The Political Economy of Plantation Agriculture in Ethiopia: The Case of Flower Sector in Holleta Cluster.

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Abstract

The research deals with political economy of planation agriculture with the main focus on land and labour relation in flower sector. It includes the process and mechanisms of enclosure, dispossession and transformation of land use rights of famers and the labour regime following land dispossession in flower growing area in Ethiopia. The study adopted a comprehensive approach by taking into account local and international issues and the political/economic context under which flower sector is carried out. The Marxist political economy theory of class and class analysis is used to analyze nature of transformation and class relation on land and labour as well as understand the level/structure/ of accumulation.

The research findings show that domestic and international institutions (state and financial) as well as foreign and local investors played a role in establishing and strengthening flower sector investment in Ethiopia. The finding also shows that the control of land through enclosure and dispossession, changed land property relations (use rights in the case of Ethiopia) and labour relations. Land dispossession led to land concentration in the hand of capitalist investors to make profit/surplus for accumulation and reinvestment. Flower sector is a capital and labour intensive sector and has become globally competitive. Flower sector investors employed more unskilled and non-skilled workers per hectare than other plantation crops. Flower sector created employment opportunity but did not offer decent working and living conditions for workers. Workers live in the state of insecure income, poverty and precarious working conditions; low wages, absence of leaves, forced overtime work and freedom of association and bargaining. Low wages and poverty forced workers to engage in other activities such as farming and self-employment for survival. Flower investment created smallholders famer (dispossessed) who are struggling to continue farming by engaging in sharecropping and rent as well as other wage and self–employment. As a result, wage workers consisting flower workers, dispossessed people and other famers created in flower growing area. Landless and unemployed youth whose parents land is dispossessed by investors subsequently could not inherit land as well as found job as their place is occupied by migrant low wage workers emerged in flower growing area.

Power relationship between classes determined the share of benefits from flower farm and the amount of accumulation. Not all groups are equally benefited from flower farm as different class has as difference experiences. Flower investment enhanced surplus value and accumulation for the capitalist investors and benefitted few part-time and seasonal workers. However, the sector dispossessed small farmers their land and exploited flower sector wage workers. Finally, flower investment is challenged by environmental pollution, absence of farmers' integration, inefficient utilization of land and bad working condition of labours.

Relevance to Development

Marxist political economy class analysis is important to see whether development polices, strategies and programs are equally benefiting all categories of society; investor, farmers and workers; rich and poor as well as urban or rural. In Ethiopian, flower farm sector is planned to create job-opportunity, reduced rural poverty and gain foreign currency. However, the results shows that the benefits are differentiated, thus, the development plan should be seen from a class prospective. In addition, the research is important to know whether there are differences and/or similarities in between flower sector and other plantation agriculture in terms of land property and labour relations. The research adds empirical and theoretical background to plantation agriculture on land enclosure and dispossession, related labour relation as well as the structure of accumulation. Finally, the research draws attention to the issue of labour conditions and at the same time unemployment, environment and proper utilization of land in flower sector as well as other plantation agriculture.

Key Words: dispossession, property relation, labour regime, accumulation, power

List of Acronyms

ABD	Accumulation by Dispossession
DBE	Development Bank of Ethiopia
EHDA	Ethiopian Horticulture Development Agency
EHPEA	Ethiopian Horticulture Producers and Exporters Association
EPRDF	Ethiopian People's Revolutionary Democratic Front
FDI	Foreign Direct Investment
FDRE	Federal Democratic Republic of Ethiopia
FIC	Federal Investment Commission
OIC	Oromia Investment Commission
ORS	Oromia Regional Sate
USD	US Dollar

Chapter One: Introduction

1.1.Background of the Study

Following the plan of expanding neoliberal ideology in developing countries, the World Bank advised these countries to commercialize and expand large scale plantation farming. Large scale farming often goes hand in hand with land dispossessions that are challenging peasants especially in Africa's right to access and control over property right including land (Cotula et al. 2014). Therefore, in Africa , "the centrality of land and struggle over access to it and how it is to be worked and owned are once again at the fore of political debate and policy making intervention" (Bujra and Littlejohn 2011:187; Benjaminsen and Bryceson 2012) showing that land become one of the top agrarian question in contemporary Africa.

Ethiopia started large-scale plantation agriculture to diversify its export so as to reduce price volatility and gain foreign currency for development (Bujra and Littlejohn 2011:187). Therefore, flower sector was assumed is one of the alternative to traditional small farming which sometimes susceptible to weather changes, low foreign currency gain and "few labour opportunity". Suitable climate condition, high attitude and fertile soil and geographical position put the country top for flower investment. Ethiopia started to utilize its comparative advantage in flower sector since early 1990s (Makki 2012:93; Lavers 2012b). Ethiopia's flower sector has also international factors such as globalization and financialization and accumulation.

The Ethiopian government continued promoting large scale plantation agriculture such as food and energy crops from 2000s which was part of global food, financial and food crisis in 2007/8 (Araya 2013:26. The government assumed that large scale plantation agriculture will further strengthen infrastructure development, employment, food security and overall sustainable development (Araya 2013:7). To make large scale farming policy effective, the Ethiopian government declared that there is sufficient "unused" land for investors without affecting smallholder farmers and allocated land to large scale famers especially in western lowland parts of the country.

The expansion of large scale farming brought class of foreigners and domestic agrarian capitalist class. The emerging capitalist class have/will have greater influence on the country's

policy making. Government promised that small farming will remain the centre of development strategies while large scale limited to remote and low land areas (Lavers 2012b: 816). However, the emerging and increased capitalist class needed land from highland areas.

In 2005 government enacted new land law Rural Land Administration and Use proclamation and Expropriation of Land Holding to enhance land registration and decentralization of land administration. In this law, government made several steps; land certification in some parts of the country (privatizing) and land reform that allow farmers to rent 50% of their land for certain amount of time. One of the basic reasons is to allocate land to more effective users (larger scale famers) and make land more productive. Land registration and certification removed the problem of land insecurity, hence, contributed to land rental market and further expansion large scale agricultural investment (Chinigò 2015: 178). Following the land reform two types of land dispossession experienced in Ethiopia; small (mainly by small farmers) and large scale dispossession (mainly by investors) (Makki 2012:87). Particularly, the expropriation and dispossession of land for large scale farming is expanded in some parts of Ethiopia (Chinigò 2015:180). Those who become landless as a result of dispossession are forced to rely on sharecropping and land rental or work as wage labourers (Lavers 2012b:800; Makki and Geisler (2011).

The neoliberal idea of intensification of large scale framing to alleviate the problem of unemployment and poverty was contested by Li. Li (2011) argued that large scale farming dispossessed peasants their land and those who dispossessed from their land could not find job in plantation agriculture and/or factories, thus, become surplus labour or low wage paid workers living in poor living conditions (Li 2011:181). In Ethiopia the expansion of plantation agriculture brought about land enclosure, dispossession and displacement. Plantation agriculture led to displacement and unemployment in Gambella region, and land confiscation and low wage employment in Oromia region (Araya 2013:40).

This study address how and to what extent has the expansion of current expansion plantation agriculture particularly flower sector is transforming agrarian land and labour relations in Ethiopia from Marist agrarian political economy prospective. The research includes the process and mechanisms used in dispossessing land as well as how the dispossession changes land

property relations. It also includes the power relationship between different actors and structure of accumulation in flower sector.

This paper has seven chapters; Chapter One (Introduction), Chapter Two (Literature Reviews), Chapter Three (Research Methods), Chapter Four (Mechanisms and Means of Dispossessions), Chapter Five (Land and Labour Relations), Chapter Six (Accumulation and Power) and Chapter Seven (Conclusion).

1.2.Statement of the Problem

In contemporary plantation agriculture, land and labour are key issues of political economy. The agrarian political economy looks the dynamics of power and property relations in production and reproduction. Political economy not only focuses on landed property relation but also labour relation. It looks how different system of agrarian capital (local and global as well as old and new) are relevant to the creation of capitalist property and labour relation (Edelman et al. 2013:1522; Borras et al 2010).

Most research questions treated in relation to land enclosure and dispossession between 2007-2013 in most parts of the world focus on processes of land deals, main actors, governance issues, and amount of approved land. In addition, a lot of researchers are also conducted on the nature of the land contracts, promises, expectation and negotiations (Oya 2013:1536). Later on studies, however, other issues and aspects such as labour relation are also included. For instance, Li (2010 and 2011) studies dealt with labour relation in the process of land enclosure and dispossession.

Studies conducted on plantation agriculture in Ethiopia, in relation to land deals and dispossession such as (Rahimato 2011), (Makki 2011), (Jiru 2011) and others dealt with questions such as causes, "who", "where" and "how much" land was dispossessed. In addition, studies on large scale farms in Ethiopia also covered political and context under which land deals was carried (Abbink 2011), state power over community and citizens in land deals (Rahimato 2011), resistance against land acquisitions (Moreda 2015) and state institution and investors relations in land deals (Levers 2012a; 2012b). Moreover, political economy issues such as power relation in the incorporation of peasants to large scale farming (Makki 2011) as well as the impact of large scale farming on environment and economy are also addressed

(Araya 2013 and Jiru 2011). Finally, labour issues in large scale farms was dealt from employment and welfare prospective (Rahimato 2011 and Jiru 2011).

With regard to flower sector, studies conducted so far thematically focus on issues such as market system and actors in flower market (Taylor 2011), environmental pollution and socioeconomic impacts (Gezmu 2013; Getu 2009) and poverty reduction and livelihood of community (Gezmu 2013). In relation to land, issues such as process of land dispossession, amount of land dispossessed and conflict related to land were covered in case studies (Gezmu 2013). Finally, studies on labour targeted socioeconomic and working conditions; job opportunity, health and safety and labour categorization (Gezmu 2013; Gudeta 2012; Taylor 2011).

In terms of analytical framework, studies conducted on flower sector used the Global Production Network Analysis (Taylor 2011), Rural Livelihood Approach (Gezmu 2011), Value Chain Approach and Comparative Advantage (Melese and Helmsing 2010) and Legal Regime and Global Value Chain (Stebek 2012).

Although literatures conducted on flower and other plantation agriculture in Ethiopia covered land and labour issues and provided qualitative and empirical data[1] , they did not include class and class relations in analyzing land and labour issues as well as related polices, strategies and plan of development. Including class relation and class analysis is important because "a better understanding of the impact of development policies on the rural poor can be achieved largely by having a clearer perspective on the class structure of a particular society" (Boarrs 2009:18). Therefore, this research analyses labour and land relations in flower sector from class and class relation prospective using Marxist political economy theories.

1.3.Approach and Analytical Tools

The research included how global (globalization, financialization and accumulation) and local (accumulation, foreign currency, employment opportunity etc.) interacts in flower sector. Local and global interactions is because of three reasons. First, global economic development and

[1] The researcher benefited from empirical data of pervious researches conducted on flower sector to substantiate class analysis

financial institutions are playing a main role in facilitating FDI in plantation agriculture and international institutions such as the World Bank pushed the state to adopt large scale farming and other financial institutions supported the issue. Second, developing countries states have a strong interest in acquiring foreign currency. Third, domestic investors desire to accumulate from plantation agriculture including flower sector.

The penetration of agrarian capital (local and international) tends to be relevant to especially to land and labour relation. Therefore, this research illustrates the processes and mechanisms of land dispossessions and, then analyse land property and labour regime created after dispossession in flower growing areas. Moreover, the research analyse power relation between the three main actors in flower farm investors, workers and famers.

The research used Marxist agrarian political economic, thus, class relation is the main tool of analysis. The interaction between workers and investors on division of labour and distribution of income and wealth as well as the relation between investors and farmers on land property was analysed from class relation prospective. In addition, state –investor's relation and alliances in the processes of facilitating land dispossession and accumulation was considered. Finally, institutional framework such as constitution and proclamation was used to analysis how state laws and policies played role in land dispossession and created new land and labour relations.

