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Politics of State-Capital Relations in Africa: The case of 'Big Sugar' in Zambia

Simon Manda Caroline Miti and Jorg Wiegratz

Abstract

This article is a sharp analysis of how divergent outcomes from large-scale land acquisitions (LSLAs) in Africa stem less from 'weak governance' and more from the character of state–capital relations although they can reinforce each other. Theoretically, the article critiques the dominant scholarly emphasis on weak state/sector governance systems in explaining divergent investment related outcomes concerning land, industry development and proposes an alternative explanation that centres on the character of SCRs in the investment projects and sectors of concern. Empirically, we examine Zambia's 'big sugar' (1998–2024), tracing how state-capital relations (SCRs) coalesce, enable, and govern sugar investment, and how LSLA firms build legitimacy by mobilising ties to the state through the joint pursuit of a marketisation and commercialisation agenda. Analysis is based on 25 state/industry, 17 community, and 12 household interviews, and 3 out-grower focus group discussions (2020–23). Results show a complex, political, and multi-scalar (re)production of corporate legitimacy by a range of actors from business, national government and donors/international aid realms. We evidence that dominant agribusiness entities pursuing their LSLA agenda affects the state through their power and authority, territorial reach, relations with society, and scope of actions such as regarding conditions for foreign access to land, labour, and markets for sugar. By so doing, corporate actors can, within this process, at multiple levels (especially at the national level) make claims on the state to maintain a level of corporate and project legitimacy and affect state legitimacy in the process. The paper argues that the possibility of deleterious effects of LSLAs stems from the SCRs' particularities, which render the state weak in serving its citizens and makes *'win-win'* outcomes impossible. We conclude that analysis of foreign capital in Africa should pay yet more attention to the character and dynamics of SCRs and how these relations shapes state's commitment to serve its citizens as well as agenda for national and local development.

Key Words: Africa; corporate power; state capital relations; land-grabbing; corporate legitimacy; Zambia

1. Introduction

The debate on large-scale land acquisitions (LSLAs) places African states as complicit actors facilitating corporate land grabs in the last two decades (Nolte 2014; Margulis et al. 2013; Autor et al. 2019; Author et al. 2023). These views build of a long history of the vilification of the African state as weak, overextended, and obstructive to ('proper') markets, coining labels such as rentier, parasitic, predatory, patrimonial, prebendal, crony, and kleptocratic (Mkandawire 2015). Yet the state's (evolving and varied) role in economy and business remains central to political and economic development, requiring analytically more open and nuanced assessment, especially amid inward-oriented agricultural foreign direct investment (FDI) (Mkandawire2001). Crucially, these narrow perspectives also underemphasize and misread the varied and context specific role and agency of African state as it relates to the changing nature of state-capital relations (SCRs). This paper instead develops a novel conceptualisation of the role of specific SCRs in the African context, demonstrating how they are both constitutive of and instrumental in shaping LSLAs, structuring industry governance, producing divergent outcomes across different levels of analysis, and engendering distinct forms and trajectories of corporate and state legitimacy. Theoretically, the article critiques the dominant scholarly emphasis on weak governance systems (*vis-à-vis* state, industry sector etc.) in explaining divergent investment related outcomes and gives more analytical attention and weight to the character of SCRs in the investment project and sector of concern. We deploy 'weak state' loosely to reflect on the state's ability to serve its citizens (e.g., improved land tenure/labour relations, tax regimes). Previous research shows that despite privatization and thus the significant 'retreat' of the state from the economy with the event of neoliberal reform, the state has remained active in the promotion of LSLAs and in agro and other markets (Author et al. 2019). In building on this insight, this paper shows that divergent outcomes from large-scale agricultural investments in Africa stem less from 'weak governance' and more from the character of state–capital relations, demonstrating how corporate legitimation proceeds through multi-scalar coalitions that reshape state authority, territorial reach, and access to land, labour, and markets – with new evidence from Zambia's sugar sector (1998–2024).

State relations in Africa shifted from post-colonial dirigiste era through structural adjustment programs. Despite neoliberal assumptions of state retreat, actual practice with LSLAs shows a reconfiguration of state and quasi-state institutions that harness and enable capital. This alignment – consistent with Thandika Mkandawire's developmental state – is crucial for understanding the role, (causal) importance, behaviour and practice of the state. By

SCRs we mean the institutional arrangements through which state institutions and actors own, regulate and/or coordinate businesses. State legitimacy relates to a belief that the state has a right to rule and can be conceived as a function of actors' (e.g. citizens, agribusinesses) relationship with state authority (Bellina et al. 2009). Its constituting elements are the willingness of actors to obey authority (value-based) and actual compliance with government regulations and laws (behavioural) (Lavi et al. 2009). Central to this is what the state does (specific outputs) and how it functions (specific procedures) as driven by political authority. State legitimacy is a key aspect of LSLAs: how it is used in and affected by LSLAs for example. Corporate legitimacy relates to how an agribusiness uses its existence at jurisdictional scale to influence policy developments and industry practices at national, regional, and local levels (Author et al. 2018; Cash et al., 2006).

That said, whereas matters of governance and accountability (Salverda, 2022) as well as smallholder inclusion and exclusion are central to LSLA literature (Beban et al. 2017), the scholarship focusses less on the way LSLAs are embedded in national politics and the consequences thereof for agribusiness dynamics and outcomes and industry governance more broadly. By focusing on the strategic coordination and capacity through which state and its institutions pursue transformation (policy/institutional arrangements, design and practice, and indeed citizens interests), we wish to foreground the crucial role – indeed centrality – of the state (and thus matters of state legitimacy etc.) in agricultural expansion more broadly and in LSLAs. We have in mind how policy intents in the 1990s focused on stabilization, liberalization and privatization, reducing state's direct involvement in the economy. However, LSLAs reveal how the state reconfigured itself into harnessing logic in three principal ways. There are tangible cases such as Ethiopia (2000s–mid 2010s) under Meles Zenawi in pursuance of heterodox state-led policy industrialization aimed at public investment in infrastructure and energy; centralized rent capture to fund transformation; heavy coordination of private capital – all self-consciously anti neoliberal in theory and practice (Gebremariam 2014). In this paper, the opposite can signify a weak state.

In the context of LSLAs, however, state actors have been rather sparsely analysed in relation to capital and the related outcomes. The documented widespread acceptance among policymakers and development agencies on the continent of the deepening role of corporations in agriculture has not been followed by a surge in analyses that explore the new or transforming SCRs, and respective implications regarding (i) legitimacy of corporations (and state), (ii) structure and organization of related industries, and iii) the representation of citizens interests (Berman 1988). As a result, there has been a lack of consensus on the factors explaining the

limited development impact of LSLAs on the continent and how changing SCRs shapes the way citizens interests are/not represented/served.

