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Article:

Manda, S orcid.org/0000-0001-6064-114X, Tallontire, A orcid.org/0000-0002-8339-8442 and Dougill, AJ orcid.org/0000-0002-3422-8228 (2020) Business 'Power of Presence': Foreign Capital, Industry Practices, and Politics of Sustainable Development in Zambian Agriculture. *Journal of Development Studies*, 56 (1). pp. 186-204. ISSN 0022-0388

<https://doi.org/10.1080/00220388.2018.1554212>

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<https://doi.org/10.1080/00220388.2018.1554212>.

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Business ‘Power of Presence:’ Foreign Capital, Industry Practices and Politics of Sustainable Development in Zambian Agriculture

S. Manda, A. Tallontire and A. Dougill

Abstract

Sustainable Development Goals have brought optimism around ‘agriculture for development’ but also questioned agribusinesses in sustainable development. This paper assesses how an agribusiness’ power exploits domains to exert control over industry governance. Using interviews and group discussions from three smallholder outgrower schemes under Illovo Sugar Plc, the paper demonstrates that corporations can deploy the ‘*power of presence*’ to influence national policy development, and sustainability in regional and local practices. Investment and trade policies currently foster agribusinesses but overlook environmental assessments that expose social and ecological contradictions such as on competing water uses. State-donor relations enable smallholder integration in sugarcane as poverty reduction whilst agribusinesses are limiting their participation through controls on resources and production systems. By analysing power expressions, we show how possibilities of sustainable agriculture and rural development are undermined by agribusiness practices. We suggest that current policy efforts around ‘agriculture for development’ in Zambia are about entrenching power and interests of an agribusiness, neglecting industry expansion and sustainability. The paper highlights the limits and importance of domestic institutions in framing large-scale agricultural investments as well as mediating corporate practices that will be required to provide a greater focus on national planning processes for sustainable agriculture and rural development.

Key Words: agribusiness power, Sugarcane, Sustainable development, Zambia, power of presence, foreign capital

1. Introduction

The United Nations Sustainable Development Goals (SDGs) have brought optimism around the role of agribusinesses in development, enhancing the prominence of agriculture across many of the seventeen SDGs (Spann 2017). However, existing literature on large-scale agricultural investments (LaSAIs) has tended to overlook the different capacities of agribusinesses to adapt and shape national regulatory environments. For instance, whilst neoliberal policy developments over the past decades have been a source of power for actors, agribusinesses linked to outgrower schemes have somewhat been distanced from problematic ramifications of LaSAIs (Elgert 2016; Bloomfield 2012). Global governance institutions such as the World Trade Organisation explicitly emphasise agribusiness expansion, market access and increased global exports in developing countries such as those in sub-Saharan Africa (Spann 2017; Weber 2014). Despite widespread acceptance of the deepening role of corporations in agriculture, the sort of power and influence exerted by agribusinesses in national settings and their implications on sustainability remains poorly understood. Attempts to address sustainability concerns in LaSAIs have failed to examine and question how agribusinesses with outgrower schemes exert their power to influence industry governance, social and ecological relations (Spann 2017; Amanor 2012). Understanding claims to sustainability as enshrined in SDGs thus requires that we understand how policy developments in poor countries enable agribusiness power to shape governance dynamics.

A key concern in LaSAIs has been the concentration of land into larger land-holdings, driving powerful industrial actors which invokes land-grabbing narratives. Land-grabbing is the ‘capturing of control of relatively vast tracts of land and other natural resources through a variety of mechanisms and forms, carried out through extra-economic coercion that involves large-scale capital, which often shifts resource use orientation into extraction, whether for international or domestic purposes’ (Borras and Franco 2013, p.1725). For smallholders, powerful agribusinesses can be exclusionary rather than inclusive and may not guarantee the more successful use of agriculture for development (Akram-Lodhi 2013). Negative publicity surrounding agribusinesses in the era of ‘land-grabbing’ has meant that policy makers recognise the need to understand who holds power to shape investment outcomes within their jurisdiction (Amanor 2012). Agribusiness power and influence that shape micro-level agriculture and development dynamics remains a key concern in critical agrarian literature (Rutten et al. 2017; Hall et al. 2015; Gingembre 2015). A wide-range of literature on LaSAIs focus on domestic institutions as policy makers, facilitators and

coordinators of foreign investments (Grajales 2015; Amanor 2012; Borras et al. 2011). Some scholars have applied power dimensions in bargaining processes (Rutten et al. 2017); in showing power inequalities that underpin land acquisitions (Fairbairn 2013); with others focusing on domestic entities and relationships in land governance (Burnod et al. 2013). A focus on agribusiness practices remain thin in critical agrarian literature.

This paper explores how an agribusiness deploys power and influence to shape national policy developments, industry governance, local development and sustainability in the case of the sugar sub-sector in Zambia. The takeover of Zambia Sugar Plc (ZaSPlc) by Illovo Sugar Plc in the early 2000s, alongside the neoliberal policy ascriptions of the 1990s significantly modernized the sugar industry, reshaping the narrative of foreign capital in rural development. In Zambia, the dominant agribusiness that previously benefited from state financial and human resources has been able to shape neoliberal reforms in its favour and carve off competition in the domestic market (Richardson 2010). The paper considers how national, regional and local level domains around the sugar industry enables agribusinesses to exert control and influence industry governance. At a local level, it focuses on how an agribusiness shapes land and labour relations and what this means for wider development and sustainability. The specific objectives are: 1) to explore local and regional impacts of sugarcane expansion and how an agribusiness shapes and influence sustainability; 2) to examine national and industry policies shaping the sugar industry and how these processes have been framed to deepen an agribusiness influence and implications for development and sustainability; and 3) to explore key actors involved and their influence in the sugar industry.

2. Agribusiness ‘Power of Presence’

This study uses the concept ‘power of presence’ to refer to how an agribusiness uses its existence at jurisdictional scale to influence policy developments and industry practices at national, regional and local levels (Cash et al. 2006). Power is the ability of one actor to prevail over others in achieving desired goals (Lukes 2005). Influence is the process of affecting the thoughts, behaviour and feelings of another, but the actual capacity to influence depends on power (Lefebvre 1991). Agribusinesses organise in national contexts, and deploy their existence, power, knowledge and influence to shape governance and regulation at different levels. That agribusinesses can influence policies or align their efforts to a national agenda at one level, and shape regional and local governance dynamics at another level within the jurisdictional scale reflects their presence.

The way in which ‘power of presence’ is applied is non-linear as there can be changes in political and economic processes and environments. For instance, local and regional expressions of power are interrelated, and links to the national context. National policy actors relate differently to agribusiness production, sector-specific configurations including agenda setting. Regional actors include district administrators implementing development plans. Local actors include smallholders as growers and their communities. It is important to recognise that actors at different levels have widely different interests, perspectives and resources that means that understanding the context is vital (see Cornwall 2002). Luke’s framework isolates three forms of power. First is instrumental power – overt, measurable, and observable expressions of direct influence (for instance through force, financial, social resources). Second is structural power – referring to the wider socioeconomic and political context within which political agendas are shaped and decision-making and actions are embedded. Third is discursive power, which points to how actors shape socio norms, values, and identities, and how these favour dominant interests (Lukes 2005). Gaventa (2006) adds an insightful angle to these forms of power, relevant to studies on environment and development. That is, ‘Luke’s three forms of power must also be understood in relation to how spaces for engagement are created, and the levels of power (from local to global), in which they occur’ (p.25). Power analyses thus invokes narratives of scale – as ‘spatial, temporal quantitative or analytical dimensions used to measure and study any phenomenon – and levels – as units of analysis that are located at different positions on a scale’ (Cash et al. 2006, p.8).

In this paper, we map research domains by jurisdictional and institutional scales to demonstrate how agribusiness power and influence takes place at different levels, which relates to the guiding laws, regulations and operating rules around the sugar industry (Cash et al. 2006). Domains are illustrative, selected to show different kinds of power, observed or perceived; the former inclined towards local-level dynamics (land, labour) while the latter towards national-level policy practices. Domains are closed when firms make decisions without broader consultation and involvement; invited when agribusinesses invite actors to participate; and claimed/created (organic) when the less powerful actors make sufficient pressure and claims on the powerful (Cornwall 2002; Gaventa 2006).

