting countries, the insecure countries utilized their resources to enter into massive land deals and embarked on a strategy to "outsource" their food production in a bid to stave off future price spikes and maintain a steady food supply.

Finally, factors that account for land grabs, such as those listed above, can be subsumed within a larger framework of international political economy, particularly the logic of primitive capital accumulation in which an uneven process of capitalist development results in "accumulation by dispossession."[12] Using Laos as a focal lens for large-scale land concessions, Ian Baird argues that primitive accumulation is a process of "turning land into capital, people into labor," a state-sponsored process of capital accumulation that views rural populations as unproductive and resistant to being integrated into the market economy.[13] Drawing semisubsistence farmers into wage labor furthers the logic of primitive capital accumulation; drives them out of the land, whether by coercion or through incentives of paid labor; and establishes the justification for entering into large land concessions by the state. It is interesting to note that any land use that shifts from consumption to domestic exchange signifies commoditization of food production and is an integral component in the evolution of capitalism in the agrarian sector. For peasants previously engaged in food production for domestic use, their participation in the market to obtain more money for their harvest eventually leads to dispossession.

Joachim van Braun and Ruth Meinzen-Dick provide a less pessimistic reading of rural dislocations, advocating strong collective action among rural populations and support from civil society to address power imbalances.[14] The role of local, regional, and global civil society is indispensable in mobilizing collective efforts—already evident in the numerous initiatives that have grown since 2008. All of these fall under the broad umbrella of land justice, and their activities range from education and research to the more active interventions that include sharing benefits, securing tenurial rights for farmers, and assisting in the design of responsible investment and investor management.

South-South Land Grabs in the Greater Mekong Subregion

Land grabbing in Southeast Asia, particularly in the Greater Mekong Subregion, is a pretty dire picture.[15] In Laos alone, Chinese, Korean, and Vietnamese companies have secured concessions amounting to approximately 1.1 million hectares of land for commercial purposes—roughly 5 percent of Laos's total land area. This figure comes from a recent inventory of land concessions released by the Laos Ministry of Natural Resources and Environment. Yet, according to a report by the Land Issues Working Group, a partner of Oxfam, it "does not include mining areas, or the most recent concessions granted by the Government."[16] Since mining constitutes the biggest source of revenues for the Laos government, its exclusion means that the figure released by the Ministry of Natural Resources and Environment is not reliable and could probably be much higher than what has been reported. A separate report issued by the Land Management and Registration Project puts the figure at 5 million hectares, roughly 21 percent of Laos's total land area. The report further indicates that the biggest concessions are in mining. In three northern provinces of Luang Prabang, Phongsaly, and Houaphan, for example, 81 percent of a 100,000-hectare concession was granted for mining exploration and another 19 percent for agriculture, mostly for rubber production. The report confidently asserts that these figures "[mirror] the distribution of concessions at the national level."[17]

The value of mining production in Laos has increased to around $1 billion today. Mining accounts for nearly 50 percent of exports and 15 percent of government revenues. The pernicious effects of land grabs for mining purposes are more evident in the smaller concessions, which are often unreported and remain outside government regulation.

A separate report commissioned by the Ministry of Natural Resources and Environment and funded by the Swiss Agency for Development and Cooperation and German Cooperation confirm roughly the same trends. The report makes a distinction between "land leases" and "land concessions."[18] Overall, there are a total of 2,642 land deals. Land concessions (1,535) outnumber land leases (1,107), comprising 58 percent of all total land deals and covering 1.1 million hectares or 99.8 percent of total land area under land deals. Land leases, on the other hand, comprise only 0.2 percent, and the average size of land leases is 3 hectares. In terms of sectors, the primary ones—agriculture, forestry, and mining—claim 91 percent of all land area under investment or 995,005 hectares out of 1.1 million. The remaining 9 percent are in the secondary and tertiary sectors (construction, electricity, communications, tourism, and services). The largest investor countries are China, Thailand, and Vietnam, whose combined investments account for 53 percent of all deals. Japan and South Korea comprise 5 percent, and domestic investment 17 percent. Moreover, the biggest investor in the Lao People's Democratic Republic (PDR) is Vietnam, whose land deals cover 28 percent of the total area. A South-South land-based investment pattern is predominant. Although Lao PDR comprises 65 percent of all land deals, the area of coverage is only 17 percent, suggesting that domestic investments, though numerous, cover only a small area compared to the three investor countries whose pattern of investments is in large land concessions (see table 4).