Some studies on Africa explaining (political-) economic dynamics and outcomes of LSLAs take issues with governance, policy and legal frameworks (Beban et al. 2017). Here scholarship has focused on states in relation to the governance of the land sector and tenure security (Nolte 2014; Arezki et al. 2011), with concerns that LSLAs coincide with poor governance (German et al. 2013), unclear property rights (Deininger and Byerlee 2012) and heightened competition in determining land access (Burnod et al. 2013). Literature has pointed to incidences of corruption and lack of transparency in LSLAs and called for improved governance systems. Multilateral organisations have recommended strengthening legal and bureaucratic frameworks within which LSLAs take place to achieve economic development objectives (Stephens 2011). These debates, however, give less account of how corporations engage specific state actors and how these relations are mobilized and utilized to shape what the former can do or not, how, and to what effect. In politically high-profile and -stakes value chains such as sugarcane where politicians, state officials and public agencies in African countries are inclined to explicitly intervene in some form (Richardson 2013), LSLAs become a key area for interrogating the active role of the state in agriculture/agro-industry and market development and what this means for the outcomes of LSLAs (Grajales 2015). Yet, details of the SCRs (in particular, state-foreign capital) are hardly explored in a focused way.

The Zambian case is relevant in this regard because of, amongst others, the mix of capitalist and socialist ideologies that characterizes the polity due to the country's history, shaping contemporary context and dynamics for corporate legitimacy (and SCRs broadly). Further note that in 2023, there were 34 LSLAs deals in Zambia covering one and half million hectares (Land Matrix 2024) compared to only 12 deals in 2012 (i.e. a near threefold increase in deals p.a.). Despite its long history in Zambia, the sugarcane value chain had consistently underperformed until the entry of Illovo (a subsidiary of Associated British Foods located in South Africa) in the late 1990s. Since then, however, the sub-sector has faced generic problems related to the implementation of LSLAs, casting a spotlight on state 'failure' and the politics of market and sector development. State actors (and ruling government/political forces) have in the past two decades preoccupied themselves with creating conditions for neoliberal types of market development. The case of Illovo has political relevance as reference point and an example of a publicly regarded successful FDI project. Notably, much of the success notion is not only about the performance of the business (although this matters) but also how the state

enables conditions for a particular market development and corporate embeddedness in relations with society.

There are patterns in the way the government coordinates and interacts with the sugar sub-sector in Zambia. First is through the rise of semi-autonomous development agencies to promote and increase FDI. Second is through industry coordination deploying sector-centric policy practices and industry protection. Third is the light-touch (low regulation) market friendly' actions aimed at stabilizing (in specific ways) rather than disrupting the sectors. Combined, state actions are not about the subordination of private interests/actors but the creation, legitimation and consolidation of capital. By analyzing these dynamics, we offer a critique of institutional monocropping as well as afro-pessimism and show how state institutions coordinate and experiment with capital through policy reconfigurations, regulatory agencies and selective coordination (also regarding growth and restructuring) of sectors (Mkandawire 2015). We contend that what might be 'insufficient' regulation of capital is not really about (an expression in practice of) the belief in the retreat of the state but the furtherance of specific agribusiness forms of capitalism. We argue that a major overlooked factor that shapes divergent outcomes of LSLAs, their character and trajectory in the sugarcane sector in Zambia is - besides policy and legal frameworks - this: the complex and dynamic SCRs that significantly determine investments and market developments.

Against this background, the primary objective of this paper is thus to explore for the case of the Zambian sugar sector the properties and dynamics of SCRs under conditions of intensified marketisation and commercialization, and respective consequences for investment project outcomes. We focus on the contested issues surrounding the deals, i.e. production lands, wage labour, national markets for sugar commodities, including state-business partnerships, as domains in which state-capital interests coalesce to shape relevant industry dynamics and project outcomes. Specifically, we ask: (1) What is the changing nature of SCRs in the Zambia's sugar agro sector? (2) How do SCRs feature in LSLAs what do these relations mean for (i) industry governance, (ii) the perception of corporate legitimacy and (iii) local level outcomes of LSLA, including representation of citizens interests? (3) In what ways do these relations shape how state and capital maintain perceptions of legitimacy for LSLAs in the sugar sub-sector and what are the related outcomes regarding land and industry development? (4) How do these SCRs shape governance of industry? We approach this set of questions through an analysis of SCRs centred around 'big sugar' investments in sugar. We are interested in how private actors utilize, employ and exploit these relations for the furtherance of production and

market domination on the one hand, and how these dynamics shape representation (or lack of it) of citizens' interests.

Notably, patronage politics plays a role here too. It affects dynamics of legitimacy in the context of capitalist development (here the LSLAs), particularly where political leaders who hold positions of authority in public service also act as gatekeepers for land regulate access to commercial opportunities in areas such as agriculture (Beresford 2015). State actors variously draw on public policy to shape relations with capital. Significantly existing political economy literature on LSLAs has so far not been linked sufficiently to the analysis of patronage and state-agro-corporate relations in the African context. Some of this relates to the public acceptability of corporates' actions [actions which put risks (or value) on host nations/communities] and how corporates' relations with the state can create (im)possibilities for governing these corporate actors (Suchanek 2020). Our analysis contributes to understanding governance and outcomes of LSLAs in changing political contexts. It provides an account of why LSLAs produce divergent outcomes in the context of policy and legal tools that can be relied upon for the governance of agro-sectors and -business.

2. State-Capital Relations and Large-scale Land Acquisitions

Since the 1980s, claims regarding state incompetence and wastage underpinned the case made for liberal market development. The IMF/World Bank were keen to see state retreat from the economy and enable private sector actor development (Bush 2010). In agriculture, the incorporation of smallholders into agribusiness is one of the major themes of the World Development Report 2008 (World Bank 2007), arguing for a change in the political structure of governance, i.e. from state-centric to market-based economic governance (Amanor 2009). The processes of governing LSLAs involve decisions about land, production and markets. State-mediated contestations often place multi-level actors against one another and/or constrain their actions – compounded by constellations where several normative orders co-exist (Murphy et al. 2017). This set up produces various political-economic issues in contexts where land commodities have been facilitated as part of new development visions. Existing plural legal frameworks across sub-Saharan Africa can create discretionary spaces vis-à-vis LSLAs (Nolte 2014). LSLAs are shaped by social relations including relations of power (Verma 2014) and contested discourses (Neef et al. 2013). In the national context, various actors interplay and shape dynamics of foreign investments at different levels (Author et al. 2018). Increasingly, LSLAs are impacted by power operations (including forceful expulsion), market dynamics, the law, and legitimation processes (Li 2015). These elements relate to the state and its operations.

The political economy literature has focused on livelihood implications of LSLAs (Author et al. 2018; Matenga 2017), and governance and transparency (Borras et al. 2013). There are also analyses regarding forces and drivers as well as scale and quantity of LSLAs (Land Matrix 2024). These studies enrich our understanding of aspects of how LSLAs play out within national contexts but fail to give a detailed account of how SCRs shape industry governance and corporate legitimacy and thereby project outcomes.