The Zambia sugar industry witnessed unprecedented growth and expansion particularly with the entry of Illovo, which took over and operates ZaSPlc since 2001. In the sub-sector,

competition for industry leadership and hegemony is visible, which, with supportive laws and regulations, creates barriers to entry as well as spaces for manoeuvre for ZaSPIC (Kalinda and Chisanga 2013). Regional and local level domains show an agribusiness can exercise power over others for instance through shaping actions and thought processes of less powerful actors. Power over reflect agribusiness practices in regional development linkages and practices (embeddedness and participation in regional/local development plans); land tenure relations; and labour regimes (dynamics on employment) in outgrower schemes. Agribusinesses can also influence socio-political and economic agendas (hidden power), shaping meaning and what is acceptable about production or marketing (invisible power) (Gaventa 2006).

National level domains reveal agribusinesses can exercise power within when they shape their sense of self-identity, confidence and awareness for actions. For instance, narratives around Vitamin A Fortification of sugar (Vit.AF), and how the public health policy has been justified, shaped and implemented enables agribusinesses to operate from a privileged angle, shaping industry dynamics. For instance, donor-state-agribusiness collaborations around sugarcane outgrower schemes under the donor-driven Zambia National Sugar Adaptation Strategy (ZNSS) have been regional and around ZaSPIC, enabling corporate influence. Within this perspective, state agencies restrict the power of municipalities (water and land) through hierarchical mechanisms, or where responsibilities of national state agencies conflict with lower ones (for instance overlapping authorities) but maintaining agribusiness interests (Termeer et al. 2010). Closely linked are industry practices that shape sector strategies and policies including processes that underpin sugar price formation and transmission. Agribusinesses can hold power to expressed in actor's capacity to act. For instance, through financial power and investment scope, agribusinesses sign Investment Promotion and Protection Agreements (IPPA) which protect their industry position and strengthen their influence.

These processes are by no means absolute but highlight interdependences between business and governments, which permits the former to enter crucial domains/spaces and influence the latter (Richardson 2010). Within such interdependences, agribusinesses may deploy diverse strategies to a countermovement at different levels including co-optation or closing spaces completely. Some of these relate to financial and economic power to seen in production expansion and industry

capabilities. In this paper, we explore local, regional and national domains to tease out perceptions of an agribusiness power and what this mean for sustainable development.

3. Research Design and Methods

3.1 Setting

Dubbed Zambia's 'Sugarbelt,' Mazabuka district in southern province is one of Zambia's hotspots for commercial agriculture (Lay et al. 2018) (Figure 1). With a population of about 261,907 and at 74% poverty rate, Mazabuka is one of the poorest in Zambia (CSO 2010). Both customary and private landholding exist, the former being dominant among smallholders. Vast land and water resources as well optimal agronomical conditions make Mazabuka a target for agribusiness expansion particularly sugarcane (Manda et al. 2018).

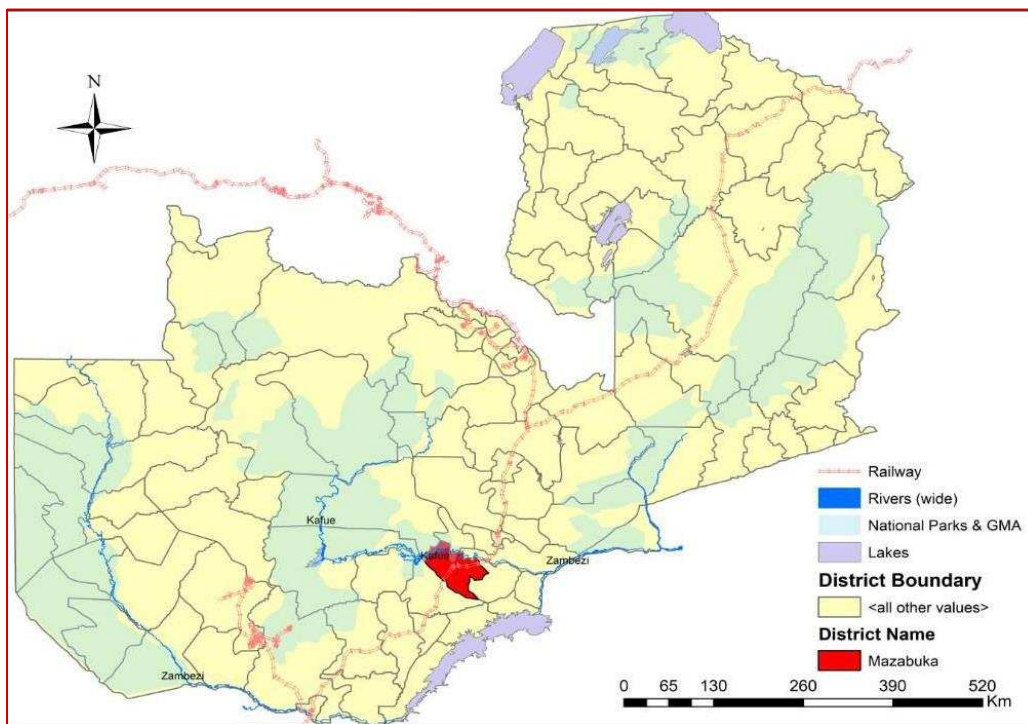


Figure 1: Map showing the Sugarbelt district of Mazabuka

The post-2000 period has seen ZaSPlc enhance smallholder integration and expand land area under production through diverse production systems including outgrower schemes. In highlighting industry dominance, ZaSPlc produced 3,246,000; 3,154,000; and 3,417,172 tons of sugar compared to 260,000; 345,000; 305,000 tons for Kafue Sugar, the closest competitor (2013-2015)

(Drawn from industry stakeholder interviews). We focus in our study on three schemes: Kaleya, Magobbo and Manyonyo (Figure 2), to highlight how firms with outgrower schemes exert their power and influence across various levels.

Kaleya scheme started in 1984 and operates via an integrated limited company (KASCOL), which provides extension services to smallholders such as input supply, managerial, marketing including commercial operations. Farmers directly cultivate sugarcane on average 7.5ha household plots whilst using an additional half-hectare for subsistence crop production. Cultivation of sugarcane utilises household labour and capabilities that ensure: land preparation, irrigation, weeding, fertiliser application and so-forth. All land belongs to KASCOL, and as tenants farmers run a 14-year renewable lease.

Magobbo is a block-farm which amalgamates land from 80 households. Starting in 2008, Magobbo scheme leases the block-farm to ZaSPlc's subsidiary Nanga Farms Plc. Its formation responds to the European Commission's 60% financing agreement, with the balance being covered by ZaSPlc as farmer loans. Nanga Farms runs a centralised system that allows parties to conduct joint activities such as bulk supply of production materials. Production and commercial aspects are all controlled by Nanga Farms and farmers receive a share of profits made on their plots. Magobbo thus provides opportunities to explore a novel coordination scheme where farmers do not necessarily cultivate their land directly.

Finally, Manyonyo scheme started in 2009 and is considered a state project but co-funded by the Finnish government and the African Development Bank. Manyonyo is a clustered scheme with multiple crops under consideration such as maize, bananas and other horticultural crops, but only sugarcane is currently grown. Whereas farmers formed a farmer-based company (Manyonyo Irrigation Company), all production and management operations fall directly under ZaSPlc. Challenges in funding saw ZaSPlc fund operational costs whilst shifting the scheme focus to sugarcane. As with Magobbo, smallholders receive a share of the profits.