1.4.Research Question

1.4.1. Main Question:

How and to what extent has the expansion of flower sector played a role in transforming agrarian land and labour relations in Ethiopia?

1.4.2. Sub- Questions:

How does flower sector changes land property/user/ relations?

What type of agrarian labour regime does flower sector creates?

Chapter Two: Literature Review

2.1. Global and Local Factors Interaction in Flower Farm in Ethiopia

There are two view on the relation between capital flow (national or international) and land dispossession and related labour regime. Bernstein (2007) argued that neoliberal idea of globalization is characterized by mobility of capital and new mode of production and accumulation (Bernstein 2007:2). Harvey (2004) also stated that unproductive capital is dispatched to developing countries to make profit (accumulation) which flow back to the country of origin. Such an international capital flow is transforming land property relation and enhancing large scale capital intensive farming which dispossesses peasants from their land making them landless wage workers in developing countries. In addition to international capital, Hall (2013) mentioned that land enclosure and dispossession is also the result of national actors (investors and state). This idea is supported by land appropriation in India and displacement in Bangladesh as result of domestic capital and political economy (Hall 2013:1589).

Flower investment in Ethiopia is a result of national and global factors. The major national factor is government's interest to gain foreign currency, employment and technological transfer while the international factors are foreign investors' and institutions interest to exploit government incentives and other opportunities to facilitate maximum profit and accumulation. The national and international situation or interest in specific period of time, in 1990s, initiated the coming of flower to Ethiopia and other African countries. One of the reasons to assume this is that Ethiopia has the same climatic condition, proximity to Europe, cheap labour and fertile land but flower investment started at the end of 1990s.

The reduction of foreign currency from small farms towards the end of 1990s initiated government to diversify agricultural production to gain national currency. Flower farm was preferred for foreign currency, employment and technological transfer (Schaefer and Abebe 2015:22). Therefore, the government provided incentives to attract investors and expand flower investment. The incentives are profit tax exemption time extension from 3 to 5 years for those who export 50 % of their product and complete exemption for those who export 75% of their products (Makki 2012:93). Moreover, the government allowed investors to get 70% of start –

up loan from DBE[2]. Furthermore, government offered long time land lease to build investors' confidence on land security (Gebreeyesus and Iizuka 2012:15).

The major international factor for flower sector is that, in Europe, labour and land become expressive, hence, reduced investors' profit and accumulation towards the end of 1990s. Therefore, countries like Netherlands have been searching other areas where production cost is low, particularly East African countries such as Ethiopia, Kenya, Tanzania and Uganda. Investors make comparison between transportation, energy, labour and land in Europe and other parts of the world. In Europe and other developed countries, the cost of energy, labour and land is high while transportation is low. In developing countries, however, land and labour are cheap and energy cost is low while transportation is high (Taylor 2011:56). Therefore, it is very profitable for investors to produce flower in at lower cost at distance places and transport to Europe and North America.

The international and national interest in flower sector led to international capital flow and rising of domestic capital. Foreign flower investors searching for profitable areas and crops while financial institutions are looking for safe investment sector. Therefore, more than half of start-up capital for flower sector came from abroad. In addition, domestic capital played role in flower investment in Ethiopia. The DBE provided financial loan[3] for flower investors; domestic investors received in 2007 (41%) and 2010 (54%), foreign investors received in 2007(20%) and 2010(30%), joint venture received in 2007(23.9%) and 2010 (10.83) (Schaefer and Abebe 2015:29).

Most land enclosure and dispossession in Ethiopia are linked to global food, energy and financial crisis between 2007 and 2008. However, flower related land dispossession was started even before 2007/8 in Ethiopia and African other countries. During global financial crisis of 2007/8 the demand for flower across the world even declined. In Ethiopia, flower investment declined between the years 2007-2009. Even though producers could able to supply high quality flower in large volume, the demand for the flower declined since 2007 and stated rising in 2011 (Schaefer and Abebe 2015:33-35; Taylor 2011:60).

[2] The interest is subsidised by government, thus, at lower rate

[3] The rest was covered by the investors

2.2. Flower Farming in Ethiopia

In Ethiopia, flower production for commercial and export to Europe is date back to 1980s. During the Derg regime[4], the government created state farms to produce and export flower to Europe (Schaefer and Abebe 2015:24). Government also established Horticulture Development Cooperation to regulate the production of flower and other horticulture products. However, the flower sector remains undeveloped.

After the coming to power of EPRDF[5], the first flower farm was established in open field without greenhouse in early 1990s and started exporting in 1993/94 (Taylor 2011:70). The first modern private investment in flower production established in 1997. Since 1997 the government worked to expand flower sector. In 1999 the United Kingdom based company started flower farm in greenhouse and followed by the Netherlands in the year 2003 (Taylor 2011:70).

Even though the country followed an investment friendly policy, flower farm expanded more in Ethiopia since 2003/4. The 2004 investment code improved investors access to land, reduced lease rate, facilitated credit arrangement and provision of infrastructures such as electricity, road and telecommunication (Taylor 2011:70).

As result government incentives and support, private investors' involvement in flower increased in the 2000s. The flower production increased in 2004/5, 2005/6 and 2006/7 by 234.6 %, 178 % and 173.7% respectively (Worku 2010:22). By early 2006 about 70 flower farm were operating in Ethiopia of which (50 % are owned by nationals, 37 % by foreigners and 13% by joint venture). Similarly, land occupied by flower farm increased from 519 hectares in 2005/6 to 2000 hectares in 2009/10. The employment opportunities created by flowers sector are estimated 21, 0000 in 2005 and increased to 70, 000 in 2009/10 (Worku 2010:12). From 2011, it started to rise. In the year 2014 about 83 investors (57 foreigners, 5 joint venture and 21 domestic) are involved in flower sector in Ethiopia [6](EI2; GII1)[7].

[4] 1974 to1991

[5] 1991 to date

[6] See table 1,2,3 for trends from 2011-2014

[7] Informants acronyms are provided in table 6 in appendix

2.3 The Role of the State Land Dispossession and Labour regime

State plays major role in supporting capitalist class during primitive accumulation and ABD. Harvey (2004) indicated that "the state, with its monopoly of violence and definitions of legality, plays a crucial role in both backing and promoting these [ABD] processes…." (Harvey 2004:74). In addition, the development of capitalism is the result of "combinations of state and capital alliances, where accumulation and dispossession have advanced and occurred hand in hand" (Borras and Franco 2012:1728).

Recently, state is using its legitimate power to facilitate land dispossession and enclosure process even against the willing of the community. In China, India, Southeast Asia and Africa land is dispossessed by state farm and state supported investors (Li 2010:71). The state has economic and political motives for backing land dispossession (Hall 2013:1589).

The state in developing countries are competing among themselves to receive FDI which is the main cause of land dispossession. The driving force for land dispossession in Africa is generating fund for their development plan and employment generation while state in developed countries support FDI to fulfill their food and energy demanded and solve financial crisis. Therefore, state in developing and developed countries were/are supporting and coordinating land enclosure and dispossession by enacting laws, designing policies and establishing institutions (Hall 2011:51)

In Ethiopia, the state plays a role in facilitating FDI related to plantation agriculture including the flower sector. State support for flower farm includes creation of national business plan and tailored packages for flower sector. In addition, government allowed fertile highland areas land lease for flower investors to ensure their confidence with low rate 1.8 USD/ hectare /year (Taylor 2011:78). Low rate and long-term lease attracted investors to Ethiopia which enhanced land dispossession in highland areas. Government enacted new land laws (455/2005 and 456/2005)[8], enacted new investment code (769/2004) and established (EHDA) in 2008. Finally, government did not make regulation which benefits of workers like labour union and minimum wage which investors enjoyed.

[8] Regional states also revised their land and investment laws

2.4 Theoretical Framework

Marxist agrarian political economy is the tool of analysis for this research. Agrarian political economy is "the social relation and dynamics of production and reproduction, property and power in agrarian formation and their process of change, both historical and contemporary" (Bernstein 2010:1). It deals with the penetration of capitalism in rural areas and its role in transforming the old system of production into new mode of production system. The role of capital in transforming the rural production depends on the way land is owned and transferred. Land plays an important role in shaping the rural political, social, economic and cultural relation. It determines and reflects the distribution of power, property, and privilege in the country side and the capacity of capital to transform agrarian system (Akram-Lodhi 2007:1442).

Marxist political economy is about social relation between capitalist who own means of production and workers who sell their labour or ability to work to get their means of reproduction. It concern with fundamental social relation between capital and labour in which capital exploit labour for profit and accumulation and labour work for survival (Bernstein 2010:1).

From land grabbing prospective, Marxist agrarian political economy analysis how enclosure and dispossession affects the structure of social relation; land property and labour regime. The expansion of capitalism appropriated farmers from their land and other resources for capitalist profit and accumulation. Land property ownership are transformed, farmers are alienated from their land and become wage workers (Akram-Lodhi 2007:1585).

The European agrarian transformation is linked to enclosure and dispossession for agrarian capitalism. The first state of capitalism transition characterized by appropriation of land is called primitive accumulation, a non-market system of land appropriation (Fairbairn et al 2014:654).

It is argued that process of primitive accumulation is over, accumulation through expanded reproduction by exploiting labour in the state of "peace, property and equality" is under way. For others, primitive accumulation is an ongoing process even exist in advanced capitalism (Harvey 2004:73).

Non-primitive accumulation are carried out under competitive market with institutional regulation of private property, freedom of contract, state facilitating economy and money as means of community exchange. However, this assumption neglects "predation, fraud and violence" which are relevant to non-market system existing during this time as it was indicated that "the old system of primitive accumulation or original accumulation is also exhibited in modern time capitalist system" (Bush et al. 2011:191). Primitive accumulation or "original accumulation" is a continuous process and during these times replaced by accumulation by dispossession (ABD).

ABD is the response of neo-liberals to the problem of over accumulation that occurred in 1970s. It is the process that assets like capital and labour are released or dispatched with minimum cost through "predation, fraud and violence", thus, the over accumulated capital and labour will be changed to profit that goes back to the countries of origin (Harvey 2004:73).

Most of what Marx identified "predation, fraud and violence" are also existing during current time. David Harvey's ABD was related to primitive accumulation because of the similarity between recent times land acquisition and the enclosure and dispossession of peasants from their land and what Marx named primitive accumulation during the crisis of capitalism in England. This is because "the process by which land and other resources are enclosed, and their previous users dispossessed, for the purposes of capital accumulation are central to both" (Hall 2011:1582). However, ABD is part of imperialism and capitalism expansion.

There are two mechanisms that farmers could be separated from their land. The first one is economic or market system when farmers voluntarily sell their land without any force or legal obligations at any time and any price based on "willing buyers and sellers". However, how voluntary can be a free as in some cases when famers are debited and forced to sell/rent their land for survival? Land dispossession for accumulation could be also by extra-economic means; legal, political obligation or other forces. The extra –economic means of land transfer could be with or without compensation. Akram-Lodhi (2007) called market-based land transfer process as imperfect market for Harvey's ABD and extra–economic means for Marx primitive accumulation (Hall 2013:1592-3; Akram-Lodhi 2007:1444).

ABD is very important to analyse the dispossession of private and public land for large scale plantation farming. This is because ABD shows "how the right of ownership changes in the course of accumulation into appropriation of other people's property, how commodity

exchange turns into exploitation and equality becomes class rule" (Harvey: 73). It is also important to analyse how economic and extra –economic are used in the process of land dispossession. It is important to analyse how global financial flow and plan of accumulation leads to land enclosure and dispossession.