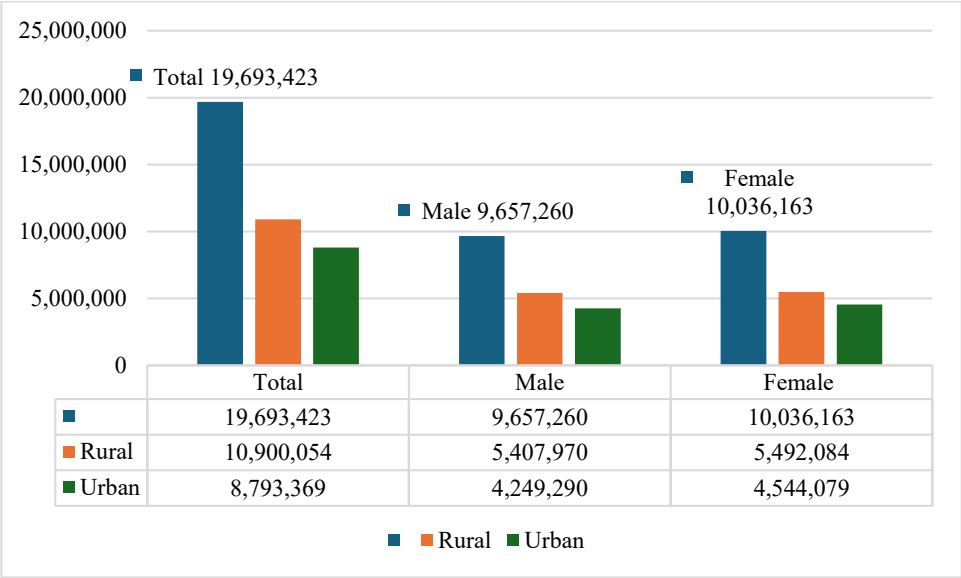
Despite its retreat in the 1980s/90s, states increasingly rely upon various formal or informal tools to enable or constrain investments. States can act as partners in advancing corporate interest which can accelerate national and local development while undermining local authorities thus creating political and administrative conflicts (Author et al. 2020). These SCRs oscillate between protective and harnessing market-driven movements (McMichael 2023), which relate to the way policy and legal tools are deploying in the governance of LSLAs (Cotula 2013). These relate to legal extensions of state power on the ground (territory); rules (e.g. formal bodies) and control of the conditions of their own reproduction (sovereignty etc.); authority; and participants (citizens) in the state changing property relationships and the way they make claims on the state (subjects and subjectivities) (see Wolford et al. 2013, p.194 for these formulations). National and sub-national state actors interact in multiple relationships, shaping discourses around LSLAs (Fairbain 2013). However, the state never operates with a united voice, as agencies articulate different kinds of power and interests to shape access to land, driving 'ideological legitimation' (Wolford et al. 2013, p.196). LSLAs depend on the competencies of state bureaucracies, their embeddedness in society and their territorial reach and capacity (German et al. 2011); with varying implications for governance (Author 2017; Author and Otther 2023).

A general subordination of societal needs to the imperatives of neoliberal agribusiness economic agendas has resulted in 'free market' ideology gaining wider cultural ascendancy as part of the resource-led development agenda in Africa (Langan 2023). In the agricultural sector, and within market promotion, LSLAs shift land use patterns and relations between land, capital, and labour underpinning processes of commodification. In the last 30 years, the Zambian state has, for instance, turned land into a commodity so it could be transformed into capital. This process gathered pace with the implementation of the Lands Act of 1994 and subsequent development visions and policy packages for agricultural, agro-industrial, and rural development. This has led to the subsumption of land and labour to the imperatives of the market/capital (Carton 2016). The new conjectures of corporate market fundamentalism integrate smallholders as well as food and beverage industry actors (e.g., bakeries, bottlers) in

spaces where the state yields power to advance commercial interests of large corporations (McMichael 2023).

Since 2010, the Zambian government has been keen to commercialise agriculture, marketing over two million hectares of agricultural land as farm blocks and other projects. State entities facilitate foreign investments in agriculture (GRZ 2017), accompanied by land abundance narratives (Author and others 2023; Author et al. 2019). Within this perspective, the country experienced 'two-wave land-grab' since 2000: the first wave of 2003–2007, the second wave in the post-2008 period (Land Matrix 2016). Discursively related to the promise of economic diversification and growth, LSLAs have legitimised state's territorial reach, power and influence in the sector (Author et al. 2019). Frameworks such as the Land Conversion of Titles Act of 1975 vests all land in the power of the President, and the Lands Act of 1995 allows conversion of customary land to leasehold. These have effectively enhanced the political leverage of the state in land deals (Author and Author 2023; Taliarino 2016). By the early 2010s about 12% of land in Zambia was held under LSLAs that are larger than 2000ha (Schoneveld 2014); and this has seen an upward trend by 2023 (Land Matrix 2024).

The government acts as a development-oriented land broker, legitimising its own role through investment promotion (Author et al. 2019; Chilombo et al. 2019). However, new power and property relations created in host communities in relation to powerful agribusinesses raise questions about possibilities concerning local development (Rutten et al. 2017). Under cultivation and low levels of irrigated agriculture in the country led to the state's close relationship to LSLAs, expanding authority and claims on certain territories in the name of sector development (GRZ 2016, p.16). It has also heightened competition among state agencies seeking to administer land resources for various business purposes (Nolte 2014). A low legal and political threshold under which state institutions can alienate land means that the scope for expropriation has widened in the presence of LSLAs. Given that most of the population is rural, characterised by acute poverty levels (60% of the population, 2022), and heavily dependent on agriculture in Zambia (LCMS 2022), LSLAs legitimises their own territorial reach, under enabling state narratives. It is this reorganization of the state that SCRs enables crucial contribution.



	Total	Male	Female
	19,693,423	9,657,260	10,036,163
Rural	10,900,054	5,407,970	5,492,084
Urban	8,793,369	4,249,290	4,544,079

Figure 1: Population of Zambia by sex and location (Extracted from Census of Population and Housing 2022).

Through active participation, new institutions identified as linking foreign investments to economic priority areas (e.g. agriculture) have emerged (e.g., the Zambia Development Agency, ZDA), providing One-Stop services to investors. This means state entities can draw on different kinds of actors and authorities (and their respective power/legitimacy resources) to facilitate LSLAs and deflect criticism, e.g. in public debates. The state frequently articulates a narrative of self-regulating markets alongside a narrative of *(FDI-based)* national development as progress (McMichael 2023). Such narratives often privilege foreign as opposed to local actors and alter industry governance and investment outcomes. We argue that this feature is not by chance – but part and parcel of states ability and capacity to harness capital. This article explores LSLAs through an avenue of SCRs to understand dynamics of corporate legitimacy and industry governance, and most importantly the centrality of the state.