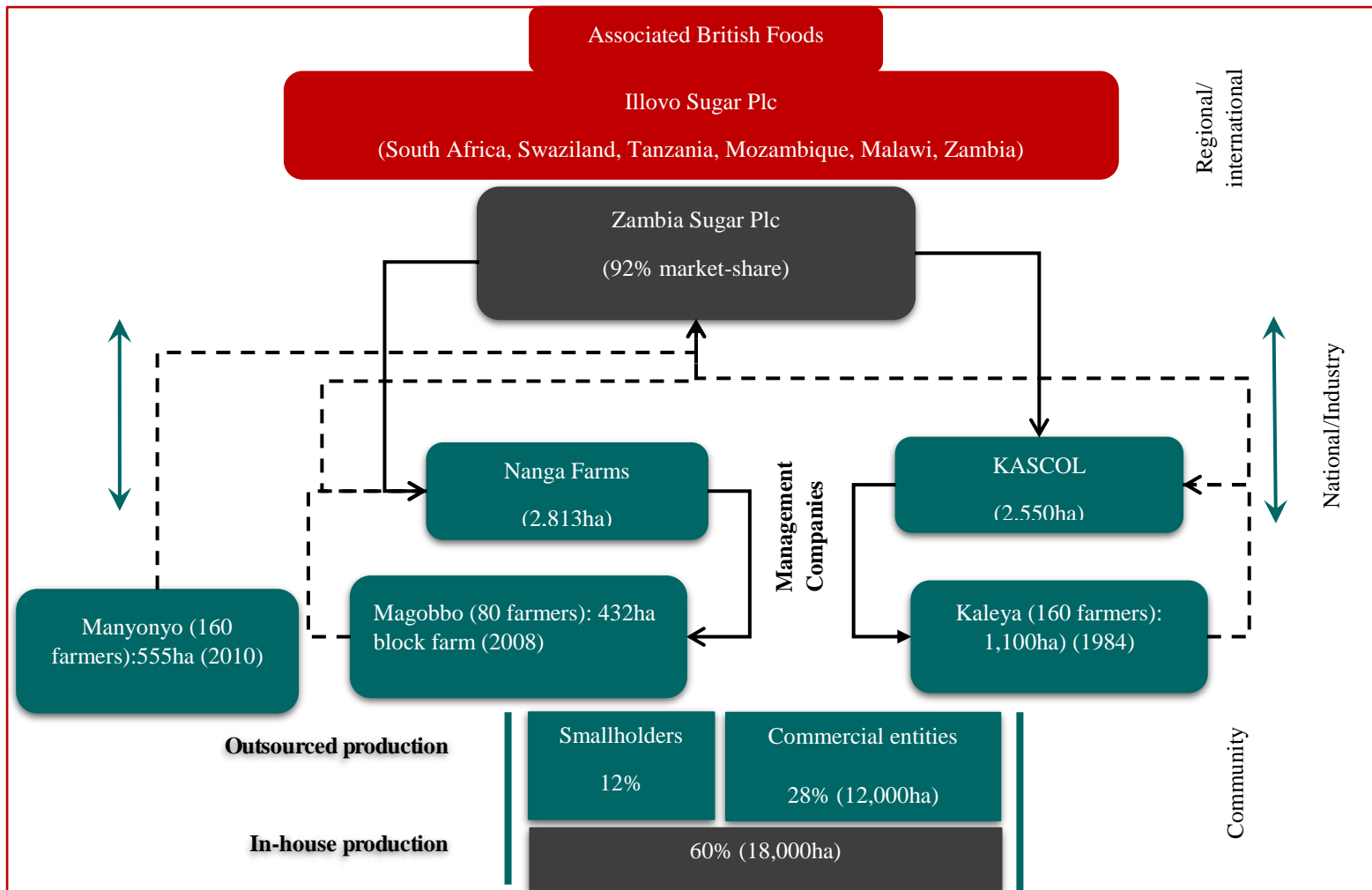


Figure 2: Structure of outgrower schemes on the Zambia's Sugarbelt

3.2 Data Collection

Data collection was shaped by a framework which utilises perception as evidence, measuring views and perceptions of an agribusiness power and influence in various domains. Perceptions provide insights into agribusiness legitimacy and acceptability of their actions, how and why they act the way they do and implications for their actions. Perceptions also highlight how stakeholders experience an agribusiness with outgrower schemes (Bennett 2016).

Data is drawn from interviews at different levels, in-depth household interviews, focus group discussions including detailed observations and field notes collected between June 2015 and February 2016 (Details of interviews are listed in section B of the Supporting Information; in the text, references to interviews are identified by the interview code and date, e.g. D12:16.01.16). Key policies and strategies shaping the industry were identified on which we conducted a preliminary content analysis and then went further to elicit stakeholder views on the role and framing of an agribusiness.

Different interviews were conducted with state, donor and NGO actors, private sugar consultants, sugarcane firms and companies, and academics and research think-tanks to understand the organisation of the sub-sector as well as perception of ZaSPIC (n=37). Interviews were complemented by a review of policy documents to identify drivers of sugarcane expansion and narratives of change in the industry including practices.

District interviews illuminated agribusiness practices and their impacts on local and regional development prospects (n=15). Interviews considered district-agribusiness relationships and implications for regional development. Meanwhile a diverse group of participants at sub-district level were included to generate a cross section of views on the agribusiness conduct and practices. These included government departments, input suppliers to the sugar industry and private actors (Table 1).

Table 1: Summary data collection

National-level interviews	State departments/agencies, NGOs, Donors, academic and think-tanks etc		n=37
Industry related interviews	Sugar companies, processors and dealers		n= 10
District-level interviews	Government departments, input suppliers, commercial actors and NGOs		n= 15
Sub-district data collection with diverse participants			
	Kaleya	Magobbo	Manyonyo
Key informant interviews	8	8	1
In-depth household interviews	6	6	–
Focus group discussions	5	5	1
Non-sugarcane/Contract participants (Magobbo)			
Focus group discussion	–	1	–
Wider community interviews	3	3	3

Household interviews were conducted across better-off, medium, and poor categories, taking an oral history style and linked to smallholder experiences. Focus group discussions were also conducted across gender, age, and farmer associations, concentrating on agribusiness adaptation, practices, capabilities, scheme governance and implications for industry participation.

Analysis considered broad themes developed from qualitative data manually and using software NVivo. These were then subjected to thematic analysis and linked to research objectives (Kumar 2005; Bazeley 2007). An open coding scheme was adopted in the analysis of policy documents. Coded fragments of the documents were then linked to the themes in the research objectives. Concepts from the policy documents were labelled and defined into specific categories and dimensions for comparisons with agribusiness power domains. Policy analysis with an inductive approach enabled us to link policy elements to practice, which was important in exploring agribusiness influence (Cole 1988).

4. Analysis

Intra-domain analyses show how an agribusiness combines different forms of power to shape policy, regional and local dynamics. Analysis of interview data shows power with dominates an agribusiness power expression across all levels followed by power to. As discussed in the following

sections, this was reflective of state-donor collaborations as well as corporate financial and economic power.

4.1 Regional and local-level analyses: agribusinesses, rural and economic development

Objective 1 focuses on regional and local domains within which agribusiness power and influence is perceived. These were selected based on their ability to show power to, power with, power over, and power within as summarised in Table 2.

Table 2: Domains and power dynamics (shaded boxes show emphasised power; blank boxes shows less emphasised/missing power)

Level	Domain/Space	Power to	Power with	Power over	Power within
Regional and local	Wider development linkages	Shaded	Shaded	Shaded	Blank
	Land tenure relations	Shaded	Shaded	Shaded	Blank
	Labour dynamics	Shaded	Shaded	Blank	Shaded
National level	Vitamin A Fortification of Sugar	Shaded	Shaded	Shaded	Shaded
	Zambia National Sugar Adaptation Strategy	Shaded	Shaded	Shaded	Shaded
	Concessions e.g. Investor Promotion and Protection Agreement	Shaded	Shaded	Shaded	Blank
	Sugar price formation and transmission	Shaded	Shaded	Shaded	Shaded
	National labour regimes	Blank	Shaded	Shaded	Shaded

To demonstrate agribusiness power over, power to, and power with, regional and local analyses identified practices of an agribusiness in three domains: 1) wider development linkages, 2) land tenure relations, and 3) labour dynamics. We focus on these in the following sections.

a. Agribusinesses in Wider Development Linkages

Agribusinesses have been promoted for regional and local development in Zambia. A senior political representative believes ‘*Mazabuka* is privileged to host the biggest agribusiness in the *region*’ (D5:26.06.15), which has been accompanied by business opportunities in banking, construction, hospitality and fast-foods industries. Related investments in social and economic infrastructure such as energy, irrigation, health and education arguably ‘*enhance* the socio-economic status of the *district*’ and contributed to poverty reduction (D6:26.06.2015). However,

most public officers were critical, arguing ZaSPlc changed the patterns of development in the district/region.

