The Effects of Ethiopia's Investment Policy and Incentives on Smallholding Farmers

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ABSTRACT

Nowadays developing countries are highly attracting foreign investors especially who have food and biofuel energy demands. Surprisingly, the hostage country like Ethiopia, and coming in investors have similar interests. Ethiopia opened the door for investors laying primary objectives: to gain foreign currency, technology exchange, creating job opportunity, and food security. The country designed the investment policy toward drawing in investors with red carpet incentives in the investment policies and legal documents and transferred an earmark 7 million hectares of smallholding farmers' land. However, the objectives laid above left only being paper value without bringing into effect the promises. Nevertheless, the government inclined its focus only on earning foreign currency encouraging the investor to export or supply their product to the exporter. The article explores the issue at hand with the policy implementation theories, concepts, approaches, government documents and other references through thoroughly reviewed literature the effects the smallholding farmers facing under the investment policy and incentives. The article revealed that the challenges the smallholders facing under investment plan is worse than their past status quo. The policy and incentives favor the investors than smallholders and local people; dispossessing and displacing them from their land, lacks them food security, unemployment, low wage and sociocultural problems which resulted in reaction against the investors, crop fields, companies with fierce protests and resistances.

***Keywords**:* implementation, incentives, investment policy, investor, smallholding farmer

I. INTRODUCTION

This reviewed article objective is to study the effects the Ethiopian investment and its incentives have on smallholding farmers. The article buckles down to show the consequences the investment policy the government, donor countries and organizations alluring have on smallholding farmers. The favor of the policy began with a lot of high talk about Ethiopia's economic progress in the last couple of years. Western leaders and media outlets were fascinated with Ethiopia's economic growth as the country opened her door and gave encouragement for the expansion of investment to strengthen the domestic production capacity and thereby accelerate the economic development of the country [37]. Since early 2008, the Ethiopian government has embarked on a process to award millions of hectares (ha) of land to foreign and national investors [21]. The government claims that these investments will allow for much needed foreign currency to enter into the economy and will contribute to long-term food security through the transfer of technology to small-scale farmers. However, the economy of Ethiopia which generates over one-half (56%) of the country's GDP, 80% of the country's export earning, 85% of employment is an agricultural based economy of which the production is predominantly in the hands of smallholding farmers relying on their hands, some rudimentary tools and the fickle rains (Wiggins, 2009; Financial times, 2016). A mere 5 percent of agricultural output comes from big commercial farms [9].

The country modified investment policy in the last 20 years for more than four times to increase the inflow of capital and speed up the transfer of technology into the country (Ethiopian Investment Agency [6]. More, the country aimed to enhance and promote the equitable distribution of investments among regions and benefit the society by ensuring competitiveness among investments made by investors. The system of supervision and administration of investment's transparency and efficiency are designed to put in place and ensure that the permits and incentives granted to investors are used for the intended purposes; attracting both domestic and foreign investors to flourish their capital, know-how and entrepreneurship in the country making all walks of life beneficiaries (Preamble of Investment Proclamation No. 769/2012).

Most importantly, the country on the recently released Growth and Transformation Plan (GTP), focused primarily on creating favorable investment climate among others to reach certain goals between 2011 and 2015 gearing towards ending poverty [18]. Within this plan, among others, bolstering smallholder farmers' productivity, enhancing marketing systems, upgrading participation of private sector, increasing volume of irrigated land and curtailing amount of households with inadequate food were the major one. In addition, the major objectives of investment policy promulgated in the preamble of the proclamation No. 769/2012; is to accelerate the county's economic development through exploitation of natural resources of the country, develop domestic market, increase foreign exchange earnings by enhancing exports and producing import-substituting products locally; and create job opportunities.

Despite the government claims, the smallholding farmers lose their land neither enjoyed what they have been promised. So far they didn't witness the food security or the employment after 7 million hectares of land transferred to investors. The investors have food insecurity and energy demand back home in addition to the encouragement government gave them via incentives, inter alia, to export the production or supply to exporter.

Accordingly, in this article the author tries to verify the effects the investment policy and incentives to investors have on smallholders and the latter's reactions against the policy's result in Ethiopia in general along with policy implementation concepts, theories, approaches based on reviewed literature.