3. Materials and Methods

3.1 Researching Zambia's Sugarbelt

This paper draws on decade-long own empirical research in Zambia by lead research (Author). Mazabuka is Zambia's main area for commercial sugar agriculture – 'the sugarbelt.' The district Mazabuka has about 261,907 people and is one of the poorest in Zambia (CSO 2022). Customary land ownership is common among small-scale farmers, with emerging patterns of statutory land conversion. The region has vast land and water resources as well optimal agronomical conditions, encouraging agribusiness expansion particularly sugarcane (Author et al. 2018). Zambia Sugar Plc (ZaSPlc), owned by South Africa's Illovo Sugar Plc, operates a

very large estate 135 km south of the country's capital Lusaka, with over 28 000 hectares under sugar cane cultivation. It is the country's leading private sector employer, operating the largest outgrower model (ZasPlc 2023:12). ZaSPlc is the country's biggest sugarcane producer. Our focus is on the political dynamics and changing SCRs related to this commodity.[1] Since 2000, ZaSPlc. Expanded smallholder outgrower schemes, catalysing sugarcane uptake among villagers – with a 141% increase (*n*=225) between 2009 and 2015 (ZaSPlc, 2023). ZaSPlc produces more than 420,000 tons of sugar p.a., commanding 92% market share (Figure 2). In Mazabuka, three main variants exist through which smallholders integrate into sugar value chains (Author et al. 2020). First is Kaleya Smallholder Farmers Company Limited (KASCOL) formed in the 1980s and leases over 1,100ha of land to smallholders as tenants. The second is Magobbo Outgrower Scheme formed in 2008. Here farmers lease about 560ha of their land to ZaSPlc for a rent. The third is Mayonyonyo Scheme where farmers have formed a farmer company and allowed ZaSPlc to direct the production of sugar on their 555ha plot (Author et al. 2020). Although these variants do not neatly fit into the post-2008 frenzy of LSLAs captured by global media, we use LSLAs to reflect on how the state facilitated and formed alliances with and legitimise the actions of big businesses – ZaSPlc.

[1] Privatised in the 1990s, ZaSPlc was established in 1964 and now the largest cane sugar producer in Africa. It has 75% of shares held by the Illovo Group a subsidiary of Associate British Foods (ABF). ZaSPlc's Nakambala agricultural and factory operations are based at Mazabuka in the southwest of the country, with the capacity to produce 450 000 tons of raw, brown, and refined sugar from cane supplied by our own operations, approximately 1.9 million tons, with 1.5 million tons delivered to the factory by our small to large-scale growers (Illovo 2024: https://www.illovosugarafrica.com/about-us).

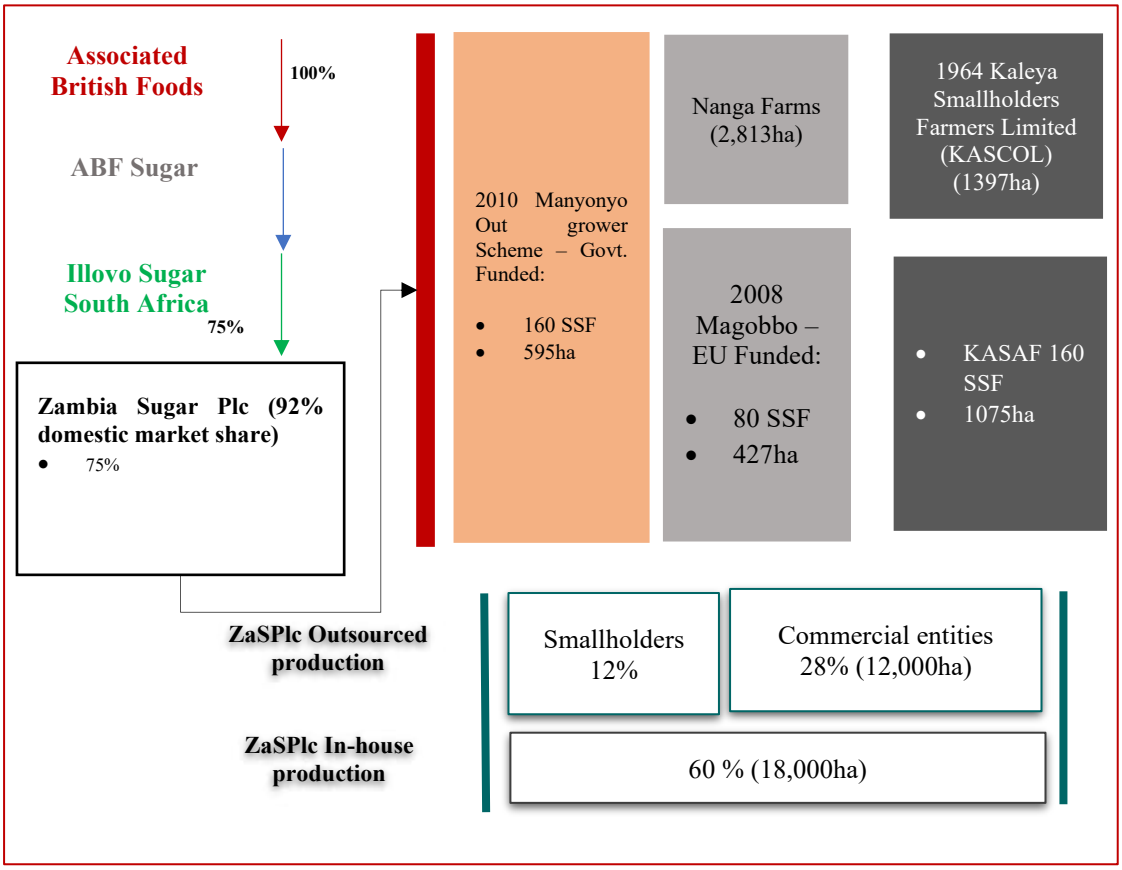


Figure 2: Ownership and structure Zambia Sugar Plc

Operations at Kaleya scheme started in 1984, working under an integrated limited company (Kaleya Smallholders Company Limited, KASCOL). KASCOL provides extension services to smallholders. The company provides inputs, managerial, marketing and commercial services to smallholder association, KASFA. Farmers cultivate sugarcane on average 7.5ha household plots, but links to ZaSPlc as off taker ensures agribusiness influence in smallholder production zones. All land belongs to KASCOL, and as tenants, farmers run a 14-year renewable lease.

Magobbo on the other hand is a block-farm and is an EU Funded project. State actors such as through the Ministry of Lands and the Ministry of Agriculture facilitated the consolidation of land from 80 households. Magobbo scheme commenced operations in 2008 and leases the block-farm to ZaSPlc's subsidiary Nanga Farms Plc. Its formation responds to donor funding under the European Commission 'financing agreement which covered 60% of establishment costs. The rest were farmer loans advanced by ZaSPlc itself. Managed and operated by Nanga Farms (a ZaSPlc subsidiary), Magobbo runs a centralised system that allows parties to conduct joint activities such as bulk supply of production materials (Author et al. 2020; Matenga 2019). Thus, Nanga Farms control all production and commercial aspects whilst farmers receive a share of profits made on their plots. These dynamics have integrated

ZaSPlc thoroughly in donor and state politics/relations as part of the (so-declared) vehicles for achieving health and economic objectives.

Meanwhile, Manyonyo scheme started in 2009 and is a government funded scheme. The scheme is a state project co-funded by the Finnish government and the African Development Bank. Farmers. As with Magobbo, all production and management operations fall directly under ZaSPlc, funding operational costs and shifting the scheme's production towards sugarcane under the guidance of national state actors. Smallholder farmers receive a share of the profits. By placing ZaSPlc at the centre of sugar expansion in Zambia, state and donor actors legitimize their own actions in facilitating land access as well as a range of corporation practices in local communities. We use these cases to explore changing relations between state and corporate actors, and what this means for state and corporate legitimacy across multiple scales.