Interviews revealed a lack of cooperation and engagement between ZaSPlc and the district such as in development planning, infrastructure and social-service delivery. One example was the Spatial Development Framework for the Mazabuka Urban Integrated Development Plan (IDP) which, driven by the theme Building Mazabuka Together, was designed to guide present and future developments in the district. One officer in the Planning Department reported ZaSPlc was ‘a key stakeholder in the development of the IDP but became disinterested during implementation’ (D12:16.01.16). Instead, the company was perceived to exert power to by generating its own development plans mostly within the estate, which to our respondent in the Planning Department, ‘were incompatible with district sustainable development *plans*’ (D12:16.01.16). Planning Officers accused ZaSPlc of ‘*illegality* in land development and planning within *estates*’ (D8:16.01.16) but blamed this on the agribusiness’ power with in national political and economic connections which was perceived as limiting and undermining local regulations.

District interviews showed sugarcane expansion changed demographic dynamics of Mazabuka. The largest migrant group in the formal agricultural sector in Zambia are cane cutters from North-Western, Western and Southern provinces to Mazabuka (SDMa:12.06.16). This transitory workforce predominantly male was cited by the Planning Department as straining public infrastructure, housing and health services. The argument was that, ‘seasonal workers stopped returning to their villages,’ and ‘are acquiring and developing illegal pieces of land’ which contributed to unplanned settlements (D12.16.01.16). A consistent theme across district interviewees was that social service and infrastructure provisioning was less prominent in ZaSPlc’s social activities. For instance, power to and power with enabled ZaSPlc to restrict education, housing, and health services to their estates and direct employees despite calls to extend services to wider areas (ActionAid 2011).

District officials expressed opinions the presence of an agribusiness undermined revenue generation in the local authority (power over). Municipal Council officers bemoaned lack of valuable service contracts such as those around warehousing, distribution and haulage as conduits for securing economic benefits but instead perceived a ‘*strong* foreign business involvement’ (D7:12.15). For instance, most warehousing and distribution on the one hand, and cane haulage on

the other are reportedly conducted by Barlow World Logistics and Rolling Thunder respectively (Richardson 2010). Thus, many district officers believed ZaSPlc gave a false reputation about the district: *'that we receive a lot of money from the corporation'* (D8:26.06.2015).

Others believed it was almost impossible for the local authority to explore revenue generating streams linked to the agribusiness because of continuous state intervention in local decisions such as around taxation. Respondents reported how state officials enter investment sites to make policy pronouncements and express their support for ZaSPlc. Respondents constantly referred to government decision to abolish crop-levy (2009), which cost the local authority an estimated \$400,000 annual cane levy from ZaSPlc (see Richardson 2010, p.929). According to the area Member of Parliament, this has led to serious *'erosion of financial capacity in the local authority'* (D2:11.06.16). The decision to scrap crop-levy is generally perceived to illustrate ZaSPlc's influence in national politics (power with), but also highlights governance gaps at local level. That the directive to scrap crop levy came when the then President Rupiah Banda officiated at the company's launch of Nakambala sugar estate in 2009 confirms perceived power with:

'I wish to assure South African investors...that their investment in Zambia is secure, safeguarded by the progressive politics and robust legal framework put in place by my government' (Chishimba and Mulenga 2009, cited in Richardson 2010, p.928).

One political representative reflected that this meant that the agribusiness had many ways of achieving its objectives even at the expense of local capacity. Consequently, most district officers felt disempowered by state-business relations seen as undermining local authority not only on taxation but also on ability to intervene in estates/schemes such as on environmental regulation. One reason is what respondents referred to as the government's *'neoliberal light touch'* approach to the sector, which allows policies to oscillate between imposing taxes and removing it, and between strict socio-economic and environmental rules to relaxing them.

b. Land Tenure Relations

Land tenure relations were selected to highlight agribusiness power to and power over in local domains including engagement with smallholders. Revenue Authority records reveal that 93% (n=38) of commercial entities producing sugarcane were based in Mazabuka, connecting to ZaSPlc. One outcome has been conversion of vast customary land from subsistence agriculture

(maize, livestock) to commercial sugarcane under diverse land ownership and production arrangements. Consequently, '90% of land in Mazabuka falls under commercial *farming*' according to one agricultural officer (D13:16.01.16) and '*possibly titled*' (D2:11.06.16). The launch of the first ever Citizen Economic Empowerment Initiative in 2008 stems from a wide perceived failure of Zambians to benefit from foreign investments. However, despite some political countermovement such as in the previous regime of Levy Mwanawasa that reportedly stopped ZaSPlc expansion through direct land acquisitions in the district, calling for enhanced local participation as outgrowers (D15:23.06.15), ZaSPlc recently incorporated 10,500ha sugarcane fields (2007) alongside a \$200 million factory expansion in 2009. International finance in outgrower initiatives such as the EU's Accompanying Measures for Sugar Protocol countries also played a crucial a role in sugarcane expansion in Mazabuka, enabling agribusiness power with.

However, that land belongs to farmers in Manyonyo, leased out in Magobbo and under a management company in Kaleya reflects diverse ways in which an agribusiness shapes production and control land. Corporate take-over of the Manyonyo scheme in 2012 for instance is symptomatic of the agribusiness power and influence in the district. We focus on this to demonstrate how financial power enables power over as well as how political connections help an agribusiness to consolidates land and shape production dynamics (power with). The idea of Manyonyo project started in 2000: with direct involvement of the Ministry of Agriculture's Smallholder Irrigation Project Unit. With the support of the Finnish government and the African Development Bank, scheme designs, layouts, and construction started in 2009. Manyonyo was originally '*open on choice of crops*' such as maize, bananas, horticultural crops, but excluding sugarcane as confirmed by donor and state actors.

Officers in the MoA reveal that 'ZaSPlc claimed the project fell in its expansion radius' (50km east of the Nakambala mill) and suggested '*modification to the scheme design and layout*' (Z1:29.06.15). According to officials in the MoA, the government agreed to convert the scheme to sugarcane under an off-take agreement (power with) but leveraging smallholders in production decision-making. Donors as well as officers in the MoA reveal that on linking the scheme to a commercial bank for possible financing of Manyonyo operations, ZaSPlc changed its position arguing that '*the bank processes were delaying the project.*' Discussions with ZaSPlc representatives corroborate: '*the bank gave uncomfortable clauses such as on disbursement of*

funds' and upon reviewing them, 'we thought these clauses could chain smallholders' (ZaSPlc2:06.15) (power to). Group discussion with Manyonyo scheme representatives revealed how ZaSPlc undercut the bank's funding of ZMK13.5 million (595ha) and revised ZMK3.5 million (250ha) at 20% interest rate to offer ZMK1.5 million (126ha) at 14% loan through its brainchild Mazabuka Cane Growers Trust (MCGT) in 2014 (X3:27.06.15). These perspectives also play out among farmers in Manyonyo: 'if not for ZaSPlc, no single cane would have been grown in this project' (X3:27.06.15) (power over). We return to this positive view of ZaSPlc later but suffice to say that this reflects the wider power with – of public image and reputation that ZaSPlc wants to entrench in political and economic circles as being smallholder driven which was then highlighted by the establishment of the Smallholder Development office within the company in 2014. ZaSPlc prided itself that whilst the idea of Manyonyo project started in 2002, it was within 2 years of its involvement that the project was operationalised/implemented.

