Commercial farming and agribusiness in South Africa and their changing roles in Africa's agro-food system

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1. Introduction

Our paper is on commercial farming and agribusiness in South Africa and their changing roles in Africa's agro-food system, as a response to debates and theoretical propositions about internal agrarian change in BRICS countries and their relations with other middle-income countries and the old hubs of capital.

South Africa is of course an outlier among the BRICS group of countries, given its far smaller economy, and was included only in 2010, as the only candidate that could be seen as economically and politically dominant in Africa – though by last year, Nigeria had overtaken South Africa as the largest economy in Africa.

BRICS countries as regional hegemons / imperialist / sub-imperialist

Adebajo and Landsberg (2003) have argued that South Africa and Nigeria have emerged in the post cold war period as 'regional hegemons' in Southern and West Africa respectively. But such characterisations hinge on an international relations perspective focusing on states, conflict and diplomacy, rather than our concern here, which is about political economy in relation to agro-food systems – in which the state is implicated but not a useful unit of analysis.

A related debate is whether South Africa, economically, is an imperial power, or a sub-imperial power in alliance with global capital. We aim to address this, within the BICAS research agenda, by asking: in what ways have agrarian and agro-food transformations in South Africa itself, located within its economy as a whole, conditioned the manner in which capitals throughout the value chain and associated industries are engaging with the rest of the continent?

2. Our argument

We present an argument about path dependency. In the context of agrarian change and agro-food transformation, our arugment is not about path dependency in relation to a growth path, but rather in relation to a **path of accumulation**.

South Africa's economy is centred on what has been termed a 'mineral-energy complex' as a particular form of capitalism and a *system of capital accumulation* that underpinned and continues to underpin transformations in the democratic era. Composed of private mining conglomerates and state corporations in electricity and steel, these sectors established a path of development in which a highly developed capitalist economy was constructed in the absence of a substantial manufacturing base – 'a partial vacuum of intermediate and capital goods capability, a failure to accrue economies of scale and scope other than in core MEC sectors, and an inefficient consumer goods industry surviving by protection upon demand. Agriculture tells a similar, although not identical, story' (Fine 2008: 2).

We draw attention to the character of the overall SA economy – its transformations and some enduring underpinning features – which condition the manner in which South African capitals have been and continue to explore new investment frontiers regionally within Africa and beyond. This character is founded on the contrast between 'South Africa's continuing first world corporate capitalism and the third world conditions most citizens live in [which] are both to a significant extent a product of postapartheid government' – rather than, as is often thought, and as much policy thinking presumes, merely a lingering legacy of apartheid (Hart and Padayachee 2013: 56). It is a dualism being produced and reproduced in more profound and entrenched ways, a matter evident in growing inequality even alongside a decline in absolute poverty (ref). One of the persistent features of South Africa's political economy, under apartheid and under democracy, is the 'high level of inequality, mirrored in the *rising* share of income appropriated by the rich', a trend transcending political change (Pons-Vignon and Segatti 2013: 507-509).

We locate this within food regime analysis, which characterises historical transformations in where, how and by whom which food is produced, and where, how and by whom which food is consumed. For the purposes of this paper, we attend to where, how and by whom which food is produced by South African people and companies, including the more tangential but perhaps more illuminating question of how South African-connected capital is reshaping food production, processing, retail and consumption in Africa.

3. South Africa's evolving agrarian structure (BC)

History

Unlike other societies where capitalist agriculture emerged on the American path of accumulation from below, in South Africa the successful capitalist white farming class was born of state regulation and subsidy, made possible through the minerals revolution. The political economy of the 20th century was shaped by competition between capitals – mining, energy, industry and agriculture – and from the 1970s the growth of the financial sector, with each deeply embedded in the state through a variety of mechanisms.

From the 1913 Natives Land Act to the formalisation of native reserves as Bantustans or 'homelands', state policy pursued the imperative of making available cheap labour to drive accumulation in the mining, industrial and agricultural sectors. The corollary was a massive programme of state-engineered capitalisation of white commercial farming, the centrepiece of the National Party's platform of *apartheid* or 'apartness' in the 1948 general election, and the construction over time of a complex architecture of state regulation, subsidies, and single-channel marketing of commodities through monopsonistic state 'control' boards.

The financialisation of the 1970s and the economic and political crises of the 1980s set in place dynamics that continue to play out under a liberalised economic regime.