The second frame of analysis for this research is Bernstein political economy question of "who own what?"(social relation to means of production) and the second is "who does what" (social division of labour) (Bernstein 2010:23). Land enclosure and dispossession changes property dynamics through privatization and commercialization of individual or common property. Such kind of process finally led to new labour relation or regime in dispossessed areas (White and Dasgupta 2010:620).

In classical Marxist theory, in England, landless agricultural labour was created through enclosure and dispossession. Enclosure of land and other resources during this early stage of capitalism, primitive accumulation, created of working class who engaged in farming and non-farming wage work (Bernstein 2010:29).

Marx indicated that capitalist accumulation usually creates "relatively redundant working population" population more than what capitalist system need. The number and varieties of "reserved army" increases or decreases depending on level of capital accumulation, labour demand and structure of labour organization (Bernstein 2007:3). The idea of surplus labour in relation to land dispossession was dealt by Li (2011; 2010) with the support of empirical evidences as discussed below.

Marx wrote about 19th century capitalism labour question which was answered through enclosure and dispossession. Several kind of labour regimes were experienced during colonialism, "developmentalism" and during and after 1970s crisis (Bernstein 2007:4). It is important to see the agrarian labour question and regime during modern capitalism and globalization.

The 1970s global capitalist crisis was the time when international capitalist system changed from "labour friendly" and "development friendly" to "capital friendly" which led to labour crisis (Bernstein 2007:4). According to Bernstein (2007) labour reserve or surplus population during capitalism crisis and after is due to globalization not because of over accumulation (in opposition to Harvey's ABD), nor because of fluid labour boundaries and job insecurity rather

globalization and capital "restructuring". Globalization led to removing control over mobility and labour market "flixabilitization" which finally led to " loss of freedom , of its own right in labour market, in opportunity and terms of employment , and in claiming on social income that supplement wage in various ways or that compensate for the lack of wage …" (Bernstein 2007:5).

The modern capitalism created "class of labour", an increasing labour who in one or other way is engaged in selling their labour power for their survival. The "class of labour" includes two types of labour. The first one is those who are fully dispossessed from their land, hence, become full rural proletarians. The second "class of labour" consists of poor farmers who are not fully dispossessed from their means of production but do not have sufficient land to reproduce themselves to be petty commodity producers (Bernstein 2010:111). There is a mix between two types of labour as both employed in the land of capitalist and other petty commodity producers and seasonal in capitalist farming or relatively better petty commodity producers nationally and internationally. Therefore, we find a fragmented "class of labour" especially in Global South which does not show purity and homogeneity. In terms of class they are called proletarians , semi – proletarians or the army of labour, geographically they move between urban and rural areas, professionally they are agrarian and non-agrarian, wage and self –employment and they are known as "informal working class" , "formal" and "informal sector" (Bernstein 2007:7; Bernstein 2006:454).

Bernstein (2010) indicated that in the southern "class of labour" struggle for their reproduction through "insecure", "oppressive" and low wage employment as well as self-employment (Bernstein 2010:111) . In addition, unemployment and low wage is a serious problem for rural people in developing countries particularly for those whose land is dispossessed as Li (2010) indicated that "people can no longer sustain their own lives through direct access to means of production or access to living wage" (Li 2010:68).

Li (2011) analyses the extent of land enclosure that dispossessed large numbers of rural people from their land, job created by agricultural enterprises and benefits gained people working in and surrounding plantation agriculture by drawing evidences from Southeast Asian countries. The result shows that there is low absorption of their labour, which is "surplus" to the need of capital accumulation (Li 2011:67; Li 2011:282).

According to Li (2010; 2011) investors use difference mechanisms to create labour reserve which are abundant and needy population for plantation work. The most common method observed, for example in Indonesia, was transmigration program that settles families from other parts of the country to investment areas. The purpose was to enable them to enter into contract farming with agri-business investors who engaged in oil palm (Li 2011:288). However, the reality is to make the targeted regions an attractive package for investors by providing cheap labour. One of the major problem encountered in this program was that oil palm plantations absorb little labour, ten thousand hectares of oil palm including processing factory employed only 1000 workers. Therefore, there was disconnect between dispossession and rural labour absorption which was both "temporal and spatial" (Li 2010:74).

The second important point indicated by Li (2010; 2011) is that the plantation employment system was not successful in proving decent livelihood and living wage for workers. In Southeast Asia, particularly in Indonesia, peoples' engagement in plantation has two effects. In some areas, it benefited the surrounding peoples as farmers made good incomes and paid better wages. However, in other areas, it resulted in what investors' desire; abundant and cheap labour (Li 2011:290-291). In plantation areas land is insufficient to sustain the increasing population, therefore, farmers were obliged to work for the investors as 'temporary' contract workers by far below the national minimum wage (Li 2011:287). In addition, in Southeast Asia, those who dispossessed their land and moved to urban areas did not find decent jobs. About, 700 million Asians live on less than a dollar a day, little incomes which is not enough for daily life as well as transfer to the next generation (Li 2010:68). For instance, in China, the land dispossessed people who could not found job call themselves "a new 'class' of no land, no work, no social security" (Li 2010:72).

In this research, Harvey's ABD is important to analyse global perspectives such as capital flow and accumulation in flower sector. In addition, Bernstein's question of "who own what" are selected for this research because it is very relevant to analyse land property in flower sector. Finally, Bernstein question of "who does what' and Li's empirical researches on labour issues in land dispossessed areas are in line with flower sector labour division and relations.

Chapter Three: Research Methods

3.1. Study Area

Most of the flower farms in Ethiopia are found around Addis Ababa, Upper Awash River valley and Lake Ziway areas. Those which found around Addis Ababa, the capital city of the county, are located within the radius of 50 km of the city. Those located at the Upper Awash River (east central low land part of the county) are found along the Awash River 149 – 220 km away from Addis Ababa around Bishoftu while the third cluster is found 165 km away from Addis Ababa around Lake Ziway (Gezmu2013:11). From these 3 clusters, the largest cluster is the one which is found around Addis Ababa in central highland of the country in West Shewa Zone of Oromia Regional State around Holleta, Sebata and Addis Alem towns.

This study is conducted in Holleta cluster which include Holleta town and Walmera district. These two are one of the most important flowers growing area in central highland; the most favourable place for high quality flower. Walmera district is found in Oromia regional state in Nano Finfinnee Zone (Surrounding Addis Ababa). It is located at about 29 km away from Addis Ababa. Most of the residents (85.52%) of the district are engaged in farming producing of cereal crops like wheat, beans, barley and cattle rearing. The district has favourable climate, soil, water and geographic proximity to Addis Ababa, thus, become investment attraction centre including flower farm. Flower farm was introduced to the area since 1997 and currently there are 6 flower farms in Walmera district. Holleta town is located 45 km away from Addis Ababa in Walmera district. It has total area of 5550 hectares surrounded by Walmera district. There are about 18 flower farms in Holleta town[9] (GII3). Overall, 24 flower farms are operating in these two areas.

3.2. Flower Farms Selection Processes

Holleta cluster includes Walmera district (rural) and Holleta (town) is selected for this study because in these sites there are both rural and urban flower farms which is important to see the rural and urban dynamics of land and labour relation. In addition, the site is located in a densely populated area where there is shortage of land and land dispossession is high due to increasing flower farms, urbanization, industries and others sectors.

[9] See map A and B in Appendix

There are about 18 flower farms at Holleta town and 6 in Walmera distract. 4 farms from Holleta town and 2 farms from Walmera district were randomly selected for this research. Later, however, after finishing first round data collection, 3 farms from the town and 1 from the district were added to get further information and data. Overall, 11 farms were involved in this research.

3.3. Data Collection Methods

Qualitative research methods is preferred for this research as the research deals with the issue of class analysis in relation to land and labour in flower sector. The research needs perceptions, experiences, events, and attitudes to towards land dispossession, property relation and labour divisions. It also requires understanding of interaction between different classes and actors (investors, farmers and the state). Corbetta (2003) stated that qualitative research has an advantage over quantitative research in expressing multifaceted issues like class relations of land and labour (Corbetta 2003:41). It is also explores interactions of individuals, groups and institutions (O'Leary 2013:130).

In qualitative research, sampling is generally not required and the chance of selection for each element is unknown. Instead, the characteristics of the population and social situation are the basis for participant selection. Ensuring whether all characterises are covered or represented and diversity within characteristics is important (Ritchi et al. (2013:78-79). Informants who possesses special characteristics and social situation to explore and understand the central themes or puzzle were purposively selected for this research. All groups and constituency were included as much as possible. Accordingly, informants for this research were selected from flower farm workers (managers and daily labourers), government institutions, independent experts, farmers and other agencies and associations[10].

In qualitative research, the researcher collects different information/views/ at different depth with judgement and analysis (O'Leary 2013:228). Data collection tools need be flexible to acquire different prospective from different interviewees. Semi-structured and structured questions were used for this research to create flexibility, an interactive environment with informants and allow interviewees to express their views freely. These questions were shaped and reshaped in the course of data collection and unexpected ideas were also accommodated. Semi-structured questions were mainly used for flower farm managers and government office

[10] See table 6 in appendix for details

experts, while unstructured questions were used for famers and some flower farm workers to offer them more freedom.

In qualitative researcher needs to establish his/her credibility with informants by asking relevant and meaningful questions (Ritchie et al. 2013:143) The main data collection methods used was key informant and in-depth interviews. Experts involved in interviews were asked about labour relation in flower farm, national and international deriving forces, land use right and structure of accumulation. Those who were involved in this research from government institutions responded to questions related to landholding system, legal procedure of land use right transfer, and labour laws, right and welfare as well as actors involved in land transfer. In addition, unskilled workers from flower farm were asked questions about labour conditions; wage, working conditions and professional background. Finally, famers were asked questions such as landholding system, processes and mechanisms of land use transfer and compensation[11].

In addition, observation method was used to counter check what interviews were responded. Workers working conditions, labour division and land dispossessed from small famers during interviews.

The majorly of interviews were made without recoding as most of the informants were not willing to be recoded. Thus, the researcher took note during and after interviews and observation. The interview were conducted in participants own language (Afaan Oromo and Amharic). Translation and transcription was done immediately after interview with fresh memory. The collected information was stored in the form of field notes, interview transcriptions and computer files.

Primary data is supported by secondary data. Secondary data are data not collected by questioning, promoting and probing but obtained from documents, data base and internet provided by individual or institutions (O'Leary 2013:243). It was done by reviewing documents like broachers, pamphlets and flyers produced by district and town administration, horticulture agency and association. In addition, government legal and policy document was reviewed. Moreover, websites searched via Google search, Google scholar and Taylor & Francis (Journal

[11] See appendix C

of Peasant Studies) was made to obtain written materials. Finally, website of organizations (Ethiopian Horticulture and Investment Agency) was also visited.

3.4. Data Organization and Analysis

The findings of the study are based on qualitative and empirical data emerged from interview transcripts and observation notes. Data organization and analysis was done manually by identifying the key words and concepts emerged from the finding, literatures and theoretical formworks. Concepts and words were identified, highlighted and categorized to form bigger pictures or theme. Accordingly, concepts and words such as wage, workers safety, annual leave and labour value were categorized under labour relation. Land use right, dispossession, extra economic and economic means, lease, rent and eviction came under land property relation. Moreover, profit, income and surplus use categorized under accumulation. Finally, food crisis and globalization came under factors or causes. These categories were gradually modified or replaced during the subsequent stages of analysis that followed. From the categories, themes (such as land property, labour relation and structure of accumulation) emerged and claims were made with illustration, supportive ideas and empirical data. Comparison was made with other literatures to analyze similarities and differences. Finally, analysis made using analytical tools selected for the research.