Meanwhile ZaSPlc power to and power over through financial and market power was perceived across all schemes. In Kaleya, the MCGT financed 6.2% smallholder equity stake in KASCOL giving farmers a total of 19.5%. Again, the real value of this financing lies less in being pro-smallholders than in shaping decision-making at KASCOL in favour of MCGT and thus ZaSPlc which already held 25% stake in the intermediary. Elsewhere in Magobbo, MCGT funded and facilitated farmer relocations as well as 20% initial development costs which, according to one representative at MCGT has conditions that 'are incomparable to bank lending rates' (ZaSPlc3:06.15). There was a perception among district actors that these sorts of support acted to extend ZaSPlc's power and influence. For instance, this way ZaSPlc was perceived to deflect wider 'land grabbing' narratives despite exerting central management of production that are characteristic of plantations that ensures corporate land consolidation (Power within).

This relates to Illovo and the public face of smallholder sugar sourcing in southern Africa. For instance, Oxfam's 'Behind the Brands Campaign' witnessed commitments from global corporations such as PepsiCo and Coca-cola to 'zero tolerance' for land grabs in their sugar sourcing (Oxfam 2013). Suppliers such as Illovo Sugar have made similar commitments with respects to smallholders and land rights. Illovo published its own guidelines on land and land rights with reference to sustainable farming practices and land acquisition within its supply chain. 'Illovo prioritises alternative model investments, such as the development of smallholder grower farming

operations in areas in which we operate, rather than acquiring their land for our own development' it says (Illovo 2016). Illovo is now considered a 'champion' on 'just sugar sourcing' (Oxfam 2016). In response to land-grabbing concerns such as from advocacy groups, a quote from the ZaSPIC representative is illustrative of power within: 'here we *don't* have land-grabs. We actually look for land to benefit local people' (ZaSPIC2:16.06.15). Whilst there is no technical 'land-grabs' in Mazabuka, Illovo manages to control vast swathes of land, and through employing different management systems limit the uptake and participation, choice and opportunities for farmers (power over).

c. Labour Dynamics

Labour dynamics enabled analyses of agribusiness power to and power within in local level labour regimes. We show how an agribusiness exerts power to through economic power and power within using its image and reputation as larger employer to shape as well as undermine labour regimes. A widely held public image about ZaSPIC in Zambia is that the number of people employed by ZaSPIC provided not only a good example of how an agribusiness should interface with local economies but also represented the biggest contribution to the national economy. Frequently quoted figures show that the sugar industry engages over 11,000 people directly and 75,000 indirectly, most of which are associated with ZaSPIC (Palerm et al. 2010, p.1) (Figure 3). The importance of job creation cannot be undermined politically, as the government is clear: '*we don't* want to shake these companies providing *employment*' (Z1:09.12.15). Some NGOs believe that this narrative raised challenges for agribusinesses regulation whilst others expressed opinions that policy positions on rural employment and the need to garner political support from an opposition dominated southern region offers opportunities for ZaSPIC to exert influence (G3:14.06.15).

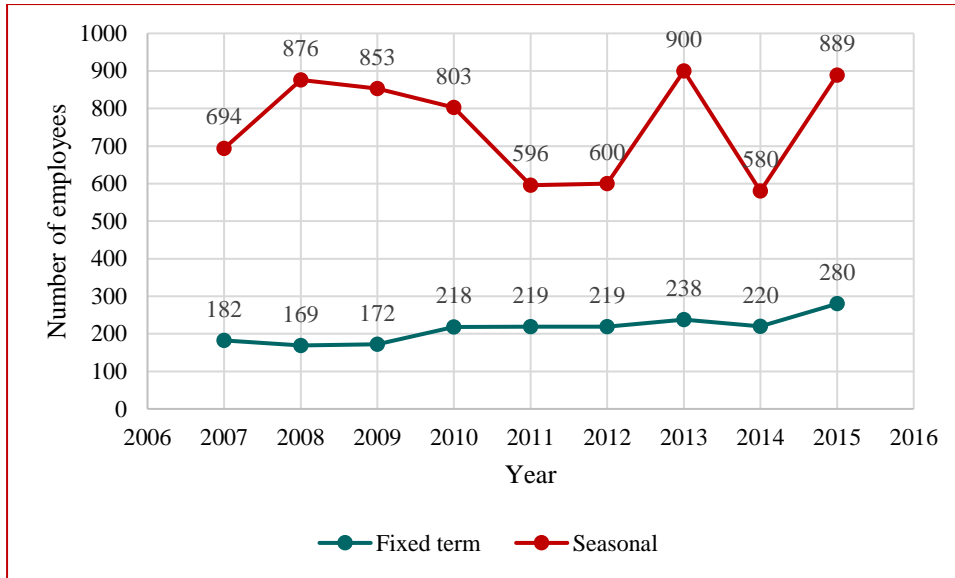


Figure 3: Fixed-term and seasonal employment trends in Nanga Farms

Tight control over production systems permits ZaSPIC to influence diverse labour regimes in sugarcane. Financial and economic dominance in production enables ZaSPIC to deploy skilled expatriate staff whilst exploiting unskilled labour and limiting smallholder uptake in schemes (power to), as corroborated by Richardson (2010). This dualism means that despite the much publicised job creation, labour intensity in sugarcane is low. One donor representative at the ADB illustrated that ‘\$16 million spent on 165 farmers in Manyonyo could informally engage around 200,000 farmers in the cotton sector’ (K2:18.06.15). However, according to one independent consultant, ZaSPIC has always argued that ‘what they *don*’t meet through direct formal engagement of smallholders is off-set through massive recruitment of workers’ (P2:15.06.15). At issue, however, is that many of these sugarcane related jobs are seasonal (Figure 3), depressing gross disbursement of wages more so in outgrower systems where we found wages were reduced by a factor of three, when compared to ZaSPIC’s own plantations.

4.2 National level analysis: policy practices and business influence

Objective 2 focuses on key national-level policies shaping the sugar industry, and how these processes have been framed to deepen an agribusiness power and influence. Analysis isolates five domains where policies and practices in sugarcane expansion play out to enhance different sorts of agribusiness power.

First is ZaSPlc perceived policy influence around vitamin A fortification of sugar (VitAF). Existing nutrition studies show that Zambia has multiple micro-nutrient deficiencies, including vitamin A (Zhang et al. 2016). Frequently quoted figures cite Vitamin A deficiencies (xerophthalmia) of over 65% and 53% among children and women respectively as driver to Vit.AF (Z13:23.18.16). In response, all domestic or imported sugar for direct consumption in Zambia require mandatory fortification with vitamin A. Interestingly, Vit.AF has been coordinated by the Food and Nutrition Commission (NFNC) under the Ministry of Health. Despite low sugar access among majority Zambians, Vit.AF continues to shape sugar politics in Zambia.

The NFNC confirmed that the capacity and capabilities of ZaSPlc in the industry (power to) gave the agribusiness an advantage over alternative vehicles such as maize meal. A senior officer at the NFNC explained how using a production capacity of over 250,000 MT (1998), *'ZaSPlc convinced stakeholders of its capabilities to satisfy the domestic market and in order to receive state/donor support'* (Z13:18.12.15). In immediately establishing itself in the Vit.AF and public health policy developments, collaborations with international finance such as UNICEF and the Global Alliance enabled ZaSPlc power with in subsidizing/facilitating fortification, equipment and other concessions.

A widely held view among respondents was that Vit.AF is effectively a non-tariff barrier on sugar imports which limits entry of new investors (power with). To some actors in the food and beverage industry (FaBI), power with effectively *'locks the market for Illovo'* (P4:15.12.15). According to one Consultant, that ZaSPlc contributes *'only 10% of total production of Illovo against 30-40% net profit of the group'* (P1:05.01.16) (Illovo 2016) is illustrative of how donor-state collaborations around Vit.AF enable ZaSPlc to exploit the domestic market. Sugarcane companies and private consultants revealed how prospective investments in different parts of the country failed to take-off for various reasons. However, interviewees implied that a deliberate failure by government to enhance competition, and intra-sector diversity through a financial focus on outgrowers linked to ZaSPlc was to blame, which again reflected agribusiness power with. Limited investments in the sector have thus been blamed on ZaSPlc's power with seen as discouraging new investments.