In the midst of political transition towards democracy, it was not just capital and the state that reached accommodation, but there was also accommodation with labour – with real benefits for the narrow stratum of organised labour. At the same time, SA has a 'distributional regime' of social grants, which provides for a degree of stability in an otherwise untentable situation of inequality. In this sense, South African economic policy cannot be simply described as neoliberal, but the mounting challenge to the state is how to continue to fund this distributional regime in a context of economic stagnation – a crisis of accumulation.

The continued dominant position of the minerals-energy complex, at the core of South Africa's economy, has been made possible by the rise of financial capital and financialisation more generally in the economy (Ashman, Fine and Newman 2011). The policy reforms of the 1990s failed to redress the structural imbalance towards the MEC and to broaden ownership of the economy – this was not merely a disappointing development failure, but rather represented neoliberal deepening (despite the distributional regime). Here, neoliberalism is understood as 'policies, ideology and practice which… reinforce the power of capital at the expense of labour, and the power of finance capital at the expense of other fractions of capital' – and with the active support of the state in the service of capital (Pons-Vignon and Segatti 2013: 509).

Deregulation & liberalisation in agriculture

The reason why there was real protection and support for agriculture under apartheid, was a significant rural Afrikaner constituency – a concern to resolve the 'poor white problem' underpinned apartheid policies but became fiscally unsustainable for an apartheid state less dependent on the rural Afrikaner vote and by the 1980s verging on bankruptcy, prompting the start of deregulation and liberalisation (from early 1980s, and more sharply after 1994).

Shifts in ownership patterns and production systems (new crops, technologies)

The net effects in agriculture were concentration (expansion through internal accumulation) as well as centralisation (buying out competitors), reversing the broad base of white commercial farming and allowing larger companies to expand operations and landholdings as the number of commercial farming units dropped precipitously from about 60,000 in 1996 to around 35,000 in 2014.

Labour regimes

At the same time, despite the introduction for the first time of agricultural labour regulation, in the form of basic labour rights and tenure rights for farm workers and their families living on farms, labour regimes in agriculture have moved towards smaller, more highly-skilled, largely male, on-farm workforces, as changes to production systems and a massive expulsion of labour, led to a massive displacement of farm workers and dwellers – possibly 3 million since the start of democracy – and an inversion of permanent to temporary workers, with growing casualisation and labour brokering. This has meant the creation of an increasingly off-farm, casual labour force, especially in the core sector of horticulture – a footloose workforce of people in informal settlements dotted around farming districts – a central feature of what Bernstein refers to a 'fragmented classes of labour'.

Big Food

Deregulation, especially the closure of marketing boards and privatisation of sectoral cooperatives, facilitated vertical integration, leading to 'Big Food' – the growing dominance of just a handful of powerful corporations – in inputs, processing and retail, and to a lesser degree in primary production – alongside financialisation, the key moment in which was the creation of a futures market (SAFEX) in key staple commodities. While financialisation is global, in South Africa it was clearly a response to falling rates of profit, underpinned by liberalisation, and South African capitals responding to a wider set of opportunities and pressures in the global capitalist economy.

Competition Commission

Contrary to the predictions of the World Bank, whose proposals for Rural Restructuring informed the deregulation plan of the 1990s, these policy reforms neither lowered barriers to entry for small farmers, nor lowered the price of food – food price inflation has been far exceeding general inflation, not only due to the widespread collusion and cartels in key sectors – notably fertiliser, seed, poultry, milling, bread and retail – but due to the concentrated structure of the food system itself, and its industrial farming models premised on input- and capital-intensive production. State responses are not to confront big capital but in practice to accommodate and even support it – despite the creation of a Competition Commission that within a limited mandate investigates anti-competitive behaviour. This is entirely consistent between agriculture and other sectors of the economy (inputs industry, processing, retail), where structural barriers to entry have been maintained and entrenched.

Indeed, the South African state appears to assume that capitalist agriculture will produce cheap food – despite the evidence – hence the unwillingness to actually move against them. ANC is supportive of large-scale commercial agriculture, and deals only with 'distortions' through cartel behaviour and its influence on pricing, but not the fundamentals of the structure of the economy, and of capitalist agriculture.

Land reform hijacked

In this context, the introduction of a modest land reform programme to transfer 30% of commercial farmland in the first five years of democracy, and based on a willing buyer, willing seller approach, with the objective of providing opportunities for the expansion of family-based smallholder agriculture, has morphed over the past 20 years into something quite different. Instead, we see a less-than-half-hearted attempt to direct limited resources (less than 0.5% of the national budget) towards enabling a narrow stratum of black commercial farmers – often urban businesspeople – to form joint ventures with agribusiness. In a growing proportion of cases, black people neither get rights to land, nor control how it is used, but rather serve as shareholders in corporate enterprises. This is land reform hijacked from its original purpose of challenging the structure of land ownership and control, and its resulting pattern of accumulation, and in a sense its normalisation within this political economy.