3.5. Challenges

Most informants especially farmers feared to participate in the interview or need permission to provide data from their immediate boss or other government bodies. This is because, in most government institutions, employee cannot provide information or data without the knowledge of their immediate boss. This is more applicable in sensitive areas like land and labour especially in flower sector. Some informants especially famers suspect the researcher as government spy while the government officials assume as activist. Pre-contact with informants supported the researcher to clarify research objective of the research and build relation between informants and the researcher. Approach with informants was done according to their attitude and knowledge of the research issues. As informants do not directly answer the researcher used different probing mechanisms to get the data directly or indirectly. Knowing the language and culture of the community supported the researcher build smooth relation and trust. Absence of systemic record of statistical data (numerical data) such as number of people dispossessed, people entered share cropping or rent, rate of rent etc. are another challenges in this research.

3.6. Ethical Considerations

Interviews with informants were started after getting verbal agreement (consent) for interview, tape recording and taking picture. The informants were informed about personal background of the researcher, objectives of the study and issue of confidentiality.

Informants were informed that participation in this study is voluntary and that they could withdraw from the study at any time. They were also informed that they have the right to refuse to answer questions that are not relevant to them or they do not know. Regarding the confidentiality, they were informed that their names, identity and information would be kept private and will not be disclosed to any person. They were further awarded that information they provide will only be shared in research report in anonymously. No legal or ethical penalty will be incurred due to providing information for this study. Furthermore, they were informed that there is no payment (in cash or kind) for participation in the research. Finally, they were also informed that their information is vital for the completion of this research.

Chapter Four: Mechanisms and Means of Land Dispossession

4.1. Processes and Means of Land Dispossession

The current economic and extra-economic means of separation (appropriation) indicated by Akram-Lodhi (2007), Hall (2013) and Oya (2013) as well as Harvey's (2004) "fraud" and "predation" mechanisms of accumulation are exhibited in flower sector in Ethiopia. The country's land appropriation law indicates that peasants will not be dispossessed from their land unless the land is needed for "public purpose"[12]. Farmers in areas needed for "public purpose" are expected to willingly rent their land or receive lease offered by investors[13]. In cases farmers want to remain on their land and complain, coercive method will be used to appropriate as indicated in appropriation law which stipulates that "where a landholder who has been served with an expropriation order refuses to handover the land within the period specified[14] …. the woreda[15] or urban administration may use police force to take over the land" (FDRE 2005a:3127).

The above legal framework shows the possibility of using both voluntary and coercive or combination of the two. In this study area, land appropriators used voluntary-obligation methods to dispossess flower land. Farmers are requested to willingly rent or lease their land otherwise they are forcefully appropriated. Informants (FI3; FI5) pointed that even though some farmers voluntarily rented their land, most of them want to remain on their land but forced to rent or/lease their land as one of them expressed;

> even if we [famers] want our land, we [farmers] cannot oppose government. Giving land is must, we cannot do anything, it is government order and government is the owner of the land (FI3).

The second informant pointed:

[12] For "sustainable socio-economic development".

[13] See section 4.2 about rent and lease mechanisms

[14] Maximum 90 days from the time lease payment is deposited in bank, incases famers refuse to freely rent their land or decline to receive lease payment.

[15] Rural administrative unit

> educated people who know the effects of investment opposed land rent while the rest support the investment. Most of us want our land but we cannot do anything. It is almost by force. We do not hate development, but what type of development is it which makes us poor and landless (FI5).

Because land is owned by the state and forcefully appropriated when farmers refuse to rent /lease, farmers do not have any alternative except renting their land to the investors or leave the land through lease. This is very similar to indirect forced mechanisms practiced in Southeast Asia where farmers are encouraged to sell their land and if not would be dispossessed or forced to make contract farming with investors which they could not refuse (Hall 2013:1595).

Investors in collaboration with state used fraud and cheating to appropriate land from famers. Cheating and false promise is a core mechanisms in ABD and unfulfilled promises are one of the means of appropriating land especially in south (Harvey 2004:75). In some areas informants stated investors promised to pay a certain amount of money in percentage from their profit and offered low rent rate for famers. After they received the land and started producing, investors paid only for few years and refused to pay after that (FI6; FI1). In addition, the flower investors along with local government persons gave false promise to farmers that the payment is big and if they rent their land they would get much money that change their life[16].

Informant (FI1; FI3) pointed out that the rate of rent[17] and compensation were low. Some farmers did not understand the rate and its calculation. Gezmu (2013) mentioned that in Debre Zeyit and Ziway area farmers entered to verbal agreement with flower investors for five years and received the payment but later told it was for 15 years (Gezmu 2013:179). Hall (2013) also argued that "….. vague or unwritten contracts mean that it is usually difficult for affected people to hold companies (and the state) to account" (Hall: 1594) while Harvey (2004) mentioned "capitalism internalizes ……predatory and fraudulent practices" (Harvey 2004:75).

[16] An informant indicated that a farmer received certain amount of money and said that the money is sufficient for him and his future generation (FI5). However, the person purchased home and finished the money without even renting or entering sharecropping. In other areas, dispossessed farmers sell the remaining land and move to urban area to engage in other non-farming activities.

[17] Depends on the negotiation of both parties (farmers and investors).

Investors along with government officials persuaded farmers the investment is very important for local and national development. Informants (FI1; FI2) expressed that Kebele[18] and district leaders informed community that investors will provide electricity, water, road, clinics and employment for their children. However, on the ground, only few flower farms shared their pipe water, provided electricity and other services to surrounding community.

There are occasions when investors made expansions without rent or compensation. One of the informant (FI3) indicated that there is a woman who was forcefully evicted from her farmland. She did not complain because she fears that complain will have negative result as there is strong relation between government and investors.

Although most informants stated consultation during dispossession, there are places where land appropriation carried without consultation. One of the informant indicated that;

> they come and enclosed our land without consulting us or our elders about the ownership of the land. No identification of land between farmers and government land. They considered our land as government land and enclosed the land. This led to conflict. We did not get compensation. We took compensation after nine years dealing the issue at court (FI5).

Another informant mentioned "no consultation". "We do not also know the measurement of compensation" (FI7). This shows that local government has no clear survey or knowledge of existing land ownership and use systems as well as compensation measurement which result in conflict between famers and investors.

Baumgartner et al. (2015) indicated that in other plantation agriculture areas, in the western part of the country, compensation was not paid for famers because they do not have land certificate. Consultation was not made with community and sometimes agreements are singed without even consulting local government officials, thus, impossible to reverse the decision (Baumgartner et al. 2015:179).

[18] Lowest administrative unite

4.2. Mechanisms of Land Dispossession

In Ethiopia, according to FDRE (1995), land ownership right is vested in the hand of the state, as a result land is not subjected to sale and to other means of exchange. However, those who are interested in land including investors could obtain. There are three major mechanisms of transferring or acquiring land in Ethiopia; lease, rent, sub-lease.

In rural areas rent is main mechanism of land use right transfer for large scale as well as small farming. According to land law of the country, both famers and investors has the right to rent land. The regional law shows any person who has got right to develop rural land by modern or traditional irrigation shall have the right to rent up-to half of their holding while disabled, aged and sick persons can rent their entire land (ORS 2007:56; ORS 2011). The law stipulates that private investors engage in agricultural development activities shall have right to use rural land (FDRE 2005b:3137). Accordingly, investors can acquire land from small farmers in the area favourable for investment. The time for the rent shall not be more than 3 years if land is needed for traditional farming and 5 years for mechanized farming, However, rent can be renewed for about 15 years and even more by renewing contract (ORS 2007:6).

Informant from government office indicated that during the establishment of flower farms, in most parts of flower growing areas in Ethiopia, investors rented land from farmers for 15 years and even more. The informant from government office pointed;

> the price of the land [land rent] is increasing from time to time. Famers rented their land at cheap price. [Thus] conflicts are arising between investors and farmers. Farmers are requesting adjustment for their earlier cheap price (GII7).

Accordingly, the study conducted on flower farm shows about 14.6 % of flower investors acquired land by rent from small farms in Ethiopia (Schaefer and Abebe 2015:28).

Investors also used lease[19] mechanisms to acquire land. Both rural and urban land held by the peasants or pastoralists can be leased as the country's land law says government[20] can lease out the rural and urban land. Rural land can be acquired through lease basis for 20 to 45 years

[19] According to the new law- Lease is tenure system in which urban and rural land use right is acquired for specific period of time (ORS 721/2011:11)

[20] Only government can lease land, not farmers

depending on the type and location of the project. Similarly, urban land can be leased for 30 to 99 years depending on the project and 70 years for agricultural purposes (OIC 2015 (a):5; OIC 2015(b):33). About 72% of flower investors in Ethiopia acquired land by lease[21].

The third mechanism is sublease, in which an investor transfers his/her leased land for other investors for similar purpose. In 2007 about 10% of flower growers acquired investment land from other large scale foreign investors (Schaefer and Abebe 2015:28).

In this study area, both rent and lease land transfer mechanisms were practiced. There are differences between town and rural areas in transferring land use rights[22]. As most of current flower farms were previously under rural administration, therefore, the majority of current land under flower farm in study area is obtained by rent. Informants (FMI2; FI8) indicates that farmers rented part of their land to investors for about 15 to 30 years. Rent mechanism need long process as investors sign contact with a number of famers and government take part in negotiation between the two parties[23]. Land found in urban area which is occupied by few flower was transferred through lease by government for 20 to 30 years (FI8; FMI2; FMI7; FMI5). Both renting and lease system continued after the 455/2005 land law. Investors are renting land from famers in rural areas and leasing from government in urban areas for flower farm extensions[24].

In the process of land transfer, two scenarios were observed in this study area based on the duration of the dispossession; permanent dispossession and temporary dispossession. Land transferred through rent is temporary dispossession as famers rented their land for investors for specific period of time, 15 to 30 years. Theoretically, this land will be returned to farmers after the contract is completed; however, flower farm is a big and long-term investment, therefore, it is expected that investors renew contract. The second one is a permanent dispossession which refers to land transferred through lease. In the cease of lease, the law says that lease appropriation can be temporary or permanent. According to the FDRE (2007) land sometimes can be leased for short period of time (temporary). Informants indicated that land under

[21] 3.4% acquired land neither by lease, sub-lease nor by rent

[22] Before new law- rural areas rent; urban areas lease

[23] Contracts should be approved by government office

[24] Request for investment land can be presented at regional or national level.

plantation agriculture and flower farming permanently transferred to investors by lease[25] (GII6; GII2). Land transferred by lease will be government land after lease contract is completed.

[25] Compensation was paid for those who lost their land by lease, thought famers complain that it was low.

Chapter Five: Land and Labour Relations

5.1. Land Property Relation before and after Flower Farm

According to the FDRE (2005b), government identified and recognize three landholding systems: state holding, communal holding and private holding[26] (FDRE 2005b:3136).

1) "State holding" refers to land under the control of the state such as forest land, wild life conservation areas, state owed farm, mining areas and water bodies.

2) "Communal holding" is land neither controlled by the government or private but utilized by community for grazing, woodlot and other social purposes.

3) "Private land" refers to land provided by law to peasants or pastoralists or other bodies.

In this study area, land utilized for flower farm is previously owned by individual farmers who use the land for farming, grazing and other activities; and government land mostly covered by forest such as eucalyptus. Communal land is found in a few pockets areas of land used for flower (FI10; FI9). The coming of flower farming changed land property relation or use right in the areas. It dispossessed and transferred individual private, communal and government use right to capitalist flower investors for accumulation. Land under forest and common are considered as government land, thus, there is no compensation for farmers in this study area.

Depending on the degree of dispossession, there are three levels of land dispossession in flower farming areas; 1) full dispossessed 2) partially dispossessed 3) not dispossessed at all.

1) Fully dispossessed are those who are relativity few in number, lost their total land including their residential home. These are especially those who were living in Holleta town, have land in rural and work as part-time farmers.