1. THE CONCEPT OF POLICY IMPLEMENTATION

In defining the concept of policy implementation different scholars come up with different but similar ideas. Pressman and Wildavsky (1973) define implementation in terms of a relationship to policy as laid down in official documents. As cited in Paudel, referring to them, policy implementation may be viewed as a process of interaction between the setting of goals and actions geared to achieve them [26[. Policy implementation, both one-time efforts to transform decisions into operational terms and continuing efforts to achieve the large and small changes mandated by policy decisions, encompassing actions of public and private individuals or groups directed at achieving objectives set forth in policy decisions.Mazmanian and Sabatier (1979) defined policy implementation as the carrying out of a basic policy decision, usually incorporated in a statute, but which can also take the form of important executive orders or court decisions. Paudel put the authoritative decisions such as politicians, top-level bureaucrats, and others who are the most relevant to produce the desired effects as the starting point of policy implementation [24].

As quoted in Hill and Hupe, Matland argued that, successful implementation, requires compliance with statutes' directives and goals; achievement of specific success indicators; and improvement in the political climate around a program [10]. Compliance with legislation in the implementation of policy goes in line with the rule and due process of law. Besides this, Paudel signaled that the success of a policy depends critically on two broad factors: local capacity and will [24]. The institutional capacities in carrying out the policy have to be established and functioned accordingly. Not only that, the institutions should perform willingly. Paudel goes on explaining the questions of motivation and commitment (or will) that they reflect the implementer's assessment of the value of a policy or the appropriateness of a strategy. Motivation or will is influenced by factors largely beyond the reach of policy environmental stability; competing centers of authority, contending priorities or pressures and other aspects of socio-political milieu can also profoundly influence an implementer's willingness.

The above discussion conceptualizes implementation as a process, output and accomplishment. It is a process of a series of decisions and actions directed towards putting a prior authoritative decision into effect. Policy's value and appropriate strategy have to take into consideration the capacity of local people and their will. Policy designer's final goal- top or bottom is to make sure that community is benefited from the policy. At the same time the local people have to be consulted on the designed policy before taking implementation into picture to recognize the due process of law. The essential characteristic of implementation process is the timely and satisfactory performance of necessary tasks related to carrying out of the intent of the law. This best embraced if the community at large involved in the making and implementation of the policy willfully without being enforced from anybody.

2. THEORIES OF POLICY IMPLEMENTATION

With the evolvement of implementation researches, two schools of thought developed as to the most effective method for studying and describing implementation policy: top-down and bottom-up. According to top-down approach, policymaker set certain goals and implementation is carried out by setting up certain mechanisms (Palumbo, D.J and Calista, 1990). The top-down view a highly prescriptive bent making policy goals clear and consistent, minimize the number of actors, limit the extent of change necessary and place implementation responsibility in an agency sympathetic with the policy's goals. This perspective describes the investment policy of Ethiopia as the later clearly sets policy objectives in its statutory and documents (Investment Proclamation No. 769/2012; EIA, 2014; MOFED, 2010; GTP 2010/11 – 2014/15), directly designed and adopted by top level officials without consulting the local communities and smallholders [21], taking control of the land from several regional government through the creation of the federal land bank, enforcing locals for the implementation and when face resistance use military force [21] The top officials focused on political decision-law- and punish whoever dissented or opposed the policy in the name of anti-development. Matland underlined that top-down approach theorist taking statutory language from the beginning fails them to consider the significance of actions taken in the policy-making process [11].

The Ethiopian investment policy and incentives concentration on generating foreign currency through encouraging investors on exporting their production fails them to consider broader smallholders need and public interest [3, 34] It gave less protection to smallholders and local people than investors. The investment policy and incentives being opened door policy has clear, explicit, and consistent goals on transferring such huge land to investors with red carpet incentives contradicts much of what is known about how this legislation is passed with its rational background. This inevitably leads us to look at the formation of the current Ethiopian government and who is the main political power holder and policy maker. The country's government and power sharing system must be taken into consideration. The country's government and power sharing discussion necessitated for it goes with what Hill and Hupe said,"policy is made as it is being administered and administered as it is being mad [10]. Accordingly, Tigray People's Liberation Front (TPLF)[1] assumed leadership and still dominates national politics in Ethiopia. The Ethiopian People's Revolutionary Democratic Front (EPRDF)[2], which is made up of four major ethnic groups (Oromo, Amhara, Tigray and Southern Nation, Nationalities and People) pretends to have the power in the country, is seen as little more than a puppet of TPLF. Most of the ethnic group organizations "in power" were fabricated over night by TPLF in 1991 on their arrival to the capital-Finfinne (Addis Ababa)-with the intention of convincing the international community that all ethnic groups are represented [2]. The preferential treatment that Tigrayan investors seem to get when it comes to investment; getting land freely, and receive preferential access to credit shows the clear intention of the policy and incentives and its being top-down.Consequently, 75 percent of domestic investors in Gambella[3] were from Tigray [20]. On the other hand, bottom-up theoretic approaches argue that a more realistic understanding of implementation can be gained by looking at a policy from the view of the target population and the service