4. South African capital's regional footprint

So, spurred by rapid deregulation and liberalisation, the overall trajectory of agrarian change in South Africa over the past two decades has seen – rather than land or agrarian reform – the consolidation of the hegemony of large-scale commercial farming and corporate agribusiness in agricultural value chains. We are interested in how these internal conditions and configurations shape regional strategies.

In a context of constrained domestic demand due to high levels of poverty, and emerging opportunities for geographic diversification, both farming and agribusiness capitals are now expanding into African countries. In doing so, they are promoting agro-food systems centred, as in South Africa, on the dominance of large capital. This is evident in six elements of the changing agro-food system which we discuss briefly.

4.1. Financialisation and farmland funds

First is the financialisation of agriculture and the emergence of South African-based 'farmland funds'.

A growing cast of actors through whom transnational private capital is being brought into Africa's agriculture, ranging from pension funds, hedge funds, sovereign wealth funds, banking institutions and agribusinesses and private equity funds which the 'Vultures of Land Grabbing' report characterized as "not only [having] a speculative business model, but also represent[ing] a conveyor belt for shareholder capitalism from the financial to the real economy."

Emergent Asset Management Ltd is a UK/SA management firm, emerging from defense and high-tech industries in the US, now specialising in farmland investments in Africa, with its African Agricultural Investment Fund established in 2008 promising 30% returns, and partnering with Grainvest, one of the top 5 companies on the futures exchange, to form operating company Emvest Agricultural Corporation, providing a vehicle for South African, UK and other investors to diversify their investments into African agriculture in Angola, Botswana, DRC, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe (it's a quote McNellis 2009: 13).

More 'homegrown' is the UFF Agri Asset Management, part of Old Mutual's African Agricultural Fund, which aims to take 'advantage of Africa's enormous untapped agricultural potential' (UFF 2015) through twin funds – one for internal acquisitions through Futuregrowth Agri-Fund (SA) and its African Agricultural Fund, enabling South African investors to channel investments both internally and externally in the region. Then there's a variety of others, with a range of internal and regional foci, including Phatisa and others (Ward will discuss).

4.2. Finance (more traditional forms) – banks, Afgri, investment forums etc

Second, there are the more traditional forms of finance, both private and state.

Among these are Standard Bank[1] and ABSA, themselves transnationalised. From the agribusiness sector is Afgri, a privatised state-established farming cooperative, Oos-Transvaal Beperk (OTK), which has through absorbing other former cooperatives, reinvented

[1] Standard Bank now also operates in Angola, Botswana, Congo, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe. But through acquisitions it has also extended beyond Africa to the Americas (Brazil, Argentina and the USA) and to China, Hong Kong, Isle of Man, Japan, Jersey, Singapore, Taiwan, Turkey, United Arab Emirates and United Kingdom.

itself as a leading agribusiness in inputs, including through a continent-wide license to sell John Deere tractors, and the main source of finance and logistics for several farmland investments, including in Congo.

In finance, the state has made significant efforts to smooth the path of capital. A month before the BRICS Summit in Durban in 2013, Finance Minister Pravin Gordhan in his budget speech announced the relaxation on foreign exchange controls applying not only to South African companies, but also to other companies (especially, as he pointed out, the BRICS) who wish to use South Africa as a gateway in view of 'new opportunities to be seized in Africa and other emerging markets' (Gordhan 2013: 32). These reforms were explicitly punted as 'Gateway to Africa' reforms. Gordhan noted that the South African Reserve Bank 'had approved nearly 1 000 large investments into 36 African countries over the past five years' and that 'Africa now accounts for about 18 per cent of our total exports, and nearly a quarter of our manufactured exports' (Creamer 2013: 12).

Changes to financial regulation would incentivise investment from and via South Africa by creating 'simpler rules' to 'reduce the time and costs of doing business in Africa (Creamer 2013). By allowing holding companies exempt from the South African Reserve Bank's exchange controls to be created by companies listed on the Johannesburg Stock Exchange, as regional investment vehicles which would not be regarded as resident for exchange-control purposes (Louw, cited in Creamer 2013). 'Similar measures [would] apply to foreign companies wanting to invest in African countries using South Africa as their regional headquarters… as part of the Gateway to Africa reforms…, including BRIC countries' (Gordhan 2013: 12-13).