2) Partially dispossessed are groups who have plot of in flower growing area and dispossessed part of their farming land.

[26] Holding is "use right" in the Ethiopia

3) Not dispossessed are those who do not have plot of land from the area where flower farming, thus, not dispossessed.

Based on the ownership and holding size, flower in study area created four types of land use right. The division includes both investors and famers. There is not standard used to classify the holding. It depends only on land users and size emerged as a result of the coming of flower sector in this study area[27].

5.1.1. Big Land Owners -Capitalist Flower Growers (28 hectare)

Land enclosure and dispossession led to the concentration of land in the hand of flower growers through lease and rent. In this study area, investors legally owned land on the average 28 hectares of land[28]; far more the average landholding in the area which is 1.5-2.5 hectares (FMI7; FWI9). Investors enclosed large area more than they could develop. Greenhouses are only on few parts and the rest are used for store, residential area and grass[29].

Gezmu (2013) shows that investors are only utilizing 57% of their land for actual farming in Debre Zeyit area (Gezmu 2013:179). Informants(FI1; FWI6)) indicated that there are instances when the investors enclosed more land than they are allowed to hold and later measured and distributed to farmers. In Holleta cluster, there is a farm which owned 20 hectares and used only 8 hectares for production (FMI2).

5.1.2. Medium Landholders –Non-Dispossessed (1.5-2.5 hectares)

Medium size landholder are groups who are not affected by flower farm enclosure and dispossession because they do not have farm plot in the flower growing area. The researcher named medium sized because they retain average land they were allocated, 1.5-2.5 hectares (FI2; FI4; FI6). They are exposed to future expansion of flower farm and other investments.

[27] The divisions focus only on the effect of flower sector. For example, small landholder and landless farmers could already exist without the effect of flower farm.

[28] See table 5 in appendix

[29] Researcher observation

5.1.3. Small Landholders[30] – Partially Dispossessed Famers

Small landowners are individual farmers where part of their farm or grazing land had been dispossessed. In this study area, they were dispossessed on the average from 0.5 to 1 hectare depending on the land fall under flower farm enclosure (FI5; FI1). Therefore, their land dropped to 1-1.5 hectare. A study shows that 86% farmers who were dispossessed and participated in the study conducted around Debre Zeyit lost 51% of their land. On average each farmer lost 0. 55 hectare, hence, their cultivatable land is reduced to 0.52 hectare/ household. The average land holding of the dispossessed become 1.1 while those who were not dispossessed own 1.51 hectare/ household while the regional average is 1.2 hectare (Gezmu 2013:154-55).

5.1.4. Landless Fully Dispossessed and could not Inherit Land

A study conducted in Ziway cluster shows that nearly 50% of displaced household are landless and remain landless. In Ziway cluster, the introduction of flower farms brought land competition and shortage, hence, acquiring land becomes difficult as the price of farm land increased. Those who were dispossessed by flower farm investment could not find and/or afford land price and remain landless (Gezmu 2013:158). In this study area, those who are part-time workers become landless while full time famers and fully dispossessed (few in numbers) acquired land by rent or sharecropping (FI4).

The coming of flower has mainly generational effects as famers who dispossessed their land could not transfer /inherit/ land to their children in this study areas. Flower land dispossession affected young people who want or could engage in farming. Most young people particularly those whose land is dispossessed become landless. An informant (FWI5) indicated:

> most land is owned by old generation and some are dispossessed by flower investors and the remaining land is not even sufficient for household. There is no land distribution, students who completed high school and want to engage in farming could not obtain land and family has no land to inherit their children (FWI5).

Two main points can be derived from the above mentioned land dispossession and its impacts at the country (national) level; change of land property relation and land concentration in the hand of capitalist flower farmers.

Agrarian capitalism enclosure and dispossession leads to commercialization and privatization of land property. The dispossession of farmers from their common or private land has implication on social property relation. However, enclosure is more than specific assets. It is about, in Marxist view, "how the emergence of capitalism is rooted in changes in the content and meaning of social property relation" (Akram-Lodhi 2007: 1443). It proves that flower sector land dispossession changed land use right of small famers, state and community to investors.

The global impact of land enclosure brings displacement of small farming, indigenous community and poor people concentration in the hand of dominant class, capitalist, corporate and village chiefs (Borras and Franco 2012: 52). In Ethiopia, land enclosure and dispossession brought big landholder capitalist flower famers and landless people. Different data are available regarding the amount of land dispossessed by flower farm in Ethiopia. Data obtained from EHDA (2012) shows that flower farm dispossessed the following amount of land during the last 7 years.

Table 1: Total Land Dispossessed by Flower Farm in Ethiopia

No	Years	Total land	Remark
1	2007/8	922	
2	2008/9	1240	
3	2009/10	1306	
4	2010/11	1300	
5	2011/12	1442	
6	2012/13	1426	
7	2013/14	1467.10	

(EHDA 2012:6 and GII8)

Although EDHA shows the above figures, other sources indicate 2,112 hectares in 2011 (Lavers 2012:116), 4,058 hectares in 2012 (Makki 2012:92), 3,491 hectares in 2009 (Getu 2009:242)

and 3,500 hectares in 2012 (Gezmu 2013:48). In this study area, which is one of the clusters, flower farm dispossessed 678.84 hectare of land[31].

In comparison to other plantation agriculture flower farm needs relatively small land. Rahmato (2011) shows that other plantation such as food and energy crops dispossessed more land than flower farm in Ethiopia. Saudi Star, a single investor, obtained 5,000 hectares in Illubabor in Oromia region to produce tea and 139,000 hectares in Gambella region to grow rice (Rahmato 2011:16). Similarly, Karuturi Global Limited occupied 11,704 hectares in Bako Tibe in Oromia region for rice (Jiru 2011:41). This is greater than flower farm where an investor occupied an average size of 28 hectares of land in the study area[32].

In land dispossession, the main question is not the amount of the land which matters, as long as the land is use for capitalist accumulation. Although flower farm needed relatively land, there are some aspects which make flower farm different from other plantation agriculture in Ethiopia. These are the geographical location of flower farm, land utilization, farmer integration and reusability of the land.

In Ethiopia, most plantation agricultures are found in lowland areas where there is less population density. However, flower farms are located in densely populated and resource scarce high land areas. Highland areas are dominated by small farmers where out of a total 11.5 million hectares of land, 11.8 million are underutilization with household who own less than 1 hectare. Flower sector consumed almost all the available communal and government land. Future flower farms establishment and expansion will lead to eviction a number of small farmers who produce crops for market to Addis Ababa (Lavers 2012b: 800). In addition, there is a rapid land dispossession due to urbanization, industries, and other plantation famers in flower growing areas.

One of the main purposes of land concentration is to enhance land utilization and productivity. However, the major problem flower sector is that most of the land dispossessed land from farmers are not fully utilised. In this study area, of 678.84 hectares appropriated only 264.1 hectares are underutilization or greenhouse[33]. Similar situation is happening in other flower

[31] See table 5 in appendix

[32] From table 5 appendix

[33] See table 5 in appendix

growing areas where an investor occupied 354 hectares but developed only 216 hectares of land (Stebek 2012:181). Informant in this study area pointed that investors enclosed large area, more than they could utilise. They added that if the extra land is redistributed, young landless people would develop it. One of the informant pointed that "there is free land [unutilized] while people are starving" (FWI6).

Flower sector is technological and capital intensive, hence, it is difficult to integrate farmers. Flower sector is categorised as "investor plantation" rather than "out-growers". In other parts of Ethiopia such as Rift Valley areas famers are benefiting from sugar cane plantation by "out –growers" model (Lavers 2012b: 806). Experiences from palm oil shows that contract farming provides economic and technical support for famers (White and Dasgupta 2010:604). The absences of integration limits famers' benefits from flower sector.

The fourth major issue related to flower farm land is the reusability and productivity of land when it is regained. One of the interviewed expert pointed that:

> Ethiopian soil is unattached [unutilised]. In addition, flower farm has impact on soil due to the usage of chemicals; hence, healing takes long period of time and also cost much. Chemical healing and making usable will be a big problem which developing countries has to take risk (EI1).

Flower farms have environmental impacts such as ground water, soil and water courses pollution than other plantation agriculture in Ethiopia due to the high usage of chemicals. The use of chemical reduces the change of reusing the land as it is happened in Kenya around Naivasha Lake (Taylor 201:61).

5.2. The Dispossessed Famers

Because flower needs small land, the number of farmers dispossessed from land is relatively small. Even though, it is difficult to get exact data, informants indicated that, in this study area, on the average about 15 to 20 farmers were (partially and fully dispossessed) for 30 to 40 hectares of flower farm land (FI2; FI3; FI5). In relation to other plantation farming, flower dispossessed less number of famers. In Gambella region Saudi Star investment project displaced 90 to120 households for 139,000 hectares while 500 famers lost their plots for 11, 000 hectares of land in Bako Tibe area (Rahmato 2011:20 and 24) . However, as it is found in highland area the number of people dispossessed per hectare is high for flower farm compared to low land area.

According to study conducted around Debre Zeyit cluster, nearly 50 % of the displaced households become landless (Gezmu 2013:155). People dispossessed from their land adopt different mechanisms to overcome their land and income. Gezmu (2013) indicated that about 51.2 % household has owned land and the remaining 49.8 % become landless, however, they overcome through different mechanisms such as rent (8.1 %), sharecrop (5.8 %) and rent and sharecrop (34.9 %) (Gezmu 2013:155).

Gezmu (2013) shows that about 84% of those who dispossessed land in Debre Zeyit flower growing area continued farming. However, their mean annual income from agriculture (327 USD / 5,880 Birr), is far less than the non-dispossessed group (733 USD/ 13,195 Birr). Since the income they get from farming is not sufficient, they engage in different non-farming activities. It was indicated that 31% of dispossessed famers engaged in self-employment like selling traditional alcohol and petty trade and 17.4 % earn income from employment in private farming of landowners and other farmers. In addition, 24.4% of the dispossessed farmers work in flower farms while 10.4 % of the dispossessed receive remittance from other family members (Gezmu 2013:163-4).

In this study area, most dispossessed farmers remain in rural area engaging in farming. However, the fully dispossessed part-time workers[34] abandon farming and move urban to engage in other non-farming activities. Informants indicated that few of the fulltime famers who are fully dispossessed or partially dispossessed abandon their farming. One of the informants pointed out;

> I lost my land but I did not move to town because I was farming for a long period of time. Leavening farming and moving to town or working in other sector [non-farming] is not good [benefiting]. We prefer remaining on our land and continue our farming activity (FWI6*).*

In this study area, the dispossessed farmers do not want to completely give-up their land, indigenous knowledge and skills to engage in wage and self-employment though flower farm dispossessed their land. However, some of them earn their income by engaging in flower farm and other wage works.

The dispossessed people in this study area as the case of other parts of flower growing areas indicated above are overcoming land shortage problem through sharecropping and renting. They

[34] Who also has government job.

engaged in sharecropping as per their agreement (1/2 or 1/3 share with landholders) and renting land. They rent land from those who could not farm because they are old, women and /or those who sell their land to obtain money for seed and fertilizer (FI1-FI10)**.**

Engaging in sharecropping and renting is difficult and economically disadvantages for famers. There are cases when they could not rent more land as one of the informant pointed;

> I could not add land by rent because it is not easy to get land as there are young generation who need land and if available it is expensive. You can only get from those who are too old to farm or who have no money for seed or fertilizer. Even they prefer sharecropping than renting (FI9).

Reliance on landowners through renting and sharecropping transferred their surplus to landowners. In addition, higher land rental and sharecropping reduced their net income. FWI8 supported this idea that "starvation came after the coming of flower" while other informant stated "the one who has better livening condition is the one who has farm land" (FWI2).