Table 4. Overview of investment projects by investor country of origin

Investor Country	*No. of Deals*	*Total Area (hectares)*	*Average Area (hectares)*	*Total No. of All Deals (%)*	*Total Area of All Deals (%)*
China	299	199,015	777	11	18
Thailand	127	73,637	701	5	7
Vietnam	191	307,169	1,862	7	28
Lao PDR	1,705	181,477	117	65	17
South Korea	75	27,114	405	3	2
Japan	21	29,595	1,480	1	3
Other	224	278,787	1,245	8	25

Reprinted from Oliver Schonweger et al., *Concessions and Leases in the Lao PDR: Taking Stock of Land Investments* (Lao PDR: Geographica Bernensia, 2012), 25, http://www.cde.unibe.ch/v1/CDE/pdf/Concessions-Leases-LaoPDR_2012.pdf.

Relative peace and stability in Cambodia since the 1990s have created a favorable investment climate in the country, especially with the passage of the Foreign Investment Law in 1995. Further, tourism experienced a dramatic upsurge, with year-on-year increases since 1993. In 2003 the Ministry of Tourism reported that the country hosted 1.1 million tourists. In 2013 the figure almost quadrupled to 4.2 million.[19] Agriculture, on the other hand, comprises only 6 percent of total investment compared to tourism (58 percent), industry (19 percent), and services (17 percent).[20] However, foreign investments in agriculture that directly involve land concessions have been the most contentious and generate continuous social conflicts, especially among directly affected communities and populations. Land disputes in Cambodia have been occurring for decades. At the center of land controversies is the awarding of economic land concessions (ELC), defined as

> mechanisms to grant state private land through a specific contract to a concessionaire for use in agricultural and industrial agricultural exploitation, namely the cultivation of food or industrial crops, livestock raising and aquaculture, construction of plants, factories or facilities for processing domestic agricultural raw materials, or a combination of some or all of these activities.[21]

ELCs have proliferated over the past several years, as have land claims. Conflicts over land, particularly the resistance to big land concessions, were a contentious issue during the 2012 elections. As of June 2012, a total of 117 concessions occurred, covering 1.18 million hectares in 16 provinces, representing 5.2 percent of Cambodia's total land area and 14.5 percent of total arable land. This figure does not include concessions of 1,000 hectares or fewer, for which no available data exists.[22] Table 5 shows the distribution of ELCs by nationality for the period 1995–2009. Four Asian countries—China, Korea, Thailand, and Vietnam—account for 30 percent or 335,915 hectares, the total land concession under foreign investment, while the remaining 70 percent or 668,725 is under private domestic ownership. The biggest investor is China with 18 percent or 186,935 hectares of the total and one megaproject covering 60,200 hectares of land awarded in 1998 in Koh Kong province.[23]

Table 5. Distribution of ELCs by nationality, 1995–2009

Category	*Size (hectares)*	*Percent of Total*	*Mean Size (hectares)*	*Minimum Size (hectares)*	*Maximum Size (hectares)*	*No. of projects*	*No. of projects > 10,000 hectares*
Active Projects							
Unreported	-	-	-	-	-	9	
Cambodia	668,725	65	18,576	807	315,028	36	6
China	186,935	18	10,996	5,000	60,200	17	1
India	7,635	1	7,635	7,635	7,635	1	0
Korea	27,622	3	5,524	3,000	7,500	5	0
Malaysia	7,955	1	7,955	7,955	7,955	1	0
Taiwan	4,900	0	4,900	4,900	4,900	1	0
Thailand	37,436	4	7,487	6,523	9,700	5	0
USA	36,203	4	9,051	7,000	9,820	4	0
Vietnam	47,228	5	6,747	2,361	9,380	7	0
Total	1,024,639	100	13,307	807	315,028	86	7
FDI	335,914	35				41*	1
Cancelled Projects							
Cambodia	34,711	28	8,678	7,172	10,000	4	0
China	66,800	53	13,360	3,200	28,500	5	2
USA	9,214	7	9,214	9,214	9,214	1	0
Vietnam	15,160	12	7,580	7,560	7,600	2	0
Total	125,885	100	10,490	3,200	28,500	12	2
FDI	91,174	72					

Derived from Saing Chan Hang et al., *Foreign Investment in Agriculture in Cambodia*, CDRI Working Paper Series no. 60 (Phnom Penh: Cambodia Development Resource Institute and Food and Agriculture Organization, June 2012), 20, http://www.cdri.org.kh/webdata/download/wp/wp60e.pdf.