Capital is on the move both into and out of South Africa.

Less significant by far is the direct role of state finance through development finance institutions (DFIs), with the Industrial Development Corporation (IDC) with its massive infrastructure projects (in road, rail, energy and mining) and Development Bank of Southern Africa, which increasing its loan distribution (in transport, energy, mining, ICT, health, financial services and manufacturing), primarily to Zambia and Mozambique (Govender 2013: 10, 16).

Meanwhile, the Agricultural Business Chamber (ABC 2012) has spearheaded studies on agricultural market opportunities in Sudan, Uganda, Ethiopia, Egypt and Kenya, providing advice to South African agribusinesses in support of their expansion plans.

4.3. Seed & input supply (pesticide, fertilizer, tractors, etc)

Third is the growing influence of multinational and South African input supply industries.

Then there are the input industries, where the overarching change has been towards consolidation in seeds, pesticides and fertilisers, with multinational corporations buying up or into South African corporations and these in turn expanding in the region. Examples include Pannar (now largely owned by Du Pont), together with Monsanto and Pioneer all but monopolising the local market for seed – for maize, sorghum and wheat – while pesticides are dominated by a mix of global and local companies – Monsanto, Pioneer, Syngenta and a few others, their entry into African agriculture facilitated by the G8's New Alliance for Food Security and Nutrition.

4.4. Land deals

Fourth is the prevalence of land deals premised on the expansion of industrial farming systems.

'South African farmers have started to spread their wings considerably wider than the traditional South (sic) African Development Community (SADC).' (AgriSA Africa Policy Committee 2014: 35). South African companies are now engaged in forestry deals in Mozambique and Ghana, in farming projects in Congo, Mozambique, Swaziland, Zambia, Zimbabwe and Nigeria, and in tourism (wildlife safaris and ecotourism) in Mozambique, Tanzania and Uganda (Land Matrix 2015, Serwajja 2014).

Agri South Africa's 'Africa Policy Committee' reports that 'The international focus on agriculture's potential in Africa has further intensified over the past year, with an increase in investments in various high-potential agricultural countries' (AgriSA Africa Policy Committee 2014: 35). In 2013, it created an investment platform named 'AgriAllAfrica' (AaA) to facilitate South African farmers' deals in farmland and agriculture elsewhere on the continent, and brought state representatives from other African states on visits to South Africa to broker deals.

Meanwhile, commercial farmers are forging stronger relations with regional farmer bodies, notably the Southern African Commercial Agricultural Union (SACAU) and the new continent-wide alliance of regional farmer organisations, the Pan African Farmers' Organization (PAFO). AgriSA's chief land deal negotiator Theo de Jager is now president of both organisations. On his election as president of PAFO last year, he set out priorities for African agriculture, including 'a change of mindset from fighting poverty through agriculture, to wealth creation, and a need for Africa to take ownership of opportunities on the continent (through intra-Africa trade) (PAFO 2014).

From the gung-ho plans to secure land concessions in 22 African countries in the 2011-2012 period, though, and after disappointing results of its farmer groups in Mozambique (AgriSAMoz) and Congo (Congo Agriculture), AgriSA has withdrawn to more modest aims of consolidating its members' operations in these countries through acquiring 'priority status' as agricultural investors in these countries, and engaging in talks with these host governments to provide further protection and support. It is pursuing immediate opportunities in Ethiopia and Nigeria, while continuing to monitor conditions in countries where initial talks have been held, including Botswana, Swaziland, Tanzania, Angola, DRC, Uganda, Rwanda, Sudan, South Sudan, Eritrea, Egypt, Chad, Ghana, Gabon and Sierra Leone (AgriSA Africa Policy Committee 2014: 39). Meanwhile, at home, it is lobbying the South African government and specifically the Ministry of Trade and Industry for support in securing further sites in the face of the discontinuation of bilateral investment treaties.

One of the main success stories of South African agribusiness on the continent is that of sugar, notably the SA sugar giants: Illovo and Tongaat-Hulett in 6 countries each and, to a lesser but growing degree, also TSB, now in 3. Their success builds in large part on the export of a model developed and honed over decades in South Africa, of nucleus estates supplemented by (indeed, often largely dependent on) contracted outgrowers. The adaptation of this model of contract farming, in different ways from Tanzania to Malawi to Zambia to Mozambique, shows how these large companies have on the one hand reproduced production systems and labour regimes, and the social relations that underpin them, while also varying their modalities.