5.3. Labour Relation vs Dispossession

Large scale faming is measured in terms of capitalization; the amount of capital needed to establish a farm, produce and reproduce, or mechanization. When mechanization is applied relatively few workers are needed to cultivate large area of crops such as grain and oilseed. However, other large scale farms like horticulture such as flower needs small area, but are highly capital and labour intensive (Bernstein 2010:93).

Most authors such as Taylor (2011), Gudeta (2012) and Getu (2009) agree that flower sector created job opportunities for skilled and non-skilled, local and surrounding, and national and international workers in Ethiopia. The fact that flower production and harvesting such as planting, collecting, transportation, trimming and packing[35] needs a large number of workers and is carried out under close supervision makes flower farm more labour intensive than other plantation agriculture such as food and energy crops. In Southeast Asia palm oil absorbs only 1 worker/ hectare, tea 2 to 3 workers / hectare and rubber 1 to 2 workers/hectare which "disconnect land and labour" (Li 2011: 284). In Ethiopia, in lowland areas like Gamblella, capital intensive plantations created relativity few job opportunity per hectare. The Saudi Star

[35] Researcher observation

which occupied 139,000 hectares of land employed on the average 250 workers to cultivate palm oil and other biofuel crops which is 0018 workers / hectare. Similarly, Karuturi Global Limited employed on average 200 workers during normal times and 600 workers during pick times to grow rice on 11,000 hectares of land which is 0.018 workers /hectare (Rahmato 2011:22-24). Makki (2012) shows the new commercial farming in lowland areas are highly mechanised, thus, need few workers (0.005 workers/ hectare) (Makki 2012:98).

In Ethiopia, different data are available regarding the number of employees in flower farm. EHDA[36] (2012) data shows that flower farm employed 43,400 workers in 2008/9; 45,700 workers in 2009/10; 45,500 workers in 2010/11; 50,484 workers in 2011/12; 54,987 workers in 2012/13 and 72, 984 workers in 2014/15 (EHDA 2012:16 and GII 8). However, there is a variation between EHDA's and other sources. In 2011, EHDA data indicates that the flower sector employed 45,500 workers while other source shows 35,000 workers for the same year (Stebek 2012:42) and 30,000 workers in 2012 (Schaefer and Abebe 2015:26). Data obtained from EHDA is high because investors may exaggerate their employment number to obtain fund from government and/or EHDA may increase the number to show that the sector is more labour intensive. In this study cluster, flower sector employed 6,911 workers[37].

In Africa, flower farm employs on the average 20 to 30 workers/ hectare which is more than other plantation agriculture such as food and energy crops (Mano et al 2011:1763). In Ethiopia, according to data from EHDA flower sector employs on the average 50 workers/ hectare. However, other source shows it employs 10 to 25 or up-to 30 workers/ hectare (Gudeta 2012:28). In this study area, flower employs 11 workers/ hectare which is lower than both EDHA and other sources[38] .

There is a difference in labour intensity between lowland and highland flower growing areas. The Indian flower farm located in highland area occupied 10.09% of total flower land and employed 8% of total labour. However, the Israel flower farm working in lowland area occupied 12.09% of the total flower farm land and contributed 18% of the total employment (Taylor 2011:78). In addition, Holleta cluster along with Addis Alam site which are found in

[36] Is an autonomous Federal Government Institution established by the Council of Ministers Regulation No 152/2008.(from the organization website)

[37] See table 5 in appendix

[38] See table 5 in appendix

highland area account 31.3 % of total area which is the largest land share (Melese and Helmsing 2010:58). However, 41.6% of the total employment is created in Ziway area which is found in lowland area (Gezmu 2013:111).

Flower employs both skilled and non-skilled workers in Ethiopia. Most of the workers are women who are illiterate, unskilled and who could not find job in other sectors. Gudeta (2012) indicated that 92% of the workers in flower sector in Ethiopia are illiterate without skill and only 3.5 % are skilled or professional (Gudeta 2012:33). In addition, flower farm labour constitutes permanent and casual workers. In Holleta cluster, the estimated temporary workers including seasonal workers is 15 to 20% while the rest full time as well as part-time workers are permanent (FMI2-7). The estimated permanent and temporary labour in flower sector at national level is as shown below[39].

Table 2: Temporary and Permanent Workers in Flower Sector in Ethiopia

Year	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Temporary	2000-3000	4000-5000	6000-7000	4000-5000	5000-6000	5000-6000
Permanent	9000-10000	13000-14000	20000-21000	19000-20000	24000-25000	26000-27000

Source: Schaefer and Abebe 2015:26

Marxist political economy indicated that enclosure and dispossession led to the emergence of new labour relation. According to the Marxist view, dispossession of rural farmers from their land (a social and material means of reproduction) brings socioeconomic differentiation which finally led to the emergence of rural labour class and class of capitalist famers. In Marxist political economy, enclosure and dispossession is not only about property relation but also about what type of labour relation is established in the area that is enclosed and dispossessed. In another words, it is the extent to which dispossession creates free wage labour and type labour regime (Hall 2013:1596; Oya 2013:1522). In Ethiopia, flower sector brought different types of workers; flower workers, non-flower workers and unemployed people.

[39] Since this data is adopted from other source it may not fit the data mentioned in other parts. The purpose is to show the degree of type of labour.

5.3.1. Flower Wage Workers

5.3.1.1. Non-farming (Non-greenhouse/Administration) Flower Wage Workers

Non-farming workers are mostly administration staff members including managers and supervisors. In some flower farms the managers are the owners while in most cases they are employed. Administrative workers do not engage in direct greenhouse work, rather they are engaged in financial, personal, marketing and supervision activities (FMI2; FMI5). Worku (2010) indicated that the non-farming wage workers account only for 10% of the total flower workers in Ethiopia (Worku 2010:19). Most of them are graduated professionals, hence, they receive a relatively better wages compared to other categories of flower labour. Taylor (2011) study shows that Ethiopian managers account for about 50 to 60 % of the total flower farm managers and most of them are in Ethiopian owned farms usually small in size (Taylor 2011:142).

5.3.1.2. Farming Flower (Greenhouse) Wage Workers

Farming workers are unskilled workers engaged working in greenhouse and other production activities. They perform planting, cutting, spraying, transportation and packing[40]. Worku (2010) shows this group of workers constitute the largest section of flower workers; 90% of the total employees in Ethiopia (Worku 2010:19). In Holleta cluster, most farming workers are those who completed grade 10 and could not precede to higher education (FWI11; FWI6). Taylor (2011) study reveals that before the coming of flower farm, most rural community were engaged in farming and only few are engaged in wage work in state farms (Taylor 2011:165).

5.3.1.3. Pert-time Flower Workers (Semi-wage Workers)

Semi –wage workers are those who engaged in flower farm on pert-time basis. In this study site, security persons who work every other 2 days and few small farmers can be considered as semi-wage flower workers (FWI2; FWI6).

5.3.1.4. Full Time Flower Sector Wage Workers (Full proletarians)

In this study area, most of the workers in flower farm are full time wage workers entirely depend on wage worker for their livelihood. This is because flower farm need day-to-day flow-up and,

[40] Researcher observation

thus, workers should be available every day. Informants (FWI16; FWI5) indicated that they work 6 days/ week for 8 hours; thus, do not have sufficient time to engage in other activities. If they have extra time, they engage in overtime work in flower farm. Gezmu (2013) mentioned that about 54.7% of flower workers in Ziway area depend only on wage from flower farm (Gezmu 2013:154).

5.3.1.5. Seasonal Flower Workers

In addition to pert-time, there are also seasonal workers in flower farm in this study area. Flowers sector created opportunity for famers and students to use their free time to work in flower farms to obtained additional income. There are farmers employed in flower farms for sometimes (winter free time) to earn money for seed and fertilizer and return to their farming during summer. In addition, students employed in flower farm during their summer free time to generate income for their family and themselves (FMI7; FWI11).

5.3.2. Non Flower Workers[41]

One of the major aims of Ethiopian government in flower farming is creating job opportunity for workers. However, Gezmu (2013) indicated that most people especially surrounding community has low interest in flower farms. Surrounding community in Debre Zeyit cluster has less interest in flower wage work. Local farmers in this area developed negative attitude towards flower farm because of "the deception and cheating" discovered in lease/rent/ agreement and absence of compensation during appropriation of their land. Moreover, surrounding community in most flowers growing areas are not interested in the flower farm because of low wage paid by investors and poor working conditions. Finally, farmers have no interest in flower farm because they developed negative attitude due to environmental pollution of flower which killed domestic animals (Gezmu 2013:177).

Surrounding community in this study area especially adults also do not want[42] to be employed in flower farms because of two main reasons. The first reason is poor working conditions in flower farming; too hot during winter time and fear of chemicals. The second and major reason is flower farms' wage is very low, not sufficient for their family, hence, they prefer farming.

[41] There are other non-flower workers. This group is mentioned because they are reluctant/refused/ to work in flower sector.

[42] Full time employment

Even those who are interested in full time wage employment choose to be employed in other sector like contraction, factory or service than flower sector (FMI2; FWI8; FWI15; GII3).

5.3.3. Unemployed People ("Reserved Labour")[43]

Informants from government offices indicates that the number of new job seekers is always greater than job opportunity available especially for youth peoples (GII3; FMI6; FMI7). Similarly, the number of applicants is greater in flower farms than job available or posted (FMI2; FMI4). Gezmu's (2013) study in shows that "every morning a large crowd of people (male and female) gather by farm [flower] sites hoping to be hired"[44] in Ziway cluster (Gezmu 2013:177).

One of the reasons for unemployment in this study area is parents could not inherit land to their child due to land dispossession. As a result, young people neither get land to farm nor job in the flower farms or other sectors. Labour reserve led to exploitation; low wage and few benefits for current flower workers. Therefore, young people become landless and reserved labour as indicted by Li (2010) that capitalism dispossession is not absorbing labour (Li 2010:68).

The above listed labour divisions show the nature of each composition and labour organization in flower farms. However, labour regime in flower farms is characterised by mobility and fluidity. There is national[45] and international[46] labour migrations. In addition, regarding wage employment composition, there is a mix between flower workers, dispossessed peoples and small farmers.

There are international and domestic migrant workers in Ethiopian flower farms. There was a shortage of skilled Ethiopians managers and workers in flower sector at the beginning of the investment. Investors utilized the opportunity offered by government that "a foreign investor shall, without any restriction, have the right to employ expatriate employees on top management position for his enterprise" (FDRE 2012:6598). International migration to Ethiopia is also high due to government exemption of foreign workers from income tax. As a result, this position was dominated by foreigners especially at initial stage of the investment. However, there is

[43] There are may be other unemployed people, this study considers only those who have direct or indirect relation with flower sector.

[44] Emphasis added

[45] Within Ethiopia; from one place to other

[46] Between Ethiopia and other countries

little migration of semi-skilled workers from other countries to Ethiopia as wage in Ethiopia is lower even compared with Kenya or other counties (Taylor 2011:143). Currently, there are about 2-4 foreign workers in flower farm in Holleta cluster (FMI3; FMI7).

There is a high labour movement between flower farms and clusters. Labour migrates from local areas and other parts of country to flower growing areas. About 38.9 % flower farm workers are from local areas while other 61.9 % are migrants from other parts of the country according to study conducted by Gezmu (2013:111) in Debre Zeyit area. Gudeta (2012) indicated that rural labour migration to flower growing areas in Ethiopia is due to land shortage and absence employment opportunity in rural areas. Low wage and poor working conditions in flower farming and slight wage difference among flower farms contribute to labour movement between flower farms.