The links between Vit.AF and sugar import regulations imposed by various state departments and supported by ZaSPlc which calls for strict application of Vit.AF rules (power

with) are strong. For instance, flexing its industry presence within the politics of VitAF, an NGO representative explained how ZaSPlc called for '*rigorous* scrutiny of emerging sugar processors,' accusing them of failing to comply with packaging, labelling, quality and testing guidelines (power over) (Q4:09.12.15). Through such influence, ZaSPlc was perceived to coerce the government to renege on possible industry reforms. For a long period of time FaBI and NGO actors have called for abolishing Vit.AF alongside recommendations to allow sugar imports. They have also called for deliberate policy to encourage more agribusinesses in the industry as well as limit state involvement in the industry for competition and market growth (Ellis et al. 2010). However, state agencies insist on import permits from the MoA and elsewhere, entrenching ZaSPlc's industry position and limiting industry competition (GRZ 2017). Whereas inability to allow imports was seen by many as protecting the local market, state failure to promote competitiveness in the sector is pointed to ZaSPlc's power with (Richardson 2010). Some policy actors in the MoA corroborate: '*agribusinesses* lack transparency and wield too much *power*' (Z1:29.06.15). Meanwhile, the FaBI actors as well as processors argue that whilst the public health objectives of Vit.AF are noble, related processes have hindered market growth and industry competition. Think-tanks, FaBI and NGO actors expressed concerns that the recently revised Food and Drugs Act (1994) which maintains fortification shows that '*reforms* in favour of VitAF will continue to shape the dynamics of *sugar*' (G2:18.12.15) and so will the presence of ZaSPlc.

Second is the donor-driven formulation of the Zambia National Sugar Adaptation Strategy (ZNSS). The ZNSS responds to trade policy shifts in the EU that departs from fixed regulations and price management in sugar markets to building partnerships and private sector development, considered the primary means for governing traditional export sectors in developing countries (Orbie 2007). In this transition, the European Commission offered financial assistance to developing countries for trade capacity (CEC 2012). Known as the Accompanying Measures for Sugar Protocol Countries (AMSP), objectives of this 'aid for trade initiative' point to enhancing sugar industry competitiveness, diversifying the economies of cane growing areas and addressing wider impacts of the reforms in adjusting countries (Richardson and Richardson-Ngwenya 2014).

The ZNSS is one major specific measure for promoting sugarcane. Formulated in 2006, the ZNSS prioritised sugar expansion through: 1) outgrower schemes; 2) sugar diversification; 3) infrastructure; and 4) the development of a national sugar trade policy (Palerm et al. 2010). As with Vit.AF, the implementation of the ZNSS revolved around ZaSPlc, with state-donor actors lauding

the resulting integration of smallholders, bioethanol production and infrastructure development. That smallholder integration points to Magobbo and/or Manayonyo schemes means the ZNSS inserted ZaSPIC directly into state-donor programs (power with). Again, using scale, capacity and financial capabilities, ZaSPIC positioned itself to play a crucial role in actualising state-donor policy developments including guaranteeing their funds in the development of outgrower schemes which further plays to its image and reputation (Power to) (Palerm et al. 2010). Consequently, ZaSPIC effectively brought additional 1000ha under direct production and control within two years. Analysis shows that a macro focus in the ZNSS neglected environmental issues. That donors and the government belatedly conducted a Strategic Environmental Assessment for sugarcane expansion – 4 years after the ZNSS – confirms these concerns (Palerm et al. 2010). Crucially, whilst the ZNSS expands scope for production in Mazabuka and around ZaSPIC, the SEA warns about serious water availability challenges stemming from competing uses: power generation, agriculture, mining and urban consumption in the main ‘sugarbelt’ Kafue River. A neglect in environmental regulation by the local authority highlight ZaSPIC power over in regional/local authority.

Third is a widely held perception that ZaSPIC deploys power to and power with through financial and economic opportunities to exploit the domestic market through access to concessions, including influence on trade policy rules that govern sugar imports. Prior to its historic factory expansion investment, ZaSPIC signed an IPPA, which interviewees believed effectively granted the agribusiness three advantages. First, was guaranteeing its investments in Zambia. Second was depressing its import bill such as on machinery whilst helping access cheap finance. Third and most importantly was compelling the government to treat sugar as a ‘*sensitive* and priority product within policy *guidelines*’ (Mataka 2008 cited in Richardson 2010, p.929). With effective state bias towards foreign businesses and that only multi-million-dollar projects qualify for IPPAs, ZaSPIC’s economic power is perceived to play a crucial role in accessing concessions and shaping industry dynamics as corroborated by Richardson (2010).

Fourth is ZaSPIC’s perceived power over in sugar price transmission and dynamics. Zambia is a low-cost sugar producing country, averaging US\$169/tonne compared to US\$263/tonne world average (Ellis et al. 2010). In highlighting pricing politics, the CPCC fined ZaSPIC 5% (ZMK76,728,650) of 2013 annual turnover for ‘price discrimination and unfair pricing’ (GRZ 2017). The CPCC reports that one category of industrial consumers was charged 22% more than

others and that household consumers paid 28% more than the former also paying 41% higher compared to regional/export consumers. To one NGO representative, *'this fine is long overdue...and hoped 'this will unlock the market to encourage competition'* (Q6:25.10.17). However, other NGO representatives were sceptical that concrete demands for ZaSPlc to immediately effect new price structure are missing, adding: *'there are lessons to be learnt on how agribusinesses commit injustices with impunity'* (Q7:26.10.2017). FaBI actors who command 24% of the overall 41% of ZaSPlc's overall domestic sales gave examples of how the firm increased sugar prices five times (oscillating between 7% and 14%) in 2014, whilst 2015 saw increases of 12.5% and 17%, sparking negative reaction among industrial consumers. In response, industrial consumers complained to the Competition Commission (CPCC) calling for reduction in prices to world market levels alongside a 10% surcharge to cover local conditions or allow sugar imports (Chisanga et al. 2014). However, interviewees argued that rather than addressing concerns through a wider stakeholder consultation and representation from FaBI, *'the MoA and ZaSPlc met and later sent adjusted prices'* (power with) (P5:15.12.15). A general perception was that this highlighted not only the way decisions were being made in the industry and how ZaSPlc shaped competition (power to) but also how absence of government action on market issues entrenched agribusiness influence in national politics (power with).

The final domain reflects the way labour issues play-out at national policy level to highlight power within. National policies have allowed reduced minimum wages for the agricultural and sugar industry in Zambia. National interviews revealed how inadequate regulation and rules that permit ZaSPlc and strong lobby groups to negotiate and influence discounted sector minimum wages contribute to poor labour conditions at local level. A senior economist at the largest national farmers union (ZNFU) explained that the combination of seasonal, long and short-term labour engagements make agriculture unique, and that the sensitivity of the sector means *'we cannot put anyone on a minimum wage'* (N1:04.12.15). That the Ministry of Labour *'has allowed this arrangement to continue'* means that *'for now we are not affected by the labour legislation'* he added. Sector-based approach to wages and conditions of services for farm workers have been adopted such as such as with the National Union for Plantation, Agricultural and Allied Workers (NUPAAW) as corroborated by an officer at Nanga Farms (SDM2:20.01.16). Given the dominance of ZaSPlc, many respondents perceive the influence of ZaSPlc in sugarcane-specific wages and conditions of service (power with). Not only that, power within projected through the powerful

image and reputation as the largest employer that puts ZaSPIC in good terms with national politics further enables it to exert influence on sector labour dynamics. While discounted sector-specific wages suggest a neglect of labour legislation, it also reflects the economic power wielded by the agribusiness as well as limits of state power in state-business relationships.

