Large land deals a threat to farmers: U.N.

UNITED NATIONS, Nov. 12 (UPI) -- Large-scale acquisitions of agricultural land and expansion of biofuel feedstock crops are driving farmers deeper into poverty and hunger, U.N. studies showed.

Findings on land purchases in poor countries by foreign investor nations and organizations is brewing an explosive cocktail that would spell trouble both in terms of social balance and food supply, U.N. Special Rapporteur on Food Olivier de Schutter said.

U.N. studies show that new pressures being built on farmland by investor interest in large tracts and conversion of food crops into feedstock production can impact on food available to at least 500 million farmers, many of them in Latin America.

Added to those problems were environmental degradation and urbanization, De Schutter said.

"The plots cultivated by smallholders are shrinking year after year," he said in a report presented to the U.N. General Assembly. Farmers are encouraged to sell their lands to investors or feedstock producers then find themselves having to produce food on less-fertile soil or on land with inadequate irrigation.

He said the developments posed a direct challenge to the right of rural populations to grow their own food.

U.N. estimates show up to 30 million hectares of farmland are being lost due to the combined effects of large land sales, conversion to non-food crops, encroachment by urbanization and soil degradation.

Large-scale land acquisitions worldwide reached 45 million hectares in 2009, U.N. estimates showed. More than one-third of the newly acquired large-scale land holdings are likely to be converted to producing feedstock for biofuels.

China, South Korea and Arab states have been the largest buyers but investment firms in the Americas have also bought into farmlands in the Western Hemisphere.

Land purchases caught momentum after the sharp prices rises in food and commodities from 2008 onward.

Analysts said the large-scale land purchases represented an emerging threat both for the countries targeted for investment and for the investors who poured money into what they believed to be lucrative deals.

Many investors have poured money into land deals hoping they will enjoy the same rights as landowners in modernized industrial countries. In fact, many deals have been found to be based on questionable legal frameworks and suspect documentation.

Investors are also exposed to the risk that the national governments of countries targeted for large-scale land acquisitions may change legal frameworks, with unpredictable results for the new owners.

The threat posed to buyers of large tracts of land, however, is distant while tens of thousands of farmers face immediate problems of poverty and hunger, analysts said.

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