1. A political party in Tigray region and currently the influential leader of Ethiopian government.

2. The ruling political coalition in Ethiopia. The front consists of four political parties; the Oromo People's Democratic Organisation (OPDO), Amhara National Democratic Movement (ANDM), the southern Ethiopian people's democratic Movement (SEPDM) and the Tigrayan People's Liberation Front.

3. Gambela Peoples' Region, is one of the nine ethnic divisions of Ethiopia. Previously known as "Region 12", its capital is Gambela

deliverer. According to this approach the policy implementation occurs on two levels-macro and micro implementation[4]. The central government devises the program; local organizations react to macro level plans, develop their own programs, and implement them. However, we don't witness such interactions in the case of Ethiopia as the smallholders and local communities have neither invited nor entitled to react on the designed policy and come up with their own programs for the implementation. The farmers and local community were not consented on the policy and not parcel of the program [27,15,2]. The street level bureaucrats only made to run the implementation without taking part in designing their programs of implementation. Instead the federal government designs the policy and then directly influences the locals and street level bureaucrats for the policy implementation up to using mighty military [2,15]. In addition, conditions, according to the bottom-uppers if local level implementers are not given the freedom to adapt the program to local conditions it will fail [22]. Local communities and smallholders have already started protesting and resisting the policy after witnessing its effects and the promise didn't happen. Smallholders problems, activities and contacts have to be asked to map a network that identify the relevant implementation structure of investment policy at local, regional and national levels and to evaluate the significance of investment policy and incentives with other influences.

3. ETHIOPIAN INVESTMENT POLICY AND INCENTIVES

The policy and conditions of leasing land to both foreign and domestic investors for commercial farming is labeled as "open door" as it is highly favorable to investors and does little to protect the environment and the rights of local people (Oakland Institute, 2011; Rahmato, 2011). In Ethiopia land is state owned property (FDRE[4] Constitution article 40/3). However, under the investment policy the investors privileged more than lease right. One Indian investor claimed "…land is state property but government gives the rights by way of leases which are transferable, are renewable, which are pledgeable, in a lot of ways leases are tantamount to near ownership" (Quoted in Oakland Institute, 2011). The policy opened the door to the extent that the government made purely commercial agreement with investor charging them only a dirt cheap rent. What they choose to do on the land for their own commercial intent is their own business. There are no governance, no constraints, no contracts, none of that between government or smallholders and investors [21]. It is obvious that in the absence of no governance, no constraints, and no contracts the smallholders would be driven into sea by both investors and policy of government. For the smallholders, it is difficult to stand with the challenges that would follow after they transfer the only thing they have-land! The government wants to see investment and then expects the advantage to be more than the land rent. The Ethiopian government claims that these investments will allow for much needed foreign currency to enter into the economy and will contribute to long-term food security through the transfer of technology to small-scale farmers. In the contrary, the investors that have given large-scale of land-the government is focusing on, have energy and food security interests which made difficult for the government to realize its objective of eradicating poverty out of his own population [15]. The investors are export oriented and investment policy and incentives intended to generate income from export and then satisfy food demand by purchasing; of which ischallenging and implausible to please locals', smallholders' or the whole communities' food insecurity.

Surprisingly, investment policy and incentives set free investors from requiring them to improve local food security conditions or to make production available for local population in any lease agreement. More, despite Ethiopia's endemic poverty, there are no mechanisms in place to ensure that these investments contribute to improve food security for smallholders and local communities. Nevertheless, numerous incentives assured food production for export to provide foreign exchange for the country at the expense of local food supplies.