Within the labour perspective, there have been concerns that state institutions face challenges of how to enforce tax and labour laws. District officials reported ‘casualisation’ of labour and poor health and safety standards in sugarcane, which they blamed on weak frameworks for monitoring agricultural conditions on plantations/estates. Some of these relate to inability of local actors to enter production sites to assess adherence to agriculture and sustainability guidelines. According to one agricultural officer, ‘*[t]here is politics involved in sugarcane. As civil servants, we have stepped-back lest we get accused of supporting an [opposition] political party*’ highlighting power over (D13:16.01.16). Analyses reveal that this way agro-investments contributed to the informality of the sector and continued absence of social security. There have been complaints about alienation of local authorities in the business of sugarcane and general lack of embeddedness in the regional economy that potentially produces regulatory blind spots (power over).

4.3 Actors, structure and organisation of the sugar industry

The final objective explores key actors, and their influence in the sugar sub-sector. Our evaluation of the sugar industry started by identifying key actors/institutions shaping national and industry policies and practices. These were then linked to the perceived number of individuals (Figure 4). Whilst various institutions interplay to influence the sugar industry, analysis shows it is state-donor-agribusiness relations that dominate, enabling expression of agribusiness power in national, regional and local domains.

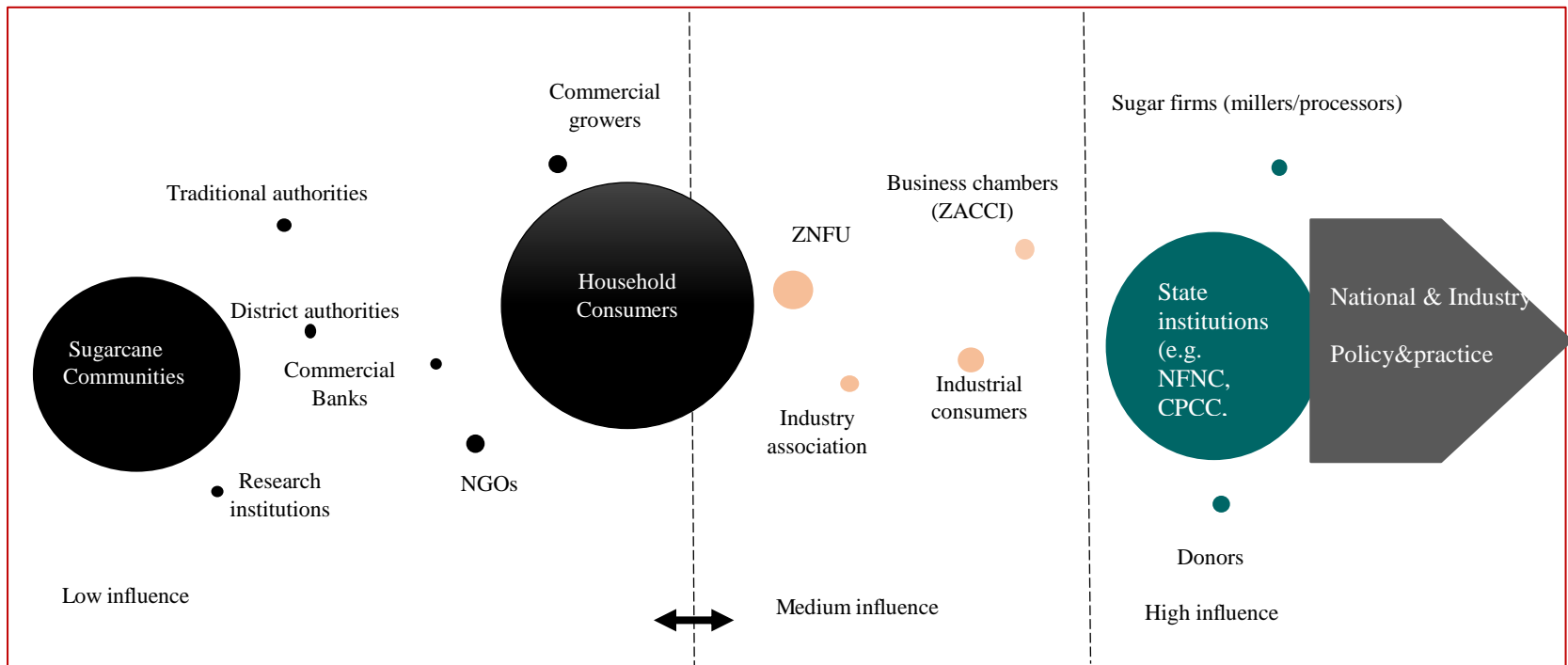


Figure 4: Actor influence in the sugar industry. Diameter of bubbles signify estimated number of actors/individuals involved in relation to others (as small, medium and large) (emerging from documentary analysis and perceptions of interviewees).

State institutions exert power to formulate national and industry policies, whilst promoting outgrower schemes. Nutrition bodies such as the NFNC shape agribusiness/industry practices through controversial public health policies such as those on fortification (Vit.AF). The Competition Commission (CPCC) regulate and shape market guidelines, accepting agribusinesses as private-sector development. Other institutions facilitate land acquisitions (Ministry of Lands, MoL), promote agro-investments (Zambia Development Agency, ZDA), and regulate water-rights whilst fostering renewable energy (Ministry of Energy and Water Development, MoEWD). The Ministry of Agriculture (MoA) promotes commercial farming, whilst others facilitate trade and sugar related policies (Ministry of Commerce and Trade, MoCTI). Social and environmental sustainability aligns to the environmental management agency (ZEMA) which approves sugarcane projects but suffer political influence (Giles 2017).

Multilateral and bilateral development institutions provide technical and financial support. However, through resources and infrastructure, donors hold power to shape policy as well as power with state institutions and agribusinesses to expand sugarcane production (Manda et al. 2018). State-donor induced irrigation infrastructure enables smallholder integration through outgrower schemes whilst entrenching agribusiness concentration (Manda et al. 2018).

Associations such as the National Farmers Union (ZNFU) influence sector labour politics and policies such as on electricity tariffs and trade, production and market dynamics but their influence remains mixed. Local authorities intervene in land issues, with chiefs acting as key facilitators but are limited by state or agribusiness actors. Local and international NGOs that focus on welfare (CSPR), livelihoods (Oxfam), land rights (ZLA) as well as tax justice (ActionAid) also exert little industry influence, with efforts being more sectoral and less vigorously pursued (Phiri et al. 2015; ActionAid 2011). Similarly, household consumers are unable to engage the government/corporations such as on product quality and potential 'discriminatory and unfair pricing' (GRZ 2017). Industrial consumers in the FaBI exhibit power within to organise and influence sector dynamics such as prices, but identify lack of competition as inhibiting their business potential (GRZ 2017).

Overall data suggests that expanding state, donor and agribusiness influence limit spaces for broad-based stakeholder participation in the industry such as those in FaBI and advocacy groups. One FaBI actor expressed an opinion that 'the biggest problem is that ZaSPlc has no

competitor at a large-scale,' enabling it to 'establish a dictatorship line of doing business' (P6:15.12.15). This was largely blamed on industry lack of competition, particularly 'government's disinterest in inviting other players to enter the market' and through 'granting significant incentives to ZaSPlc' (Q4:09.12.15). According to a Fellow at the Research-Tank IAPRI, the government has allowed 'different authorities in the sugar industry' which at times 'seems to contradict its own policy on investment promotion and private-sector participation' (G3:14.06.15). However, donor and state collaborations enable and sustain ZaSPlc's expressions of power and influence in industry practices. State institutions were particularly accused of entrenching agribusiness interests. For instance, to our respondent at the Competition Commission, lack of wider industry participation at large-scale level was probably because 'the market is not conducive enough for other players to *enter*' (Z10:18.12.15Z) enabling an agribusiness power and influence across multiple levels and domains as highlighted in previous sections.

