The new scramble for Africa-Part 1

June 18, 2014 — With the African continent home to the majority of the world's fastest-growing economies, urban consumer markets and a wealth of natural resources, it's perhaps not surprising that some of the world's largest corporations, from Monsanto to Unilever, are rushing to get a slice of the action.

The Berlin Conference (1884-1885) was a landmark moment in the western colonization of the African continent

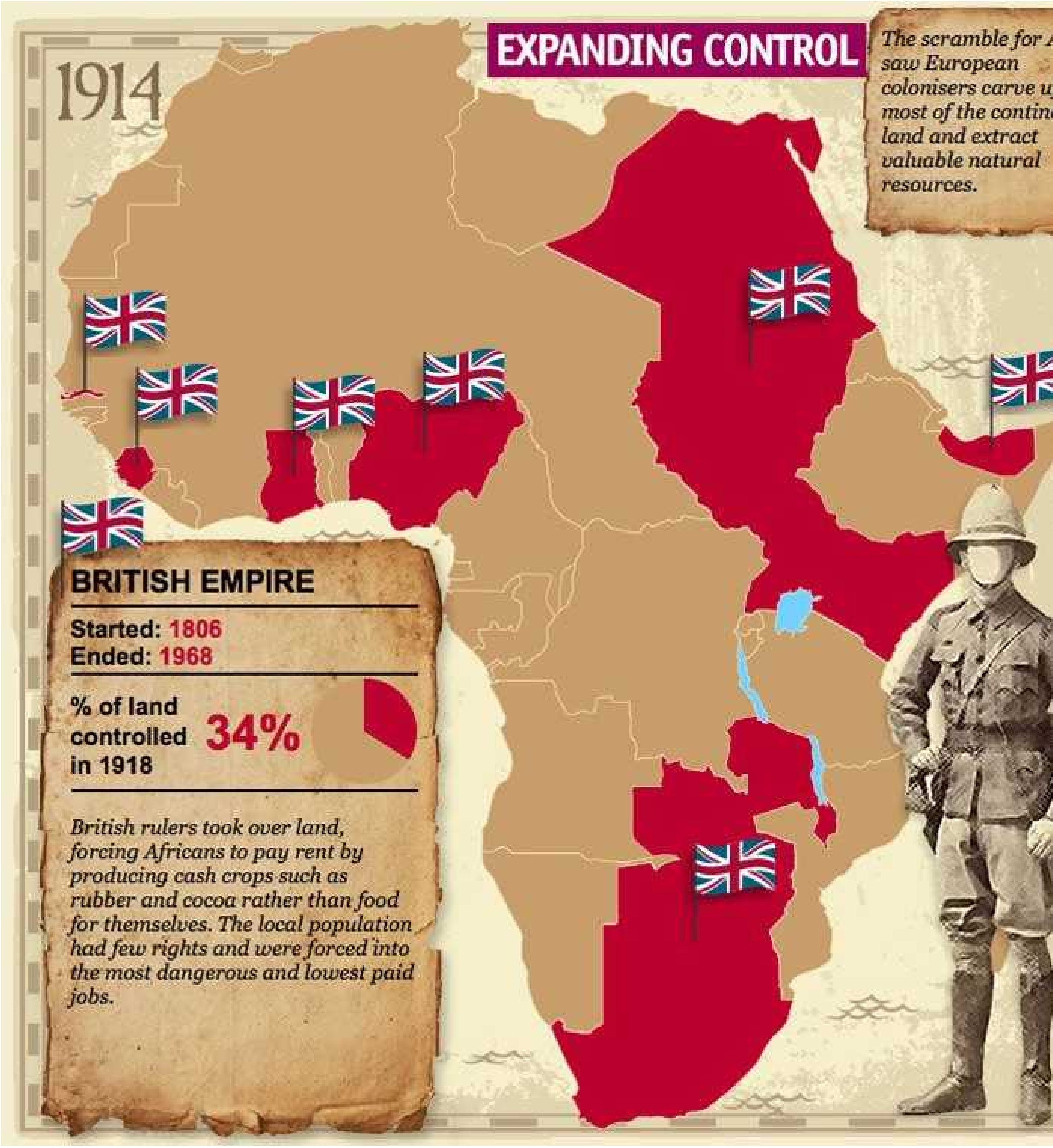
World Development Movement (WDM) has produced a new series of infographics depicting the parallels between European colonialism and the encroachment of multinational corporations on the African continent. In this series of three weekly articles, WDM and This Is Africa explore the dynamics behind this modern-day game of thrones.