New investment proclamation also provides a number of incentives to potential investors in different forms. Starting from minimizing the capital requirement for a single investment up to the highest tax exemption period-8 to 9 year-to investors engaged in forest development (Investment Proc. No. 769/2012; Regulation No. 270/2012). Foreign investors are also allowed to repatriate the profit and other incomes

4. The Ethiopian state nomenclature, Federal Democratic Republic of Ethiopia (FDRE)

acquired from their investment in convertible foreign currency (Article, 26). Investment regulation No. 270/2012 provides more details of the privileges given to foreign investors. In the detailed income tax exemption section, the Regulation states that investors engaged in agricultural investment outside of Finfinne (Addis Ababa)[5] and Oromia[6] Special Zone[7] Surrounding Finfinne are entitled to 3-5 years of income tax holiday. The agricultural investment investors do in Finfinne (Addis Ababa) and the regulation is trying to give tax privilege is quite not clear as big agricultural investment in the capital may not be expected. Income tax exemption for an investor for almost for a decade would possibly made the country to lose the revenue supposed to be collected and thereby used for the wellbeing of the country.

As provided in article 5 of the same proclamation, an income tax deduction of 30% for 3 years after the expiry of the former exemption period are given to encourage any potential investors to engage in the least developed and relatively low population density regions who establish a new investment venture. Investors are also allowed to import duty free capital goods and construction materials for new investment venture and for expansion (Article, 13). Moreover, investors who export or supply to an exporter at least 60% of their products or service input are entitled to have 2 more years of income tax exemption (Article, 7). As raised above, from the very beginning investors have food and energy interest back home; added with incentives encouragement to export or supply to exporter their products or services left smallholders and local communities with food insecurity and promises unkept. Incentives coupled with global demand for farmland is expected to bring more investors eager to engage in large-scale farming at the expense of smallholding farmers.

Such a high incentives have effect both on the present and future benefits of the country and people. The above incentives highly inclined the investors to produce for export or supply to an exporter. Export oriented investment with tax privilege plausibly leave the bare smallholders in dilemma of food insecurity, technological and economic advancement as the investors produce and ship out of the country, no tax and revenue is levied on what they import and export, hiring and firing workers is up to the investors, doing whatever they [investors] pleased on the leased land is their business, nothing is put in place in the lease contract to protect the interest of smallholders and local people, and assuming just to satisfy local needs and country's demand with the foreign currency will not help to forward and change the nations or smallholders life.

Giving incentives for the investors to come in to flourish their capital may seem normal in the eyes of investment policy implementation. However, the author agrees with the permits and balanced incentives granted to investors so long as they used for the intended purposes. Preserve the interests of smallholders and local communities, protect the environment, the ecology and culture, values and customs of the society, kept the promises, supported with plausible contract, integrate the local capacity and their wills, consultation and mechanisms to include them have to be set in advance. Otherwise its implication exceeds the benefits resulting in corruption, land grab, discrimination, protests, resistance, favoring one ethnic group which dominates the political power as the case of Tigrean investors in Gambella region. This would turn back the country into conflict, chaos, and destitute poverty if smallholders and local communities haven't seen themselves in the incentivized project running on their commercialized land and area.

4. EMPLOYMENT AND WAGE

Wage rates for smallholding farmers and locals hired in investment projects especially agricultural labor are low just 2/3 of what the smallholders working in the Productive Safety Net Program (PSNP) are earning [2]. While some of those employed are local, the majority of laborers were from different places resulting in conflict with the local. The investors pay low and don't care for the locals because according to investment policy it is up to the investor, who to hire [21]. In addition, the vast majority of projected employment figures involve large numbers of seasonal workers, to be employed during labor-intensive periods in the production cycle (harvesting, etc.). More, there is no employment security nor any means of wage upgrading for smallholders and local people hired in the project based on experience gained and/or longer service.

5 . Finfinne or Addis Ababa is the current capital city of Ethiopia

6 . Oromia is the single largest region in Ethiopia

7 .OromiaSpecial ZoneSurrounding Finfinne is one of the zones of the Oromia Region in Ethiopia surrounding the capital

Investment policy's target is supposed to create job opportunities and thereby make the smallholders beneficiary from the salary they earn. However, the wage they paid couldn't even live them on hand to mouth. At the policy-making process the targeted group were not taken into consideration, the real problem they face were not researched well, no guidance were included for investors how to treat smallholders and local communities in the lease contract. Comparing the life they were living before their land were taken and under investor made the smallholders and local communities to resist and protest the investment despite the government trying to protect investors' interest with mighty military. Concentrating on the statutory language, foreign currency inflow from export government fails to consider broader public objectives and the main reason for granting incentives in the policy implementation.