*This figure excludes the number of unreported projects.

As with Laos, Cambodia exhibits a pattern of foreign investment in the agricultural sector although with a comparatively lower coverage relative to other sectors. The 2009 report of the Cambodian League for the Protection and Defense of Human Rights notes an additional 16 ELCs totaling over 80,000 hectares and displacing 2,900 families despite a declared moratorium to review the existing concessions. However, the report asserts that the review bypassed state institutions and was conducted by the prime minister's office through the enlistment of 2,000 volunteers. As a personal initiative of the prime minister, the report claims that the process lacked transparency, had no monitoring controls, and ultimately led to negligible results. All told, about 2.2 million hectares are currently under ELCs since 2003, affecting nearly 500,000 Cambodians in 12 provinces.[24]

Currently, Myanmar is in the grip of an investment surge. The rush for land concessions in the primary sectors is evident, and the story of community displacement in the rural areas is by now a familiar one, barely two years into Myanmar's economic reforms. Although neither updated nor very reliable data on the state of investments in agriculture exists, the emerging picture is one in which foreign investors are positioning themselves to take control of large tracts of land for agricultural and mining purposes.[25]

A policy brief from the United States Agency for International Development portrays the current array of land laws as "complex and poorly harmonized, with many of the legal instruments dating back to the nineteenth century." In addition, the Myanmar government does not recognize customary land-tenure practices; thus, community-based land use like that practiced by small-holder farmers and ethnic populations is most vulnerable in terms of land grabs and outright dispossession.[26] Without a firm land-tenure law that safeguards rights to the use of land, many farmers and poor rural households will be left behind in an investment-driven strategy currently being promoted by the government. Communities are most vulnerable in the crucial investments of agriculture, mining, and power.

Early signs of trouble are already evident. In early 2014, more than 6,000 land-grab complaints were filed with the parliamentary land investigation committee, even while the deputy minister of agriculture downplayed the number to fewer than 800.[27] The Agriculture and Farmers Federation of Myanmar (AFFM) held its first congress on 29–30 April 2014, attended by 1,592 delegates, to denounce the threat to farmers and their livelihoods resulting from land grabs by corporations in collusion with the government and the military. Though recently formed, the AFFM has a membership base of 51,890 in 628 registered unions all over the country. The fact that 35 percent of its members are women suggests that the formation of civil society is well under way in Myanmar, especially in the agricultural sector where small farmers recognize the immediate threat to their survival.[28]

Additional threats of land grabs in Southeast Asia come from the Middle East, particularly the wealthy Gulf Cooperation Council (GCC) countries.[29] Although wealthy, these nations have very little land area suitable for cultivation, and most of the small ones import all of their food supplies. In 2008, when global food prices spiked, GCC members were among those resource-poor countries that undertook a deliberate effort to strategize their food security needs by outsourcing food production through extensive land concessions overseas. During the annual meeting of Arab financial institutions and the fourth meeting of the Council of Arab Ministers in Dubai in April 2013, the major item discussed was food and energy security and the imperative for GCC countries to "close the food supply gap."[30] Already, Saudi Arabia, Kuwait, and Bahrain are entering into joint ventures with Philippine companies for the production of rice and bananas. Qatar's Sovereign Wealth Fund is investing US $1 billion in Vietnam and an equal amount in Indonesia to support and develop their agricultural production systems.[31] In 2012 Thailand and Bahrain addressed food and energy security needs through a joint steering committee.[32] The flow of investments from Arab countries towards Southeast Asia is part of an overall Association of Southeast Asian Nations (ASEAN)–GCC action plan in which hydrocarbons and food supply figure prominently in the trade relationship. Total trade between the GCC and ASEAN had already increased by 24 percent in 2010, up from US $67.3 billion in 2009 to US $83.25 billion in 2010.[33] As investments are on the upswing from GCC countries, the threat of dislocation and displacement becomes even more pronounced in the absence of strong and robust land-governance mechanisms in destination countries.