3.2 Data Sources and Analysis

The data strategy aimed at reflecting differences between local and national state actors, and the extent to which citizens/participants in outgrower schemes interests were represented and served. The first author conducted extensive fieldwork in Zambia, collecting data between 2020 and 2023. He has conducted extensive research in this region since 2014. In this paper, we draw on qualitative data to measure views and perspectives on SCRs at various levels and the extent to which citizens interest are represented and served. We interrogated agribusiness actions and what this means for state legitimacy and acceptability of agribusiness actions. For this article, interviews were conducted with value-chain actors and stakeholders such as NGOs, government agents and those in the food and beverage industry (e.g., bakeries, bottlers) experience SCRs (Bennett 2016) (n=25). Specifically, interviews were conducted with state, donor and NGO actors, private sugar consultants, firms and companies, and academics and research think-tanks to explore and understand agribusiness manoevres and state actions or non-actions (n=25)[2]. Interviews focused on industry decision-making, criticisms and agribusiness and state responses. District interviews were used to explore agribusiness practices and their activities across the *sugarbelt* region (n=17), delving into district-agribusiness relationships and implications for regional development. Interviews with respondents ranging from government departments, input suppliers to the sugar producers and

[2] See supplementary information for details of participants.

other private actors explored their respective relationships with agribusiness and perception of corporate legitimacy (Table 1).

Table 1: Study participations

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
Community			
	Kaleya	Magobbo	Manyonyo
Key informant interviews	8	8	1
In-depth household interviews	6	6	–
Focus group discussions	5	5	1

Group discussions were conducted on three sites (*n*=11). Discussions focused on corporate decision-making processes as well as consultation and wider integration of communities and smallholders in value chain activities.

Analysis developed broad themes using the software NVivo; with nodes created as avenues of thematic analysis linked to the study questions (Kumar 2005; Bazeley 2007). We analysed the data for content, paying attention to the relation to the research questions. Results are presented thematically and across domains as sites within which SCRs coalesce. We take these as sites in which social relations are reorganized and spaces in which perceptions of legitimacy are constructed, maintained and advanced and where citizens' interest are represented (or not).

4. Results

4.1 Increasing LSLA trends and the changing nature of state-capital relations

The post-SAPs, specifically post-2000 era of market and agricultural expansion has witnessed an increase and wider acceptance of LSLAs among state actors in Zambia. Foreign capital investments have driven primary agro production, entrenching land commodification and market domination. Specifically, the country witnessed an increasing sugar investment from South Africa since the late 1990s, under state privatization program and market protection. Whereas a related increase in the private sector investments, including agro-processing has placed state actors at the centre of agribusiness expansion in Zambia, implementation of agricultural guidelines entrenched markets and facilitated continued commodification of land. Actors in the MoA view problematic LSLA project outcomes at local level (e.g., low incomes,

land inequality) as a necessary part of a wider process of agricultural transformation. Significantly, this LSLA acceptance at national (top) political and technocratic level of LSLAs is underpinned by joint corporate-state interests and alliances. One examplar: the former Minister of Finance held shares in ZaSPlc (ZaSPlc 2009). Since 2010, donors such as the EU have engaged in joint financing of sugarcane expansion with ZaSPlc which reflects not only the political economy of aid but also a key pillar of converging LSLAs-interests under state facilitation. State and political power particular Ministries of Agriculture, and Trade were frequently cited in national interviews as driving sugar investments which they framed as *"empowerment for growers*." Political framings of empowerment as rural employment justify agribusinesses as important and essential development actors. However, investment projects on ground have been characterized low paying casual and temporal work for rural youths and women and the commodification of labour and water resources (Richardson 2010; Author 2023). Empowerment discourse has proceeded nonetheless, while state oversight regarding labour and environment was poor thus enabling disempowerment and individual/social harm dynamics among the members of subaltern classes (workers, smallholders). It is this SCRs and the related framing of what development is in the Zambian and larger African context, we argue, that has facilitated rather than constrained foreign capital. There were questions among rural small-scale farmers, including from NGOs such as the ZLA and CUTs, about government's commitment to local rights around land and livelihoods in the current development framework that is based on a central role of big capital. These elements continue to receive limited traction among NGOs and state regulatory actors (e.g., Consumer Protection).

4.2 Institutions, actors and their roles and corporate legitimacy

Section 4.1 shows state agencies were generally agreeable to LSLAs, driven by prospects of rural development and poverty reduction. Political representatives have arguably been motivated by corporate social expenditure which is utilized to mean that political representatives are able to deliver on campaign promises. Meanwhile, state agencies articulated models through which investments unfold while policies in agriculture around energy, water, and land permitted government power to exploit abundant land and water resources. State agencies relied upon neoliberal policy and legal frameworks to legitimize the alienation of customary land and draw territorial zones for LSLAs, with changes in customary law widening scope for land appropriation (see Author and other 2023). State policies and institutional frameworks defined investment guidelines (e.g. minimum wage requirements) and influenced decision-making in LSLAs, but state agencies themselves lacked a collective voice and

articulated different kinds of power at national and local levels partly due to different interests and varying relationships to corporate actors. District interviews reveal that policy and institutional frameworks have more widely affected mechanisms, processes and institutions through which citizens exercise their rights regarding articulation and mobilisation around land.

Meanwhile the growing role of donors and multilateral agencies (e.g., the World Bank, Africa Development Bank) was reported in national interviews as legitimizing sugar deals through supporting the Zambia National Sugar Strategy and funding smallholder out grower schemes. Multilateral and bilateral donor agencies provided funding and technical assistance in sugar expansion. Donors funded irrigation agricultural schemes, infrastructure development involving Private-Public Partnerships (PPPs). This support led to *"chaotic land allocation and conversion,"* (EU Representative) with critics emphasizing the need to improve legal and bureaucratic structures to regulate the sector. Whereas this means legal bureaucratic structures and strengthened market mechanisms for an agribusiness expansion in which the national state is implicated, donors have been seen to legitimize corporate investments through funding outgrower schemes. To some officers in the water sector, donor involvement was seen as undermining state influence, i.e. promoting investments in specific sites against advice from parent ministries – which can mean weak commitment to local interests. Some officers explained that donors influence institutional and administrative rules, decision-making, processes and practices around water management in agricultural farm blocks, for example – advancing corporate interest. However, donors operate within state roles allowing them to influence sector governance.

A limited role of NGOs in the governance of the industry was reported. NGOs generally focused on land rights, tax justice and livelihoods (HRW 2017). However, their influence on LSLAs remained low due to a focus on community level outcomes. Yet, power dynamics and different voices and divergent interests around land, market, labour among different actors in relation to capital affected NGO efforts, including promotion of local rights.

Meanwhile local and traditional authorities administer land, but these were frequently integrated state agencies (ZLA 2024). State influence in land for LSLAs has not led to increased community representation and capacity in related committees. Land acquisition pathways taken by investors highlight varying motivations. The legal and bureaucratic process enhanced investor and state influence in negotiations (Author and other 2023). In practice, land acquisition often bypasses local actors, as wider community consultations are lacking. Given that traditional leaders lack capacity to negotiate with corporations, rural communities continue

to be confronting market relations, but these engagements have largely been unsuccessful. These processes take place alongside SCRs that harness and prioritize market relations.