While land deals denote accumulation by dispossession, other factors are also changing landholdings. As Thom Jayne points out endogenous concentration in landholdings in several African countries by local and national elites overshadows 'land grabs' – and similarly domestic capitals are moving up and downstream through food value chains. These are highly dynamic contexts into which South African capital, and capital routed via South Africa, is engaging.

4.5. Processing and manufacture

Fifth is the export of South African companies' food processing, manufacture, logistics and distribution operations. Related to the expansion of sugar are the four South African food giants – Tiger Brands, Pioneer, Premier and FoodCorp – which dominate processing and manufacture in South Africa.

Tiger Brands, the biggest food manufacturer in South Africa, facing declining profits at home, has embarked on aggressive acquisitions in other African countries, acquiring Nigerian biscuit manufacturer Deli Foods in 2013, as well as a 51 per cent stake in the Ethiopian food and beverage East African Group, and 49 per cent of the food and beverage operations of UAC of Nigeria Plc. (Africa Business Journal 2014). Meanwhile, its arch-rival at home, Pioneer Foods, has also been expanding its Africa operations, having acquired a majority stake in Food Concepts PLC, its Nigerian rival in the fast-food and bakery sector, and focusing on further expansion of operations in Angola, Kenya, Ethiopia, Tanzania and Ghana (Who's Who 2015). Pioneer has extended its footprint through vertical integration combined with regional expansion, into grains, animal feed, poultry, beverages, until recently through a licensing agreement with PepsiCo (Pioneer 2014).

Intimately tied to processing, at the intersection of primary production and retail, is the significant transport, logistics and distribution sectors – which we do not deal with here.

4.6. Supermarkets and fast food…. Competing for space with national capital & the 'old hubs'

Sixth is the rapidly expanding reach of South African food (and non-food) retail, notably supermarkets and fast food chains.

The four giants of food retail in South Africa – Shoprite, Pick n Pay, Spar and Woolworths – all have a regional imprint. Shoprite, 'arguably the most successful supermarket chain in sub-Saharan Africa', is at the forefront, with 320 supermarkets (both corporate and franchise) in 14 African countries, and with rapid expansion both within and beyond these countries (Harding 2011). Far behind is Pick n Pay, with its Zimbabwean subsidiary TM, expanding in Zambia and Ghana, preparing to move into Nigeria, while closing operations in Mozambique and Mauritius (Naidoo 2015), Spar, and Woolworths (which pulled out of Nigeria). Of more concern to Shoprite than its South African competitors is the Kenyan supermarket chain Nakumatt, and the entry of Walmart into South Africa and its imminent (?) expansion via South Africa into the region (Harding 2011).

Kenya's Nakumatt supermarket chain now has 35 retail outlets, spanning Kenya, Uganda, Rwanda and Tanzania, taking over Shoprite's flagship Dar Es Salaam outlet in 2014, and aiming to expand to Burundi ‘to ensure that we fully cover East Africa before setting off on the Nakumatt 2.0 journey, which involves registering a Pan-African presence’ with the next steps being supermarket expansion in Nigeria, DRC, South Sudan, Malawi and Botswana, said managing director of Nakumatt Holdings, Atul Shah (Harding 2011).

Conclusions

Understanding the link between the internal and regional agro-food transformations means we need to look at push and pull factors conditioning the behaviour of capital:

- **Push factors:** stagnating demand as an outcome of the accumulation path, featuring massive structural unemployment, with capital being pushed to look for new markets.
- **Pull factors:** global processes, growing domestic demand for food, including manufactured foods ,in Africa’s urban hubs, spurred not only by urbanisation but by oil and gas booms and a growing middle class, on the back of decades of post-structural adjustment liberalisation.

Globalisation clearly came at a good time for South African capital…. coinciding with the end of sanctions, and efforts towards regional integration in Africa, and with the global recession and stagnation at home leading to the search for new investment frontiers.

South Africa’s substantial industries across the continent –in the food system but also in mining, telecommunications especially MTN, finance, construction, transport and logistics - may retain their South African base but, as the example of major brewer SABMiller illustrates, many are transnationalising, rebranding for an African market, while providing a route through which global capital can partner with South African capital in its African expansion. With a Chinese stake in Standard Bank and British Food plc having a majority share of Illovo, the notion of South African capital becomes increasingly moot. But the South African base, for political, logistical and ideological reasons, is essential for understanding how transnational capital is strategising. This exemplifies a ‘capitalist logic’ rather than his ‘territorial logic’, in Arrighi’s formulation.