5. Discussion

This paper highlights perceptions of how an agribusiness uses its power to shape sustainability in policy and industry practices. Through a combination of different sorts of power interplay, an agribusiness exerts control over the governance dynamics of an agro-industry chain, whilst limiting its commitment to social and economic sustainability. While various actors shape national and industry dynamics of sugarcane, state-donors-agribusiness relations dominate, ensuring agribusiness role in national development and agriculture. One outcome is that possibilities of sustainable agriculture, rural and economic development have been undermined by actual agribusiness practices as exemplified in local-level domains. By identifying different domains, we highlight the limits and importance of domestic institutions in framing LaSAIs as well as mediating corporate practices that will be required to enable a greater focus on sustainable agriculture and rural development.

The push for LaSAIs in Africa remains central in international policy on development and agriculture, ensuring agribusiness expansion. Donor and state actors shape mechanisms that underpin transformations in agriculture, but also raise governance issues (German et al. 2016). Gaventa's power framework enables analyses of agribusiness power between and within various levels and domains. Agribusinesses deploy their 'power of presence' to influence policy management around sugarcane expansion, acting as key facilitators of government/donor projects

through their willingness to incorporate smallholders (Richardson and Richardson-Ngwenya 2014). However, this power with is problematic for genuine stakeholder participation and agriculture sustainability, as highlighted in national and sub-national domains. For instance, control in land tenure relations as well as labour regimes means resource-bearing communities remain peripheral in key production decisions, affecting local economic benefits.

Agribusinesses influence policy management, and outgrower arrangements, challenging mainstream inclusionary narratives (Manda et al. 2018). Dominance in production accompanied by tight control over land and water as well as market channels highlight regional and local level power. While exploiting the publicly articulated focus on smallholders, in practice, agribusinesses limit wider uptake of growers as can be seen in its continued dominance in primary agriculture in local domains (Richardson 2010). Even where these have been integrated, different production systems split smallholders, affecting local cooperation. This increasingly facilitates physical and economic exclusion of smallholders both from agriculture and land whilst deepening ecological and social contradictions of industrial agriculture (Manda et al. 2018; Spann 2017). Sustainable local development must thus be viewed in the context of how policy developments and practices induce land concentration among powerful agribusinesses and how governance is shaped (Elgert 2016).

Policies and priorities for commercial agriculture produce an opposite effect, privileging an agribusiness at the expense of smallholder systems of agriculture as highlighted in national domains. For instance, the push for Vit.AF around an agribusiness reflect corporate power, enabling power of presence (Clapp and Scrinis 2017), whilst national policies adversely constrain local policies and practices, such as regulation and governance of outgrower schemes. While donor and state infrastructure create opportunities for smallholder integration, this support is problematic for agribusiness concentration and commitment to agriculture for development (Spann 2017). Agribusiness and sugar promotion in national policies conceal silent realities of industrial agriculture as high user of water, agro-chemicals and land, which undermines sustainability claims (Leguizamon 2016). However, weak interaction between and among high-level national institutions and those at the local government level, highlight governance challenges in the latter, for example accountability, power, responsibilities, decision-making.

Global debates around ‘just sugar sourcing’ or ‘sustainable commodities’ increasingly deflect attention from agribusiness practices in countries that view LaSAIs as magic bullet for local development (Elgert 2016). In our case, regulation and monitoring failures from local authorities presents opportunities for unsustainable agribusiness practices (Giles 2017). A key governance challenge is the mandate of regional and local authorities to engage with agribusinesses. The way agribusinesses operate, oscillating between national and local level domains of power means that local authorities are merely spectators of developments in the sugar sub-sector, almost completely excluded from policy and institutional formulation, implementation and monitoring. Our case shows how the power framework illuminate scalar/governance mismatches, and the need for institutional arrangements to account for multi-level and multi-actor interactions which shape outcomes. Drawing from mono-governance perspectives, the role of the local authority is thus unclear (Van Alstine 2014).

There are clear mismatches between realities at local level and what national actors believe is the way to manage agribusinesses and LaSAIs. But this lacks salience, credibility, and legitimacy in the eyes of critical players at regional and local level (Cash et al. 2003). Powerful corporations in agriculture present difficulties for poor countries like Zambia to leverage socio-economic and environmental benefits. Some of this relate to lack of agribusiness social and economic embeddedness in the local economy, as discussed in regional/local domains. Although state officials can be excited by the presence of an agribusiness at local level, their ability to regulate corporations is limited by an overlap in authority between national and local actors. District officials especially civil servants spoke of the difficult in monitoring and regulating agribusiness activities, compounded by national-level political involvement. There is little evidence that the local authority was acknowledged as a monitoring and regulatory structure by ZaSPlc. More widely, sugarcane issues, information sharing, and decision-making processes are highly centralized, with the district level of governance often bypassed. As elsewhere (Van Alstine et al. 2006), a lack of local government involvement and increased government control means that authority is being implicitly (or even explicitly) transferred to foreign agribusinesses operating in the sector, raising social and ecological contradictions.

6. Conclusion

This paper highlights domains and how an agribusiness uses its ‘power of presence’ within the jurisdictional scale to shape sustainability in policy and industry practices in Zambia. The paper has assessed how different actors interact to shape domains underpinning agribusiness expression of power. One key governance gap identified from analyses of multi-level interactions and multi-level actors is weak regional and local government capacity. Governance gaps and limited capacity to monitor, regulate and influence an agribusiness were identified in three domains: agribusinesses embeddedness (or lack of it) in wider development processes; land tenure relations; and labour regimes and practices. Regional and local-level practices reflect mono-centric governance perspectives which exerts state power and authority over the regional and local economies as well as industry policy. This feature not only enables an agribusiness to oscillate between national, regional, and local levels but also permits enormous influence within the national scales, as exemplified in five domains: public health policy on Vit.AF; the donor-driven Zambia National Sugar Adaptation Strategy; access to investor concessions; sugar price formation and transmission; and national labour policy regimes. Through a combination of different sorts of power interplay, an agribusiness exerts control over the governance dynamics of an agro-industry chain, whilst limiting its social and economic contributions including uptake of growers. By identifying different domains around the sugar industry, we highlight the limits and importance of domestic institutions in framing large-scale agricultural investments as well as mediating corporate practices that will be required to provide a greater focus on sustainable agriculture and rural development.

Analysis provides insights into the centrality of relationships between and among agribusinesses and development actors in determining realities and prospects for sustainable development including industry-specific practices within which smallholders are implicated. Findings of this study enables us to reflect on the limits of what national and local institutions can achieve with regards sustainability and sets us to think about how we can enable a greater focus on sustainability at different governance scales and levels. Sugar related issues have been framed at national level through policy practices, but weak interactions with local-level authorities produce crucial mismatches. Agribusiness expansion as pathway for delivering sustainable development is consequently problematic for agriculture, local development as well as sustainability. Top-down nature of sugarcane promotion and expansion, control over land and water resources raises problematic socio-economic and economic contradictions associated with LaSAIs.

Our use of the concept ‘power of presence’ is novel in that it helps unpack levels and domains throughout an agro-industry chain within which agribusiness power unfolds. In so doing, the paper helps to extend the existing literature on power dimensions of LaSAIs and agribusinesses, by bringing national processes that shape investment outcomes and raising questions for future research. Our discussion of agribusiness power of presence shows contested agro-industry chain characterised by different sorts of power across all levels, enabling agribusiness control and influence. Our analysis suggests that despite claims that LaSAIs can be inclusive and account for local realities (World Bank 2011), regional and local participation is lacking. It shows that analyses that examine power dynamics within policy and industry practices enables us to reflect on the limits of what national and local institutions can achieve with regards sustainability. Most importantly, the study highlights the need to examine the industry structure under which diverse actors operate and the power dynamics that shape actions and determine outcomes. This paper has identified how the much-promulgated agriculture for development discourse and focus on agribusiness actors entrenches power of presence whilst concealing ecological and social contradictions related to LaSAIs. These findings are context specific but raise promising questions for further research. The fragmented governance of agribusinesses and LaSAIs in general challenges simplistic claims around the role of agriculture in international and regional policy management.

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