4.3 Industry Experiences, Practices and State Legitimacy

In what follows, we draw on our qualitative data to generate grounded insights about the specific domains as spheres where state and capital relations manifest and analyse implications for the governance of the sugar industry.

a. Capital relations in the Wider Development Linkages

In Mazabuka district (Section 3), agribusiness expansion 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 were cited by district and national political representatives as status symbols and good for poverty reduction (i.e. proof of success of the development model/approach). However, district officers criticized ZaSPlc as having changed the patterns of development in the district/region through land-use expansion and water exploitation which often bypassed local oversight. Local authority officers revealed that ZaSPlc seldom adhered to district development plans, opting to work in isolation and with national state actors. The company promotes independent land and development plans within its estate, *"incompatible with district sustainable development plans."* We found reports of *"illegal in land-use planning/development within ZaSPlc estates."* Some interviewees blamed the agribusiness' strong national political and economic connections, which, they argue, limits and undermines local regulations, and oversight on environment sustainability. As a result, *"any criticism against the company lead nowhere"* (Interview CUTS 2019). ZaSPlc initially participated in the local government's Integrated Development Plan (IDP) – a plan for guiding district/regional development – but later withdrew at implementation stage. These maneuvers are seen as destabilizing district development agenda and creating divergences in voices against unsustainable corporate practices. Notably, these actions have not been criticized by the national government or the Presidency.

Municipal Council officers argued they are rarely contracted to offer services to the company such as warehousing, distribution, and cane haulage. Instead, the company reportedly relied upon national level policy and legal provisions to engage foreign companies, externalizing disbursements. As such, it was almost impossible for the local authority to leverage revenue generating streams with the agribusiness.

There is evidence of how national officials enter investment sites to make policy pronouncements that affect local authority revenue generation and express their support for agribusiness. For instance, national political actors driven by the need to cultivate an image of progressiveness in the then opposition-dominated territory intervened variously in the local authority. During his visit to launch ZaSPlc's largest sugarcane processor, former President Rupiah Banda abolished the crop-levy (2009), costing the local authority an estimated $400,000 in annual cane levy (Richardson 2010). The decision to scrap crop-levy was generally perceived to illustrate new, closer state-agribusiness relations; and as an example of how governance gaps are created at local administrative level via such national level decision making. In justifying the removal of the crop level, some members of the then ruling MMD party MP justified the government position, arguing *"sometimes when we say that crop levy should be maintained, [but] we forget [this] is because of the party [in power….] The President has removed the tax"* (Parliamentary Debate 01.10.2009). That the directive to scrap crop levy came when President Banda officiated at the company's launch of Nakambala sugar estate in 2009 confirms perceived neo-patrimonial and clientele tendencies by state actors:

> *"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).

Opposition MP of Mazabuka Garry Nkombo criticized this decision: *"…We have done a complete water reticulation system out of these levies and our people are dreaming of drinking clean water and then somebody comes and says Mr President you must remove the crop levy"* (Parliamentary Debate 01.10.2009). To some actors such as those in the FaBI, this represents vertical relations and the centrality of the state. The argument is that vertical ties between capital and political representatives represent an important way in which informal links assert themselves in market mechanism, allowing interventionist economic approaches that extend state influence, and legitimize corporate actions (see Onel 2007). State manoevres to align public interest to market mechanisms allow agribusinesses to shape state (in)actions, at the expense of local capacity and interests. More widely, this approach by the government allows policies to oscillate between imposing taxes and removing it, and between insisting on strict socio-economic/environmental rules and relaxing them.

b. State Action and Inactions in Land Tenure Relations

Land access, control and utilization are crucial aspects of capitalist expansion. Land tenure relations have led to a conversion of vast customary land to commercial sugarcane under

diverse land ownership and production arrangements legitimized by the state and sponsored by donors (e.g, Finland, the EU). Despite some state resistance in the previous government of Levy Mwanawasa that called for a stop to ZaSPlc's direct land acquisitions in the district,[3] ZaSPlc still managed to incorporate additional 10,500ha as sugarcane fields (2007), which followed a $200 million factory expansion in 2009.

However, that land belongs to farmers but tied to the specific sugarcane commodity in *Manyonyo*, leased out to the agribusiness in *Magobbo* and under a management company in *Kaleya* reflects diverse ways in which an agribusiness shapes production and controls land – under the supervision of the MOA's Smallholder Irrigation Project. Corporate take-over of the Manyonyo scheme – a previous government scheme – in 2012 by ZaSPlc for instance is symptomatic of the preference of the state. While corporate land takeovers have not produced massive political reactions from below, the state itself has been reluctant to intervene in land conflicts between ZaSPlc and local communities in Mazabuka.

c. Labour Dynamics and Regulations

Labour engagement and regulation are important features as spheres of state-agribusiness influence. Analysis shows how an agribusiness exerts its economic power and uses its image and reputation as the largest employer in the sub-sector to shape as well as undermine labour regimes. A widely held image about ZaSPlc by state actors is that the number of people employed by the company is a good example of how an agribusiness should work with the government as partners in development to contribute to the national economy and wellbeing (i.e., jobs, wages, growth). In its 2023 annual report, ZaSPlc reports:

> *"In 2022 the Company had 6 379 direct employees. The Company had an employment impact totaling at least 13 782 people, making it a significant provider of employment in the country and the largest outside the public service"* (ZaSPlc 2023 Annual Report, p.29)

The objective of job creation via reliance on big foreign investments cannot be undermined politically. The government is clear as one official in the Ministry of Agriculture remarked: *"we don't want to 'shake' these companies providing employment"* (SIP Interview). Some NGOs believe that this narrative raised challenges for agribusiness regulation and that policy positions on rural employment, including the need to garner political support from an opposition dominated southern region gives a sense of preference of state actors.

[3] 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 (see also Richardson 2010).

Consequently, tight control over production systems permits ZaSPlc to influence diverse labour regimes in sugarcane under weak labour regulations. Financial and economic dominance in production enables ZaSPlc to deploy skilled expatriate staff whilst exploiting unskilled labour and limiting smallholder uptake in schemes. This dualism means that despite the much-publicized job creation, labour intensity in sugarcane is low. Many of these sugarcane related jobs are seasonal, depressing gross disbursement of wages more so in outgrower systems where wages were reduced by a factor of three, when compared to ZaSPlc's own plantations (Richardson 2010). However, it is evident that labour regimes play an important role in asserting agribusiness dominance but this relates to the preference of the state.

4.4 Lopsided national policy practices and business influence

This section isolates specific domains for market domination and pathway for resistance and shows how related leverage points for change have been narrowed by state and corporate relations. First is ZaSPlc perceived policy influence on Vitamin A Fortification (VitAF) of sugar. State-capital relations have produced important partnerships such the Government nutrient supplement program. VitAF has been coordinated by the Food and Nutrition Commission under the Ministry of Health. Under the policy and legal frameworks, all domestic or imported sugar for direct consumption in Zambia requires mandatory fortification with vitamin A. Frequently quoted figures cite Vitamin A deficiencies (xerophthalmia) of over 65% and 53% among children and women respectively as the key driver to VitAF. Despite low sugar access among majority Zambians, VitAF continues to shape sugar politics in Zambia and SCRs are implicated.