5. FOOD SECURITY

Since the fertile land are prime land investment areas because of ample water supplies and good soil fertility are already commercialized through the federal land bank, the area became the most food insecure though those areas weren't exposed to food insecurity before the investors came in (Oakland Institute, 2011). The wage labor they got even could not help them to afford food as the policy of the government encourages food production for export, the investors either shipped or sold at the market it pleases resulting in food price rise. The policy of investment and the incentives is among the underlying causes for food insecurity of smallholding particularly in the areas of intensive land investment [21]. Policy-formation process gives implementers important cues about intensity of demands, and about the size, stability, and degree of consensus among those pushing for change. Nevertheless, the policy gave deaf ear to the high demand of the smallholders although the government document boldly underline ensuring food security as its primary objectives in pleading investors to come in the country.

Previously, these households were largely self-sufficient with respect to food production. Now they will have to rely on assistance from others and will become more dependent on handouts from the government. Change in diet, loss of traditional lands, increased reliance on wage employment and aid, and weakened community bonds will also result from this livelihood loss. The Oakland Institute came with a conclusion that, the adverse effect of investment policy's commercializing land on the lives of local people will be dramatic, long term, and potentially irreversible [21].

6. SOCIOCULTURAL EFFECTS

As the investment policy's objective is to create job opportunity, it resulted in massive influxes of laborers come from other areas of the country which have significant adverse effects on local communities and smallholders whose land is commercialized. These include: increased deforestation, decline in fish, wildlife, and other resources in the immediate area, conflict with local people, higher incidences of sexual assault, greater pressure on infrastructure, increase in prostitution (and subsequent spread of HIV and other STDs) and greater stresses on ecological systems (including water resources), cultural shock, unaccustomed to the local people life style [21].

Sociocultural effect happened because land is not only a fixed asset essential to produce sufficient amount of crop and animal to secure supply of food, but it is the foundation of identities (language, culture, & history) of communities living on the land. So far nothing is done from both sides-government and investors, in preserving the identity of smallholders and local communities whose land are commercialized. The government seeks foreign exchange while the investors slurping their profits using the red carpet opportunity created by the formers policy and incentives. Since the investors are guaranteed with the right who to hire, and what and how to do on the land; they don't bother for the local peoples' identity. This is one defect of the post-modern theory; ignoring believes, culture, values and identity of the society. On the other hand, postmodern theory gives more power to people through decentralization. However, on the issue at hand the policy making process and implementation deprived the power of local community and smallholders enforcing them to implement the policy top-downed. This brought adverse effect on practicing democratic principles and building developmental democratic state as government called itself. Since Ethiopia is a multi-ethnic and ruled by ethnic based federalism ignoring the assets of the later may cost the system.

7. DISPOSSESSING AND DISPLACING THE SMALLHOLDERS

Recent research shows that government's dispossessing and displacing smallholders and local communities under the guide of investment policy and development have adverse effect on smallholders. Anderson and et al signaled the dangers and its effects in natural resource degradation, loss of indigenous farming practices, food insecurities, conflicts, neglects local rights, exploits natural resources and impoverishes farmers by not bringing about the promised benefits (Andersen & Robertson,2010, Theting & Brekke, 2010; Kachika, 2010; Grain, 2008). Land certification and registration could notprevent public authorities from expropriating land and natural resources as the smallholder farmers have a weak, limited, conditional and subject to abrogationland right, at any time,in the name of investment policy the country adopted [2].

Most importantly, smallholders are dispossessed with inadequate, unfair compensation or not at all and displaced from to another area (Ramhato, 2011; Theting & Brekke, 2010). In the contrary, the compensation requirements are clearly stated in Ethiopian Proclamation No. 455/2005 outlining the procedures including the advance payment of compensation equivalent to the replacement cost of property on the land and any improvements (value of capital and labor) made to the land. In addition, displaced persons should receive 10 times their average annual income from the previous 5 years. Despite the favor of the law, to some extent, for adequate, fair and prompt compensation,the smallholders paid a minimum compensation or not at all for their land. Under investment coverage the government agents, brokers, including the investor uses smallholding farmer's land changing it into capital. In fact, both federal and regional governments are directly or indirectly behind the "land grabbing" (Kachika, 2010). In Legetafo, Oromia region, the smallholding farmer was paid 17 birr ($0.80) a square meter in compensationwhile people were bidding as much as 355,555 birr ($ 16,732) per square meter to rent land in in the capital (William D., 2016). While the land should be used at global, national and local levels efficiently taking into account all functions and making the entire population's long term interest stronger than the short-term interests of certain privileged groups (UN, 2002).