The Role of Korean Investment

In recent years, Korean investments have seen a dramatic surge in the Mekong Subregion as part of a comprehensive investment strategy embodied in the Han River Mekong–Republic of Korea Comprehensive Partnership for Mutual Prosperity, a declaration signed in October 2011 by the foreign ministers of the five Greater Mekong Subregion countries (minus China) and the Republic of Korea. At the second foreign ministers' meeting in 2012, Korea announced more concrete pilot projects in the transport, water, and agricultural sectors.[34] By directly engaging with the five countries as a singular regional bloc, Korea would enter into its first-ever multilateral cooperation even while continuing its previous bilateral relationships with individual countries in the subregion. Interestingly, prior to the declaration of multilateral cooperation, Korean investments had steadily increased in the last 10 years since 2002. The most substantial share of Korean investment has gone to Vietnam, followed by Thailand and Cambodia. With the recent opening of Myanmar, Korea has begun to invest in that country. Laos has negligible investments. See Table 6 for the trend of Korean outward direct investment (ODI) from 1992 until September 2009. Shaded areas indicate the bulk of Korean investments (i.e., Vietnam), with massive increases during the years 2005–8, reaching over US $2 billion each year for the years 2007 and 2008.

Furthermore, Cambodia received a sudden increase in Korean ODI, reaching US $1.25 billion in 2008.

Table 6. Korea's ODI to CMLV countries by year, 1992–2009, in US $Millions

	Cambodia	*Laos*	*Myanmar*	*Vietnam*
1992	1.9	0.3	0.2	101.4
1993	0.0	0.2	2.0	152.9
1994	2.3	2.9	2.0	179.3
1995	0.5	9.9	1.5	233.5
1996	10.2	31.1	5.2	219.8
1997	18.1	27.5	13.2	195.0
1998	2.2	5.3	3.8	107.6
1999	8.8	0.7	5.5	79.3
2000	9.6	3.0	20.5	98.7
2001	8.3	0.0	3.2	98.8
2002	11.5	1.3	2.4	388.7
2003	33.2	0.6	3.0	723.6
2004	7.8	2.0	0.5	358.5
2005	110.8	0.0	0.8	403.7
2006	172.9	7.7	0.5	**1,811.6**
2007	829.9	370.0	19.4	**2,708.0**
2008	**1,255.9**	47.8	49.8	**2,014.7**
2009	225.3	41.8	9.2	634.9

Reprinted from Jaewan Chong, "Korea's Economic Cooperation with CLMV [Cambodia, Lao PDR, Myanmar, and Vietnam] Countries: Vietnam Case," in *Japan and Korea with the Mekong River Basin Countries*, BRC Research Report, ed. Mitsuhiro Kagami (Bangkok: Bangkok Research Center, IDE-RETRO, 2010), 137.

Investments in Vietnam have been predominantly in the agricultural sector. In 2014, through the Korean company Korea Agricultural Machinery Industry Cooperative, the government of Korea gave nonrefundable agricultural aid in the amount of US $23.5 million to Vietnam to assist in the mechanization of agriculture. Sixty percent will go towards the purchase of agricultural machinery from Korea. Another US $65.8 million investment in infrastructure development will facilitate the implementation of the agricultural modernization project.

Korean investments are channeled mainly through state corporations such as the Korea Rural Development Corporation that own and operate the overseas farms. Others are private-sector companies such as Daewoo that enter into long-term land concessions. In Cambodia, investments in food crops are purely Cambodian owned or in partnership with Cambodian firms. The most famous and largest Korean firm in Cambodia is Kenertec Company, which was awarded the largest concession, covering 60,000 hectares, to plant rubber trees, cassava, and jatropha. The concession is six times bigger than the allowable size under Cambodian land law. Moreover, Kenertec has been awarded mining rights for eight sites in the country, covering a land area of 1,520 square kilometers. Kenertec plans to mine copper, lead, manganese, zinc, iron, silica, and jewels. The concession overlaps the Prey Long forest and threatens the livelihoods of approximately 700,000 indigenous peoples who inhabit the forest.[35]

Conclusion: Emerging Trends and the Possible Future of Asia

This article has sketched out several trends regarding land grabs in Asia. First, the logic of the global industrial agro-food-feed-fuel complex serves as the motor for large-scale land acquisition, which results in the dispossession of land by people who have been living and working there for generations. This complex has produced very specific changes in land use—from food crops to biofuels, from forest land to biofuels, and food production for export. These shifts in land use exert pressure towards the large-scale accumulation of land, which in turn results in dispossession and dislocation of communities. Small-scale farming is threatened, and livelihoods of farmers have been virtually eradicated, either turning them into wage laborers who work the plantations in the large land concessions or rendering them totally landless altogether.