View the first interactive infographic here.

A new scramble for Africa

This scramble bears a striking resemblance to the nineteenth century colonial takeover of the African continent, which saw only Ethiopia and Liberia escape European control. Now as then, the draw is access to Africa's rich natural resources and an abundant labour force that can be put to work generating products to feed the insatiable appetite of western consumer markets.

Now a new series of interactive infographics produced by UK-based global justice campaigners the World Development Movement shows how stark these parallels are. The first, released this week, shows a comparison between the African empires controlled by colonial powers Britain, France, Belgium and Portugal with the corporate empires being supported by an initiative called the New Alliance for Food Security and Nutrition.



Infographic: the new Scramble for Africa. View the interactive version on the WDM website.

Ethiopia has failed to escape this new process of corporate colonisation

The New Alliance for Food Security and Nutrition was launched by the G8 in 2012, and sees the governments of the African countries involved being pushed to reform their land, seed and trade laws to benefit multinational companies, often at the expense of the small-scale farmers who currently feed at least 70 per cent of the African population. Since then the scheme has expanded to include other rich country donors including Belgium, Spain and South Korea. Currently, ten African countries are involved: Benin, Burkina Faso, Côte d'Ivoire, Ghana, Malawi, Mozambique, Nigeria, Senegal and Tanzania – plus Ethiopia, which has failed to escape this new process of corporate colonisation.

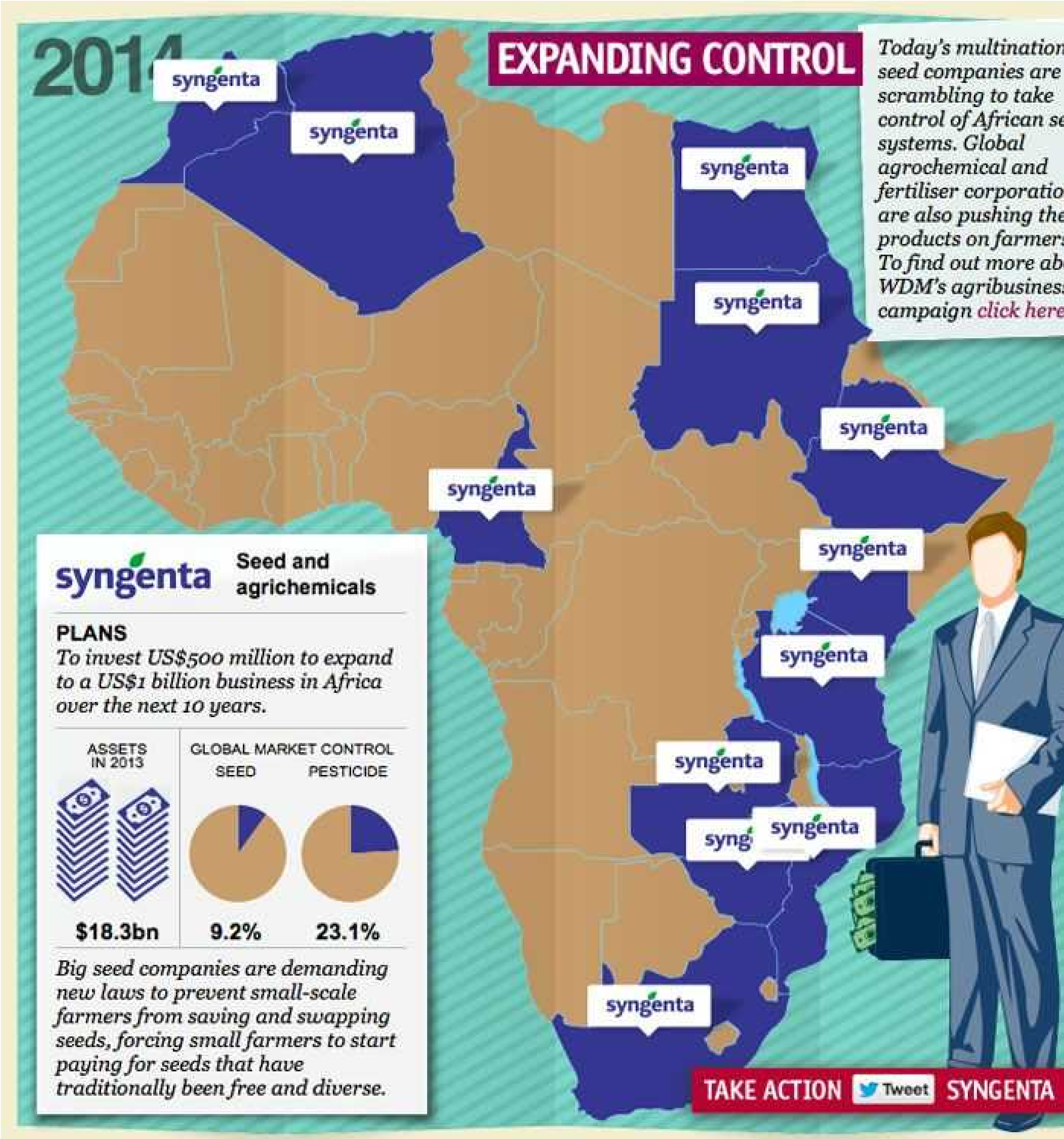
Spurred on by the reforms African governments are making, global companies are making major expansion plans. One group set to benefit most are multinational seed and agrochemical corporations, such as Monsanto, Sygenta and Yara, the world's largest fertiliser company, as the infographic shows.