The research conducted by Oakland Institute shows*The Displacement Case of Gambella*[8] *and Benishangul*[9]. Oakland Institute[10] revealed that, *all* indigenous peoples in Gambella and Benishangul (approximately 45,000 households in Gambella and 90,000 households in Benishangul) were relocated from their ancestral lands to small villages of 400-500 households. The relocations are involuntary, if villagers did not move; the federal police would come and arrest them.

8. SMALLHOLDERS AND LOCAL COMMUNITIES REACTION

The smallholders and communities protested and resisted the policy not just because they have been displaced, evicted from their lands or were being threatened with displacement or eviction, but also because of the marginalization of identity-language, culture, history, denied employment opportunities and non fulfillment of other promises that investments were purported to bring [19]. On the other hand, the different ethnic nations under the effects of the investment policy and its incentives claim their land as a backbone since it is the only thing they have. As quoted in Moreda, studies conducted so far in the country related to the issue, though limited, show that adverse implications have already occurred to these indigenous communities and their environment and contend that this will likely worsen further in the future (e.g., Rahmato 2011, Kelbessa et al. 2009, Shete 2011, Fisseha 2011, Lavers 2012b). The local communities of different ethnic groups including the Oromo and Amhara who have faced land alienation or are being threatened by displacement or eviction as a result of current investment policies engaged in different forms of resistance in order to maintain their socio-cultural identities, self-administration, and economies (Walker 2008; Malseed 2008).

The ways in which smallholders and local communities of Oromo, Gumuz, Gambella, Amhara, Gedeo, Sidama have been reacting to the effects of the investments policies and incentives was peaceful and

8 . Also officially known as Gambela Peoples' Region, is one of the nine ethnic divisions of Ethiopia

9 .Also known as Benshangul/Gumaz, is one of the nine ethnic divisions of Ethiopia

10 . The Oakland Institute is a policy think tank dedicated to advancing public participation and fair debate on critical social, economic, and environmental issues.

later changed into conflict following the brutal crackdown of state. They reflected negative attitudes towards investors operating in their surroundings and several instances of covert expressions of resistance against them have occurred after their peaceful demand rejected by crackdown. Smallholders and local communities reacted toinflux of migrant workers, field crops, companies, factories and farm machineries warehouse belonging to the investors, state's oppressive institutions like police stations, prison, court, offices and etc setting on fire [1]. As a result of the sabotage, machineries such as tractors, threshers, spare parts as well as many other valuable goods including factories and state's oppressive institutions were destroyed.

II. CONCLUSION

While the Proclamations and regulations proclaimed claimed to create transparency, make sure that the incentives provided used for the main objectives laid down,the top down policy implementation created a gap between smallholders and governments-what the smallholders and governmentwant, found on the opposite side. The formers need technological change, food security, employment, land tenure, hold their identity, inter alia, while the later eagerly in need of foreign currency resulting in encouraging investors to ship abroad whatever produced on the smallholders' commercialized land. There are no governance; no constraints, no contracts, none of that to protect the smallholders' interest and make investors to keep promises. The government wants to see investment and then expects the advantage to be more than the land rent ignoring smallholders.

Investment policy and incentives the country adopted favors the foreign investors and domestic giving little protection to smallholders and local communities. The government claims that these investments will allow for much needed foreign currency to enter into the economy and will contribute to long-term food security through the transfer of technology to small-scale farmers. Instead of being beneficiaries from the investment policy and incentives the smallholders subjected to eviction, displacement, dispossession without or unfair compensation, losing their identity, marginalization, food insecurity, unemployment even if employed at minimum wage, unnecessary conflict, human right violation and etc. as both the government and investors didn't keep their promises.

Finally, the smallholders and local communities reacted in different tactics against the result of the investment policies and its incentives. They reacted to the investors, damaged field crops and means of production, resisted the immigration of seasonal laborers, and damaged the oppressive state's institutions.

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