Second, changes in crop use that entail a shift from food and feed products to biofuels exacerbate food and water insecurity. The tension between food and fuels puts further pressures on countries that allocate land concessions to award investor countries with large tracts of land to satisfy the latter's needs for both food and biofuel. This situation is especially true for small but wealthy countries that have limited land for agricultural and biofuel cultivation but sufficient financial resources and power to negotiate lucrative land deals for themselves, whether for outright land exploitation or for speculation in the event of unexpected surges in the price of food and fuel, as occurred in 2008.

Third, this complex has caused changes in land-property relations in which the rural poor who had once exercised control of land resources have been dispossessed and dislocated to give way to larger and more powerful forces that exert pressure on the disempowered poor to leave either with or without compensation. In most cases, these dislocated farmers are converted into wage laborers, thus confirming Harvey's assertion of capital accumulating through an extremely uneven process, resulting in dispossession—especially among the rural poor.[36]

Fourth, land grabs also emerge from the erroneous (re)classification of land—from land previously utilized by small farmers, usually under customary laws no longer recognized under a new investment regime, to "idle," "marginal," and "unpopulated." The witting or unwitting participation of international financial institutions serves to legitimize massive land grabbing in the guise of a development model premised on attracting foreign investment and financed through public-private financial schemes. This development approach by multilateral financial institutions encourages and endorses land grabbing.

Fifth, these trends suggest, among other scenarios, that the future of Asia is possibly going to be redrawn according to commodity and transportation lines (i.e., pipelines and railways) and large-scale plantations dedicated to monoculture production. The old political-administrative lines drawn by the previous colonials may give way to these boundary divisions of the future and will constitute the "real borders" of the Global South. These new borders are premised on land deals that cut across countries. In the future, we will possibly refer to the Yunnan-Cambodia railway, the Thai-Myanmar pipeline, the Dubai-Qatar rice agglomerate, the Korea biomass plant, the Vietnam-Lao rubber plantation, and so forth. Countries will be known for their ports, economic zones, plantations, and mining concessions. The next generation will live in a world where land has been "transnationalized" while local populations and communities have disappeared.

Finally, alongside this new trend is the emergence of the Asian colonial company, one that possibly resembles the old trading companies of previous colonials. Awash in cash but pressured by domestic concerns regarding food, water, and energy insecurities, these companies are the pioneers of creating a new pattern of hegemony in Asia by Asians. The *Financial Times* carried an article in 2008 that refers to a new "food neocolonialism." It reports a warning from Mr. Jacques Diouf, secretary-general of the Food and Agriculture Organization, who talks about the creation of a neocolonial system based on unequal power relations and "short-term mercantilist agriculture."[37] Control over land resources is reshaping global politics in agriculture and awards geopolitical leverage to countries able to acquire and retain control over global production systems.

Using Korean investment in the Mekong region as a case study illustrates these emerging trends. Korea, a wealthy but resource-challenged country due to its rapid urbanization and industrialization process during the last 50 years, has had to face the challenge of feeding its largely urbanized population and proactively preparing for sudden spikes in food prices. Its massive capital resources were deployed to secure large land concessions not only in the Mekong countries in Southeast Asia but also in other regions like Africa. As a former developing country that had to address its own poverty issues, Korea has joined a group of new, wealthy countries to embark on land-grabbing activities.

This article has not addressed the countervailing forces that confront the new forces of domination. Civil society organizations at local, regional, and global levels are bringing this issue to the forefront, and more concerted efforts are emerging. Enhanced awareness is now evident—an encouraging trend. One hopes that continuous research will result in deepening appreciation of the current social and economic landscape of the region—one in which inequalities in the land sector, particularly in the rural areas where a sizeable number of Asians still live and from which they derive their livelihoods, are exposed. This exposure creates an enlarged space for the expanded participation and increased solidarity to put forward proposals and alternatives—one that is already in process and that provides an antidote to the seeming hopelessness wrought by powerful forces. In this respect, the continuing economic and social dynamism occasioned by the formation of the Greater Mekong Subregion will spur the kind of prosperity truly shared and enjoyed equally by all of its citizens.

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