Government officers explained that the large-scale nature and dominance of ZaSPlc in the industry gave the agribusiness an advantage over alternative VitAF vehicles such as maize mill. In immediately establishing itself in the Vitamin A Fortification and public health policy developments, collaborations with international finance such as UNICEF and the Global Alliance enabled ZaSPlc leverage in subsidizing and thereby facilitating fortification, equipment and other concessions, a feature not witnessed elsewhere in the industry. It can be argued that VitAF is effectively a non-tariff barrier on sugar imports aimed at protecting the domestic market for existing foreign capital – ZaSPlc (Interview IAPRI).

Flexing its industry presence within the politics of VitAF, an NGO representative explained how ZaSPlc led criticisms and calls for strict adherence to packaging, labelling, quality and VitAF testing guidelines. Through such influence, ZaSPlc has been perceived as coercing the government to renege on possible industry reforms. State agencies' insistence on import permits from the MoA and elsewhere are seen as entrenching ZaSPlc's industry position

and limiting industry competition (GRZ 2017). Whereas the inability to allow sugar imports was seen by many as protecting the local market, state failure to promote competitiveness in the sector which would benefit consumers is seen to undermine its state legitimacy. Meanwhile, the FaBI actors as well as processors argue that whilst the public health objectives on VitAF are noble, state actors are compromised, which limits the extent to which they engage in the industry.

Second is the donor-driven formulation of the Zambia National Sugar Adaptation Strategy that facilitated land commodification. The strategy responds to trade policy shifts in the EU that depart 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. In this transition, the European Commission offered financial assistance to developing countries for trade capacity (CEC 2012). Known as the Accompanying Measures for Sugar Protocols Countries, 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 strategy is one major specific measure for promoting sugarcane. Formulated in 2006, the Zambia's own strategy 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 VitAF, the implementation of the strategy 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 strategy inserted ZaSPlc directly into state-donor programs (Figure 1). Again, using scale, capacity, and financial power, ZaSPlc positioned itself to play a visible role in actualising state-donor policy developments including guaranteeing their funds in the development of outgrower schemes which further plays to its relations with the state. Consequently, ZaSPlc effectively brought additional 1000ha under direct production and control in Magobbo and Manyonyo within two years. However, the strategy permitted sugar expansion at the expense of environmental concerns. That donors and the government belatedly conducted a Strategic Environmental Assessment (SEA) for sugarcane expansion – 4 years after the strategy – confirms these concerns (Palerm et al. 2010). Specifically, the SEA warned about serious water availability challenges stemming from competing uses: power generation, agriculture, mining and urban consumption in the main 'sugarbelt' Kafue River. Interestingly, criticisms from environmental NGOs did not lead to a rethink of the sugar strategy.

Third is a widely held perception about agribusiness exploitation of the domestic market through access to concessions, including influence on trade policy rules that govern sugar imports. Prior to its historic factory expansion investment, ZaSPlc signed an Investment Promotion and Protection Agreement (IPPA) with the Government, guaranteeing its investments in Zambia. This allowed the company to reduce its import bills such as on machinery whilst helping it to access cheap finance. The government justified treating sugar as a *"sensitive product requiring its own policy guidelines"* (Interview MoA). With effective state bias towards foreign businesses and that only multi-million-dollar projects qualify for IPPAs, ZaSPlc's economic power (and profitability) is perceived to draw directly from state collaborations.

Market domination further relates to power 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. However, the Competition Commission (CPCC) fined ZaSPlc ZMK76,728,650 (5% 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 that *"it is something we have always talked about for several years."* However, other NGO representatives were sceptical the government would demand concrete steps for ZaSPlc to immediately effect market-reflective price structure. FaBI actors gave several examples of how ZaSPlc unjustifiably increased sugar prices up to 6 times between 2014 and 2015. However, interviewees argued that rather than addressing criticisms from NGOs and FaBI actors through a wider stakeholder consultation, the government through the MoA decided to meet ZaSPlc separately, asking the company to adjust prices downward, but that this was unsustainable. This highlighted not only the way decisions were being made in the industry and how ZaSPlc shaped competition but also how the absence of government action on market issues limited the extent to which industry players (e.g. the FaBI actors, including small farmers) could make claims on the state.

The final domain reflects commodification of labour at national policy level**.** National policies have allowed reduced minimum wages for the agricultural and sugar industry in Zambia. National interviews revealed how inadequate regulations 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. An Economist at the largest national farmers union (ZNFU) explained that the combination of seasonal, long and short-term labour

engagements makes *"agriculture peculiar. It makes sense not to "put anyone on a minimum wage*." Within this perspective, the Ministry of Lands passed a legal tool to allow the sector to operate this way. Sector-based approach to wages and conditions of services for farm workers have been adopted through unions such as such as the National Union for Plantation, Agricultural and Allied Workers (NUPAAW). Given the dominance of ZaSPlc, many respondents refer to the influence of ZaSPlc in sugarcane-specific wages and conditions of service. While discounted sector-specific wages suggest a neglect of labour legislation, it also reflects SCRs and how capital is privileged. Specifically, this highlight how national powers are open to do business with TNCs, and how the government uses national state power to endorse deals and business practices (thus distribution outcomes), whilst disabling effective regulations, and certain local and state powers.

5 Discussion: State-Capital Relations and Wider Implications

This paper set out to explore the changing nature of SCRs and what this means for the perception of corporate and state legitimacy as well as the governance of the industry under conditions of intensified marketisation and commercialization. The paper makes four important contributions. First is that the governance of LSLAs directly relates to the way the state actively creates industry conditions for corporate expansion. Second is that SCRs are harnessed and deployed to shore up state and corporate legitimacy. Third is that SCRs bypass value-chain participants affecting outcomes, but that this gives a sense of state preference. Finally, outcomes of LSLAs are determined by state policy and legal frameworks but more centrally by SCRs *outside* formal procedures and processes which limit the extent to which citizens interests are represented.

LSLAs enable various state and private sector actors to express/employ different sorts of power, interacting with state actors on decisions pertaining to land and labour (Burnod et al. 2013). Our study shows that there are weak forms of cooperation between national and local state agencies in LSLAs and that this is reflective of the central role of the state and its relations to capital. Whereas supporting LSLAs remains an important political agenda in Zambia as in many countries (World Bank 2010), SCRs limit processes of wider local and industry participation. While new governance mechanisms have been advocated for governing LSLAs, and to guide the development of national policies aimed at improving investment outcomes (AU 2014), strong business support can mean the state is relatively weak in serving its citizens.