Privatising African seed heritage

Reforms being made by the African countries involved in the New Alliance will restrict farmers' abilities to breed and exchange seeds suited to their local environment, and instead push producers to purchase from commercial seed companies. While not all these companies are based overseas, the top three players (Monsanto, Syngenta and DuPont) already control over half of the commercial seed market globally, and have a track record of buying up their smaller rivals. Between 1996 and 2008, the biggest seed companies have acquired or invested in more than 200 other companies.

With millions of farmers, most of whom use seed bred and saved by themselves or other local farmers rather than from commercial seed companies, it's hardly surprising that companies like Monsanto and Syngenta are seeing major opportunities for growth. But in practise, the new laws being demanded by the New Alliance won't just push farmers to buy from these companies, they will also enable the corporations to prevent others from reproducing seed varieties they have bred, even if these are based on centuries of expert breeding by

African farmers – effectively facilitating the privatisation of African seed heritage.



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Getting farmers hooked

Similarly, efforts to increase sales of artificial fertilisers and pesticides look set to benefit multinational corporations over the farmers they are supposed to help. In particular, adopting artificial fertilisers puts farmers at risk of getting into debt because they degrade the soil and so require continued use to maintain production. An estimated 250,000 Indian farmers have committed suicide since 1995 as a result of getting into debt from purchasing agrochemicals.

In addition, the UN Environment Programme (UNEP) has estimated that the cost of pesticide poisonings in sub-Saharan Africa now exceeds the total overseas development aid given to the region for basic health services (excluding HIV/AIDS).

As well as promoting the sale of imported fertilisers and pesticides, fertiliser giant Yara is planning to build a major production facility in sub-Saharan Africa, requiring massive quantities of energy – despite the fact that 70 per cent of people in the region still lack access to electricity.

Photo: AFSA

Winners and losers

While these developments look set to be bad news for most of the continent's farmers, not everyone will lose out. In general, the benefits will accrue to the best off – larger-scale and more affluent farmers and businesses, and the multinationals themselves.

"Their economies of scale make it difficult if not impossible for local businesses to compete"

But overall the approach represented by the New Alliance and similar schemes is likely to short-change the countries involved. Many of the companies involved in schemes like the New Alliance, including SABMiller and Vodafone, are well-known tax dodgers. While their activities may generate more economic activity, the benefits are likely to flow to wealthy western shareholders, not the public service budgets of the African countries in which they operate. Meanwhile, their economies of scale make it difficult if not impossible for local businesses to compete.

Fighting back

The good news is that, as in the struggles for independence, Africans are not taking this corporate colonialism lying down. Last year over one hundred farmers groups and civil society organisations issued a statement exposing schemes like the New Alliance for what they are: "a new wave of colonialism". Through the Alliance for Food Sovereignty in Africa (AFSA), many of these groups are both fighting the corporate-dominated model of agriculture currently being promoted and showing how alternatives are both viable and desirable. Like those who fought the European colonisation, their demand is for sovereignty. This time it's food sovereignty – policies that empower rather than undermine the small-scale food producers who feed the majority of people using a minority of the available land, water and energy.