There is a labour competition and movement between flower farms and other non-farming sectors because of the expansion of other industries like leather, oilseed and construction (Taylor 2011:139). Finding from this study shows that flower sector employment income is lower than non-agricultural wage and informal employment; hence, there is flower workers migration to other rural areas (rural –rural) and urban areas (rural-urban) to engage in non-flower wage work and/or self-employment. An informant indicated that "some attempt to work here [flower farm] but they could not survive of this [flower] wage, they look for other activities" (FWI1). Other informant mentioned that "those who complained that the wage is low would not return to farming or rural areas rather engage in other non- farming activities such as construction"(FWI 3).

Because of such movement and migration labour turnover is high in flower sector. Schaefer and Abebe (2015) stated that, on the average, investors lose 30 to 50 % of their workers/ year due to labour migration in Ethiopia. The turnover is higher for unskilled wage labour than the skilled workers such as managers and supervisors (Schaefer and Abebe 2015:41). Some investors attempt to reduce labour migration by increasing some benefits[47] to retain their workers to utilize their gained experience and knowledge (FMI1-7). However, Taylor (2011) indicated in most cases both parties favour such kind of movement and flexibility, because

[47] Food, transportation, health and other benefits

investors can get new workers with low wage while workers search new better wage job (Taylor 2011:151).

Although different types of workers are identified, rural flower farm is characterised by absence of labour homogeneity or purity as it consisted of full flower wage worker and semi-wage workers and "fragmented" as some of flower workers engage in farming and self –employment.

In this study area, the majority of flower workers are entirely dependent on the flower farms for survival, although the flower sector does not provide sufficient wage and benefits, because they do not have time to engage in other activities such as self-employment. However, study conducted by Gezmu (2013) in Ziway cluster shows that 54.6 % of flower farm workers are full proletarians and entirely relay on flower wage while 45.3% of flower farm workers are engaged in different formal and/or informal as well as self or wage work for survival or reproduction (Gezmu 2013:135). In terms of income, according to Gezmu (2013) 86% of flower workers income drives from wage and 14 % come from non-flower of which 6.7 % is from agriculture such as farming and cattle rearing, 5.7% from small non-farming business like shoeshine , sewing , building and construction and 1.8% from remittance (Gezmu 2013:144). Therefore, flower sector in Ethiopia shares what "class of labour" in the global south experiences in capitalism system as capitalism is not providing sufficient wage for their reproduction, hence workers "….pursue their means of livelihood/reproduction across different sites of the social division of labour: urban and rural, agricultural and non-agriculture, wage employment and self-employment"(Bernstein 2006:455).

A more complex labour wage workers' composition is formed in this study as well as other flower growing areas as those who are dispossessed and rural famers also engage in farming, wage work and informal work or even combination of these activities. Informants indicate that, even though less in number, those who are dispossessed engage in other informal and non-farming activities such as petty trade in addition to farming (FI2; FI4). Gezmu's (2013) study in Debre Zeyit cluster shows that 57% of those who dispossessed purely receive their income from agriculture, 19% earn from both agriculture and self –employment , 23.8% relay on both agriculture and wage and still very few engaged in agriculture , self-employment and wage (Gezmu 2013:166). Finally, as land owned by small famers is not sufficient for their livelihood, some non-dispossessed farmers also find alternative non-farming work by utilizing their or family labour. In some cases, women work in flower farm or other non-farming activities while the farm is managed by their husbands or other family members and the opposite (Taylor

2011:138 and 151). Therefore, wage labourers (full or semi- wage workers) constituting flower workers, dispossessed farmers and small famers is created in flower growing areas in Ethiopia.

The outcomes of enclosure and dispossession depends on the extent to which it creates jobs and benefits (Oya 2013:1523). In Ethiopia, flower sector could not create better working conditions as well as provides decent life for flower sector workers than construction and other sectors. Flower farms are characterized by bad working conditions; heavy and long working hours. Gezmu (2013) mentioned that workers engaged in heavy work such as irrigation, planting and collecting in hot and muddy greenhouses. They also work on clearing, sorting and packing in packing rooms standing for long time[48]. The majority of flower farm in Ziway cluster operates from 6.30 am to 11.00 pm (Gezmu 2013:118). Informant (FMI2; FWI2; FWI6) stated that the regular working hours in this study area is 8 hours, however, workers may work more than 8 hours with additional payment. However, empirical evidences from Ziway area show that about 56% of flower workers work for 8 hours/ day, 18% work between 10 to 14 hours while the rest more than 14 hours. Evidence from the Ziway cluster shows that 53% of workers used their annual leave while 47% did not use because they do fear that they might lose their job (Gezmu 2013:117-18).

Flower farm workers' experience job insecurity. Short term and informal contract affects job security as investors dismiss the workers any time. Pregnancy, sickness and injury affects their job security (Gudeta 2012:30 and 35). Gezmu (2013) shows that more than 75% of the employees in Ziway cluster consider themselves permanent whereas about 25 % do not know whether they have a contract or not (Gezmu 2013:131).

The major complaints of flower farm workers are low wages, absence of accumulation and poor living condition as a result of low wages. The current average wage for non-skilled workers is 1 to 1.5 USD/day in this study area. This is lower than construction industry workers who earn 1.5 to 2.00 USD/day and private agricultural wage workers earn 2.5 to 3.00 USD/day (FWI2; FWI5; FWI12). However, the level of flower wage is similar the wages in non- flower plantation farms. In 2011, Gambella area non-flower plantation workers earn 1 USD to 1.2 USD/ day while in Bakko Tibe site get 0.97 USD/day (Rahmato 2011:22).

[48] Similar working conditions are observed by the researcher in Holleta cluster.

There is low accumulation for flower workers because of low wage payment. Workers wage cannot fully cover their living cost (FWI1-16). Gezmu (2013) indicated at Ziway cluster only 21.5 % of total flower farm workers could make some saving. 65% of their wage goes to food and drink, 17% to home rent and 18% for other home purposes and expenses. About 75% of flower farm workers are getting wage which is 41.1% lower than the national average (Gezmu 2013:136 and 114). This is very much in line with Li (2011) argument that capitalist system fails to provide an alternative livelihood or a living wage for those dispossessed from their land due to land grabbing. Li (2011) also indicates how transmigration created cheap and abundant labour in plantation areas in Southeast Asia which intern reduced surrounding peoples' benefits (less than minimum official wage) from plantations (Li 2010:291). In this study area, it is voluntary migration form other rural area which created abundant labour. The presence of migrant labour reserve helped investors to keep workers wage low.

Informants (FMI4; FMI7) mentioned that wage for flower workers in this study area depend on flower farms scale which also depends on other flower farm scale. Government could not determine wage but claims it will provide awareness for investors on wage, living condition and lobby investors to increase wage (GII3). The same informant explained that flower sector wage is low compared to other non-farming investment sector like construction and factories (GII3). One of the problems for low wage is absence of minimum wage /standardized/ wage for non-skilled worker which led to exploitation of non-skilled workers (FMI7).

Low wage and absence of other benefits affecting flower sector workers living conditions. One of the informants indicated:

> this is imprisonment…..farming has more production and benefits, I can feed my family and even sell to market. I can get from farming more than what I get here [flower farm]. What I get from here [flower farm] is not sufficient for my life; 700 Birr [32 USD/month] has not use. But, those who are educated could earn a better wage. I am employed here because I have no alternative; employment [flower employment] which does not change life has not use. Every year we [flower workers] live the same life. It does not even cover a single person [costs such as] house rent, cloth and food. No saving. Only those who could work both farming and wage may save some (FWI5).

Overall wage workers prefer to engage in farming as one of the informants indicated that "If they [workers] farm their land properly, they [workers] can get in 1 year from farming what they [workers] get from flower [working in flower sector] in five years"[49] (FWI13).

Another informant also supported that:

> No saving by this [flower farm] work. Farming is important. If you farm properly and diversify your income, you will have profit to be saved. Had I had land, I would have been engaged in farming, cattle rearing and horticulture. Farming has a lot of alternative (FWI2).

The structure of the accumulation in flower farms does not favour workers. Workers work hard in an inconvenient working condition which expose them to health problems due to heavy use of chemicals but paid low. Therefore, flower workers as the case of "classes of labour" in global capitalism as indicated by Bernstein (2006) continue their reproduction through "insecure", oppressive" and "scarce" wage employment (Bernstein 2007:6).

Unemployment is one of the critical issues in this study area especially for young[50] people whose parents dispossessed their land. There is a link between dispossession, unemployment and wage level in this study area. Youth people demand more wage than currently paid by flower investors. However, investors do not increase wage as they get other migrant workers from other areas who work with low wage. Hence, local youth people could not find place as it is occupied by low paid migrant workers. The unemployment of local youth is similar with Li (2010) in Southeast Asia that, "plantations have routinely been bad news for the 'locals': their land is needed, but their labour is not" (Li 2010, 68). Li (2010) puts dispossessed people as surplus labour[51]. However, in this study, it not the dispossessed famers who mainly became reserved army but their children who could not inherit land.

[49] However, it depends on the size of the land

[50] Even though most workers employed in flower are youth, there are still surplus local youth peoples whose places was occupied by migrants

[51] Not all

Chapter Six: Accumulation and Power

6.1.Accumulation and Exploitation in Flower Sector

Capitalism is a mode of production based on exploitation and accumulation, competition and continuous development of productive capital. The emergence of agrarian capitalism is facilitated by class formation thereby appropriation, exploitation and accumulation in rural areas (Bernstein 2010:9).

In Ethiopia, the emerging capitalists and foreign investors made flower sector the means of exploitation, accumulation and reinvestment. Informant (FMI7) mentioned that flower sector brings immediate and more profit than other cereals, sugar cane and oil cops. A single investor gets up to 1 million USD[52] within 90 days which may not be obtained from other crops. In addition, the price of Ethiopian flower is high, even higher than that produced in Kenya by 27 % which also shows the quality of flowers in Ethiopia (Taylor 2011:88).

Another reason which facilitated flower investors profit and accumulation in Ethiopia is low production cost. World Bank data shows that the cost of flower growing in Ethiopia is lower by 25% per hectare than in Kenya and loss rate is 2% compared to 5% in Kenya (Taylor 2011:88). The major reasons are cheap labour and land. In Ethiopia, labour cost constitutes small section of total expenditure because of low wage payment for flower sector workers. Informant (FMI7; FMI4) indicated that in Kenya there was opposition by workers in order to increase salary due to the imbalance between what investors get from flower production and pay for the workers. Using this opportunity, the Ethiopian government persuaded the investors to divert their farms to Ethiopia explaining that they will get more cheap labour as well as land in Ethiopia than in Kenya (FMI7).

In addition land is cheap in Ethiopia. Initially investors engaged in plantation agriculture especially in Gambella area either got the land for free or with minimum payments. One of them is Karuturi which obtained 100,000 hectares for 50 years with 1.30 USD rent/ year / hectare. This gave an investor advantage over small farmers who are expected to pay land tax and other fees. Standardized land lease was implemented in Ethiopia only in 2009 still with low cost. Most investors obtain quality land at lower lease rate 18 USD /hectare /year for flower

[52] Individual estimation

growing which is lower than other neighbouring countries. In addition, the interest rate for flower investors was as low as 7.5 is still highly subsidized and attractive in comparison to other competing countries like Kenya and Uganda (Schaefer and Abebe 2015:31).

The following table shows the amount of stems produced and foreign gain from flower sector over the last 10 years in Ethiopia.

Table 3: Quantity and Value of Flower Sector in Ethiopia

No.	Years	Quantity in millions stems	Value in million USD	Remark
1	2004/05	83	12.60	
2	2005/6	186.45	21.97	
3	2006/7	478.04	63.60	
4	2007/8	1021.52	111.70	
5	2008/9	1294.97	130.71	
6	2009/2010	1636.72	170.20	
7	2010/2011	1804.70	184.00	
8	2011/12	2102.11	212.56	
9	2012/13	2257.29	211.89	
10	2013/14	2386.05	199.74	

Source: EHDA 2012:7 and GII 8)

It is difficult to obtain each year's cost and benefits or profit of investors. However, the following is the estimated profit obtained by three flower farms in Ethiopia in the year 2011/12.