This does not mean that state agencies are oblivious to micro-level experiences, including threats of appropriation of natural resources. In fact, states hope that prospects of development coming from (foreign) LSLAs can compensate for some of the shortfall in public

service. Rather, it means that industry governance and regulatory functions of the state take place outside formal processes. As a result, we see a limited extent to which wider governance mechanism addresses industry challenges, risks and harm (e.g., regarding food and beverage, communities, local authorities, smallholders) (Author et al. 2019). Investors are, despite some corporate social responsibility activities and outgrower schemes, either unwilling or unable to invest significantly in local development, which can weaken the extent to which citizens' interests are served. Within this perspective, SCRs shapes markets and the perceptions of corporate legitimacy, allowing capital to operate with heightened power (privileges, freedoms and regimes of permission, Hall 2012, Bernat and Whyte 2017), thus impunity; this is an important analytical contribution of the paper. The possibilities and potential outcomes of LSLAs have been facilitated and/or contested by national institutions that frequently advertise land and offer light touch regulation of LSLAs. The associated top-down nature of governance of land, labour and water resources that show strong business support is problematic for long-term sustainable agriculture and rural development but much of this points to the way the state treats, i.e., privileges, big private investments at the expense of local interests.

The study has shown that specific narratives around Vitamin A Fortification, and particular justifications and deployment of public health policy together enable agribusinesses to exploit the domestic market, whilst shaping the government discourse on health commitments. Wage policy oscillation between imposition and removal is a major way through which SCRs are managed and negotiated to find a dynamic balance between state objectives and businesses agendas (Hassan and Prasad 2025). Yet, within this context, SCRs can restrict the power of municipalities in water, labour and land matters (local interests). Closely linked are industry practices that shape sector strategies and policies, including processes that underpin sugar price formation and transmission whilst leaving outgrower participants indebted and vulnerable (Richardson 2010).

These processes are by no means absolute but highlight interdependences and coalition of interests between business and governments, which permits the former to enter crucial domains and influence the latter – this finding is an important scholarly contribution in the context of LSLAs. Within such interdependences, agribusinesses may deploy diverse strategies to criticisms at different levels including co-optation or closing spaces completely (West and Haug 2017). Some of these relate to financial and economic power seen in corporate production and processing capacity and industry/market capabilities. However, state actors can harness these opportunities but fail to act upon the limits of private sector led development strategies (Bush 2010). Actors such as NGOs and labour unions are some of the possible institutions that

can confront the power and practice of corporations and their national allies to promote local interests. However, with state collaborations, agribusiness power expressions are problematic for genuine stakeholder engagement and promotion of citizens interests (Author et al. 2017). That national policies and priorities for commercial agriculture produce an opposite effect, privileging agribusiness at the expense of local interests is less surprising (Spann 2017). Less surprising also are limited state/corporate commitments to claims of sustainability (Leguizamon 2016). Our study showed weak interaction between state agencies and local authorities, raising regulatory challenges (e.g., regarding corporate accountability, environmental sustainability, and labour relations), but SCRs remain central to these dynamics. Specifically, the way agribusiness operates, oscillating between national and local level domains of power, means that local authorities are in some ways merely (dis-empowered) 'spectators' of unfolding commercialization developments in agro-sectors.

There are clear mismatches, contradictions and tensions between varying and competing interests (at national/local level) and what the state claims is the preferred way to manage agribusinesses and LSLAs. Whilst this creates divergent voices, it also lacks salience, and credibility in the eyes of critical players at regional and local level (Cash et al. 2003). Although state officials can be enthused by the presence of an agribusiness at local level, their ability to regulate corporations can be limited by an overlap in authority between national and local actors on the one hand, and agribusiness and agrarian relations on the other. As evidenced also elsewhere (Van Alstine et al. 2006), a lack of local government involvement and increased central government control means that authority is being implicitly (or even explicitly) transferred to foreign capital operating in the sector, raising social and ecological contradictions – and here lies the problem regarding SCRs (Author et al. 2018).

We argue that these evidenced features and dynamics are not accidental but are a product of the conditions created by SCRs, under African context specific 'institutionalised neoliberalism' (Author et al. 2018). There are global debates around *'just sugar sourcing'* or *'sustainable commodities.'* The problem with these narratives is that they increasingly deflect attention from agribusiness practices and SCRs in countries that are 'weak' but view LSLAs as 'magic bullet' for local development (Elgert 2016). Given multiple stakeholder voices within the national context, there is need for a stronger analytical focus on national politics, power, and institutional dynamics, and how these interact with agribusinesses and shape local development outcomes. Our study revealed how state-donor-capital consensus (and the respective bloc) at top level creates a de facto non-regulation of 'big sugar' across issues of market prices, labour and land resources. The research here has shown how this constellation

and process creates a sectoral dynamic and form of corporate rule that privilege big capital, and fails to give much attention to critical actor groups that demand material changes to the resource environment, prices, wages etc. Ultimately, the limits of LSLAs, we argue, should be seen as centrally lying within the character of SCRs and how these relations shape state's ability to serve citizens interests. The broader contribution of this study is to show that understanding the outcomes of LSLAs requires attention not only to formal governance arrangements but also to the underlying political relationships that shape them. The Zambian case illustrates how strong SCRs can coexist with – and even reinforce – weak governance, as nationally embedded corporate influence constrains local decision-making and undermines the responsiveness of public institutions. This suggests that the developmental and governance outcomes of LSLAs across Africa are fundamentally conditioned by the configuration of state–corporate power relations.

6 Conclusion

This paper set out to explore the changing nature of SCRs in Zambia's sugar sector and how these relations feature and play out regarding LSLA and industry governance. It examined what this means for the perception of legitimacy (corporate, state, project) as well as the governance of the industry under conditions of intensified marketisation and commercialization and what this means for the way citizens' interests are represented (or not). We identified several multi-level domains as avenues for SCRs and nodes through which corporations exert (regulatory etc.) pressures and shape industry governance to further their material interests. These include agribusinesses embeddedness (or lack of it) in wider development processes; land tenure relations; labour regimes and practices, and market domination. We showed that the governance of LSLAs directly relates to the way the state actively creates (industry, political etc.) conditions for corporate expansion. That SCRs are harnessed and deployed to share state and corporate legitimacy in industry governance bypassing value-chain participants and affecting outcomes, including representation of local interests. The paper evidenced that outcomes of LSLAs are determined by policy and legal frameworks but more centrally by SCRs outside formal procedures and processes. The paper argues that a major critical factor that shape divergent outcomes of LSLAs, their character and trajectory in the sugarcane sector in Zambia is – besides policy and legal frameworks which can mean strong support got business – the complex and dynamic SCRs that shape investments and market developments. But SCRs affect (e.g. blur) the distinction between national and local authorities as well as weaken states' commitment to local interests. By identifying different domains around the big sugar, this study showed that divergent outcomes from LSLAs in Africa stem less from 'weak governance' and

more from the character of SCRs though these may operate simultaneously and/or reinforce one another. Actors that, moving forward, strive to significantly alter current outcomes of LSLAs in Africa should take into focus SCRs and the various ways in which the state harnesses, facilitates and coordinate LSLAs on the one hand, and how these relations influence the extent to which citizens interests are represented. The expansion and deepening of the study of SCRs is relevant considering the current transformation towards a more fully-fledged corporate state and corporate society in many African country settings, and respective optimism about the rise of corporate Africa (LeGrand et al. forthcoming).

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