But South African capital has also encountered substantial obstacles to entry, and been challenged by competition in destination markets, both in and from other middle-income countries with expanding agro-food industries of their own. Civil society activists are beginning to question capital-centred agro-food systems.

Failure

Success for corporate South Africa as a regional hegemon in Africa’s agro-food system is thus far from assured. Which is why we find it instructive to look not only at where South African capital has succeeded – in the cases lauded on the popular South African business website ‘How we made it in Africa’ – but also to understand the failures, of which there are several significant examples:

1. **Dangote Flour Mill** – Tiger Brands acquired a majority shareholding of 65.7% in DFM in 2012 – not profitable and sold one of its subsidiaries which lost nearly a quarter of its market value in the year 2013-2014. Also in Nigeria, the demise of Woolworths retail… Pioneer, too, is divesting its desperately unprofitable subsidiary Quantum Foods, which owns Bokomo Uganda and Bokomo Zambia

2. **Shoprite in Tanzania** – 3 stores in Dar es Salaam and Arusha bought out by Nakumatt in 2014 (Ciuri 2014) and Woolworths' withdrawal from Nigeria.
3. **Farmland investments in Congo and Mozambique,** with the former being particularly disappointing – in Congo, a decline from a plan of 10 million hectares, to agreement on 200,000 ha, to initial allocaton of 80,000 ha, only a fraction of which has been cultivated, and with massive attrition of initial investors, with most returning home, echoing the experience of white Zimbabwean farmers who moved into Mozambique after fast-track land reform, as documented by Amanda Hammar.

Is the reason for failure in cases such as these the fact that not all elements of the system are present? We hypothesise that this is the case. Individual elements (like land deals for primary production) depend on the wider system and political support to facilitate the movement of big capital through the agrofood system (which the South African state has done). This makes corporate investments vulnerable to conditions that differ from those that enabled accumulation at home. Capital is also vulnerable, suffering setbacks and losses in the face of an absence of the conditions that enabled the development of capitalist agriculture in SA in 20th century.

We argue, then, that South African capital's engagement elsewhere on the continent and modes of accumulation exhibit a path dependency founded on its MEC and the transformations of capitalist agriculture, vertical integration, and the emergence of Big Food and Big Retail – even though the ways in which this plays out are contingent, as it encounters different conditions and new competitors.

Our preliminary argument, then, is that what is underway is the export of elements of South Africa's agro-food system into countries where states don't have the capacity or willingness to create a capitalist farming class through regulation and subsidy in the way that the apartheid government did. It is for this reason that, despite the narrative of 'Africa rising' and the allure of growing markets that drives expansion, it suffers not only competition from other MICs but also setbacks due to the starkly different conditions into which elements of South Africa's agro-food system are inserted.

Research agenda

A research agenda… why, how and outcomes

1. Understand the **drivers** and **mechanisms** through which processors precipitate both upstream (input industry and primary production) and downstream (retail) investments? In other words, who are the key drivers of regional expansion? Led by retail rather than production? To what extent has **transnationalisation** occurred and what difference does this make? Does South African-ness still matter in the ways capitals are engaged with Africa's agro-food system? Our view, preliminary as it is, is that it does.

2. Explore **successes** and **failures** and their reasons – what are the conditions that make exporting elements of the South African agro-food system unfeasible? And what are the **strategic adjustments** being made by corporations to spread risk while expanding northwards, including, in the face of a limited capital base, integration with global capital? For instance, different modalities ranging from merges and acquisitions (in

processing and finance) compared to 'greenfield investments' in primary production and, to a degree, retail.

3. How are **'host states'** positioning themselves – soliciting inward investment while also aiming to shore up local ownership of core sectors in farming, processing and retail, and what is the political economy shaping the terms on which outsiders – South Africans and others – are allowed to enter into Africa's agro-food system? And what is the political economy of corporate-state relations, social networks and economic rent-seeking?

4. Where is the South African **state** in all this – other than providing a comfortable base for global capital, what else is the South African state actively doing to promote regional expansion, and how is it balancing this with its interests to provide 'cheap food' at home to a growing and increasingly unequal population?

5. What are the **impacts** on local markets and producers – outcomes for agrofood system actors and dynamics of accumulation? And what of **responses** and resistance – the politics 'from below' – as farmers, workers and civil society contest its promotion of capital-centred agro-food systems?

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