Table 4: Flower Sector Profit for Three Sample Investors for the Year 2011/12 in Ethiopia

Description	Investor 1	Investor 2	Investor 3	Investor 4
Total flower production in million (in pieces	2.5	23.6	8	7
Average flower price (in Euro)	0.14	0.19	0.17	0.13
Total gain (in thousands)	350.00	4,476.49	1,360.00	910.00

Source: Stebek 2012: 241 and 245

The capitalist system, unlike the feudal system, generates profit to expand the sale of production or change profit /or accumulation to productive investment (Byres1995:564). Agrarian capitalists diversify their means of accumulation (Bernstein 2010:107).

Informants indicated profit emerged from flower sector goes to three areas: reinvestment, national state and head quarter of foreign investors abroad (FMI3, FMI4 and FMI7). Income earned cover the cost of production such as supplies, other non-supplies such as wage, electricity, maintenance, fuel, packing and transportation. Some part of the profit goes to flower farms expansion, other industries and service sectors especially by domestic investors. In addition, 30% of profit goes to the government tax which, thus, is become part of state accumulation from land dispossession as gaining foreign currency is one of the main targets of the state from large scale farming. Finally, informants indicated that part of the foreign investors goes to their foreign investors' home counties as transfer. Taylor (2011) pointed that the "majority of profits from foreign entrepreneurs investing in a developing country with policies of tax exemptions, will simply flow back in remittances … the only thing a developing country has to gain is poorly waged labour" (Taylor 2011: 161). Such kind of profit outflow experienced in other plantation agriculture in other parts of the world as stated by Alonso-Fradejas (2012) that "while peasant farming-generated wealth remains in the territory…, flex crop agribusinesses redirect land-based wealth from the local (cultivating) territory toward distant… international hubs of "financialised" capital (Alonso-Fradejas 2012:517). The transfer of profit to foreign countries is the means by which international institutions achieved

Harvey's accumulation by dispossession; flowing surplus back to home country (Harvey 2004:64).

6.2.Power Structure

In this part, the power relationship between different actors in flower sector will be discussed. The major actors in flower sector are the state, farmers, flower workers and investors.

In terms of economy and property relation, flower sector brought surplus value and accumulation for the capitalist flower owners, dispossession of farmers from their land and exploitation of workers. Therefore, flower sector could not provide benefits on equal basis as indicated;

> …..jobs people will move into, at a global conjuncture in which the distribution of jobs and possibilities for a decent life are radically unequal and becoming progressively more unequal, as capital finds new ways to maximize profit (Li 2011: 94).

In addition to accumulation, political economy deals with power dynamics in rural class relation. Capitalism is characterised by power imbalance and alliances between different actors. In Ethiopia, we can observe that a power imbalance between state and investors on one hand and farmers and workers on the other hand was created in flower sector.

There is an alliance and collaboration between state and the flower investors. The state is always in support of investors in the process of land dispossession and capital accumulation. The state has dominant power in making all decision regarding land; designed land laws and investment policies that support investors to acquire land easily with minimum coast.

The state strong support strengthens investors' accumulation and dominance in flower growing areas. Profit is a priority for the investors, hence, some investors appropriated land without consultation and compensation in this study area. There are investors who made some contribution like electricity, water and other social services in flower growing areas. Taylor (2011) mentioned that Share Ethiopia, a flower farm found in Ziway area, built school, hospital and football stadium. Such kind of provision and assistance increased investors' power over the local administrators and community as well as labour mobility and workers wage negotiation (Taylor 2011:162). To strength their power, investors established an association (EHPEA)

which support them in providing training , new market, duty free importing of items, facilitating lease and increased revenue (Schaefer and Abebe 2015:31; Gebreeyesus and Iizuka 2012:148).

While the power of investors increased, workers power, benefits and wealth start to decline. One of the reasons is absence of labour union. The labour law and constitution grant rights to associations or trade unions for both employers and workers. There was an attempt to establish a labour union but creating effective labour unions was not achieved due to different locations of the flower farms and lack of support from the government and investors. Absence of a labour union and the government's reluctance to implement labour regulation attracted foreign investors. Investors do not encourage labour unions as organised workers may demand better working condition and payment (Schaefer and Abebe 2015:42).

In the process of land dispossession, the interest of famers was not taken into consideration. Farmers in this study areas were dispossessed from their land without their consent and interest. In some areas famers were dispossessed without consultation and compensations. In addition, in both rural and urban areas property estimation and calculation was carried out by a committee constituting five people having relevant qualification and designated by district and urban administration (ORS130/2007:55 and GII8). The absence of farmers' representative in the committee affects the estimation (overestimation or under estimation) and famers access to information such as rate and ways of rent and compensation calculation. In addition, farmers received low rent payment for their rent because power imbalance between them and investors / state/ as happened in other plantation areas in western part of Ethiopia where indigenous community could not "effectively negotiate under a situation of wider inequalities in bargaining power"(Moreda, 2015:517).

Chapter Seven: Conclusion

Developing countries are trying to expand their comparative advantage through enhancing foreign investment in agriculture for their economic development. Ethiopia's development plans require foreign currency to finance imports needed to complete the public investment/infrastructure/ projects envisioned and it is assumed that the flower sector has the capacity to generate high levels of foreign currency. In addition, the government planned to settle the problem of unemployment and rural poverty through expanding labour intensive farming (Worku 2010:9). On the other hand, global trade and investment in globalization pushed the flower sector to Ethiopia. Global rising of land and labour cost forced developed countries to look for fertile, cheap and more secured land in developing countries. Ethiopia is found to be a place where abundant labour and land for flower farming is available at lower price. Therefore, both national and international institutions and investors interested in flower sector in Ethiopia. Therefore, capital for flower farms emerged from both local and international institutions and accumulation was also made at local and international levels.

Flower farms changed local land use rights by concentrating land in the hand of flower investors. Land controlled by flower farms was formally in the hand of community in the form of private and communal as well as government owned land. The country's law indicates that the rural land right granted to farmers and pastoralist are not in limited time except when needed for "public purposes" (FDRE 455/2005:3136). However, because of deception and inevitability of land dispossession, farmers were obliged to "voluntary" transfer land to investors ("public purpose"/flower farm). Those who acquired land (the investors) become large holders, not dispossessed became medium farm land owners, partially dispossessed changed to small-holders while those who could not inherit and were fully dispossessed became landless.

Investors used rent (temporary transfer) and lease (permanent) mechanisms to appropriate land from farmers. However, through frustrating, cheating and threating, some investors appropriated more land than they need for farming. Investors made profit by renting the land to others and/or kept land idle for speculative purposes.

The coming of flower farms changed labour relations in flower growing areas as it created a labour division such as flower workers, non-flower workers and unemployed people. Before the coming of flower farming, agrarian wage labour was not common in flower growing areas, only few people were employed by private farmers or in state farms (Taylor 2011:165). The

fact that flowers are a delicate commodity each must be picked by hand and packed carefully, land preparation and irrigation should be done properly and all activities need day-to-day follow-up makes the sector a labour intensive sector which require large number of especially unskilled workers.

Although sector is labour intensive and creates job opportunities, the sector could not provide better wage and living conditions for workers. Low wages is one of the key problems repeatedly mentioned by research informants. Flower investors' short-term plans of getting a maximum profit in the minimum period of time forced them to pay wages less than in other sectors, even if workers become poor and live in poor living conditions because if they would protest they can be replaced by other migrant labours. Even though there is an increase of wage for major non-agricultural workers, flower labour wage remains low in comparison with other sectors and with the flower sector in countries such as Kenya. In this study area, only competition between flower farms determine the amount of wage. Workers have little or no bargaining power, given the existence of large numbers of other workers, who are unemployed and seeking work. Absence of labour unions prevents workers from collective bargaining and protest. Moreover, low wage and other benefits discouraged dispossessed people and other famers to engage in flower farm.

Because flower workers could not survive through wage work some of them engage in other wage and self- employment activities for survival. In addition, land dispossessed peoples who cannot survive by farming engage in wage work (flower or non-flower) and/or self-employment. Furthermore, small landholder famers who are not dispossessed also engage in wage work and self-employment. This led creation of wage workers constituting flower workers, small farmers and dispossess peoples what Bernstein (2010) called "class of labour".

The main target of land concentration in flower sector is gradually enhance landholding for surplus value for accumulation. Investors export flower products in high-demand which generates surplus in a short period of time. The surplus value which is gained by flower investors in the form of profit for accumulation so as to use for reinvestment. Part of the income from flower sector goes to the state in the form of tax and international institutions in the form of transfer.

Finally how such dispossession and exploitation could be resolved and how long it will stays? I would like to quite two views from the theoretical framework.

The first one is Li (2011) solution;

> unless this[living] situation changes through the magical conjuring of vast numbers of jobs, or a global basic income grant that redistributes the wealth generated in highly productive but land and resource gobbling, labour-displacing ventures, any program that robs rural people of their foothold on the land must be firmly rejected Li (2011:282).

The second one is Marx predication about the future from Bernstein (2007);

> capitalism has not yet completed its 'historic mission' and remains 'the only game in town' …., with all the pain that its dialectic of destruction and creation entails …… and even if its forward march requires extensive and effective intervention to discipline capital and direct its patterns of investment (Bernstein 2007:8) .

Based on the study finding, we can concluded that the land dispossession and exploitation of rural agrarian wage workers will continue as long as the capitalist economic system exist and no change in the power structure.

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Appendix A: Total Land Dispossessed and Workers Employed in Holleta Cluster

Table 5: Total Land Dispossessed and Workers Employed in Holleta Cluster in 2014

Farms	Land occupied	Land Utilized	No. of labour employed
1	20.8	5.6	238
2	20	7.2	334
3	35.74	6	220
4	22	8.4	264
5	22	12	205
6	13.3	3.5	53
7	18.5	10.7	170
8	28	14.3	540
9	10	5	115
10	100	48	1700
11	20	8.2	241
12	22	12	305
13	20	10	170
14	20	8	152
15	20	8	335
16	19.5	11.8	104
17	17	3.5	190
18	78	65	366
19	23	10	267
20	20	6	175
21	74	0	130
22	18	0	294
23	12	0	165
24	25	0.9	178
Total	**678.84**	**264.1**	**6911**
Average	**28**	**11**	**289**

Source: EHDA, Walmera Distract and Holleta Town (August 2015)

Appendix B: Background Information of Informants

Table 6: Background Information of Informants

No	List	Categories	Institutions	Total Number	Date	Remark
1	GII	Experts and leaders	EHPEA, EIA, EHDA, ORS, Oromia rural land and environmental protection bureau Rural, OIC , Holleta Town Administration and Walmera District	8	July 16-27	Flower farms are not included because of confidently
2	IEI	Experts	-	2	September 2 and 16	
3	FWI	Supervisors and daily labour ers	-	16	August 4-September 5	Local and migrants
4	FMI	Flower Farm Mangers		10	August 7-September 5	
5	FI	Farmers[53]	Partially-dispossessed , fully dispossessed and non-dispossessed	7	August 7-September 5	From rural areas
			Grand Total	43		

Table Key:

- GII- Government Institution Informant
- IEI- Independent Expert Informant
- FWI- Flower Worker Informant
- FMI-Flower Workers Informant
- FI – Famers Informant

[53] Interviews with flower workers, flower farm managers and farmers are done simultaneously

Appendix C: Interview Guides

1-FI- Interview Questions

Trace land ownership /use right/ of areas occupied by flower investor?

Who was the owner of land taken by flower investors?

How did your relate land certification with land use right? : Compensation and rent.

Does flower farm investment crated shortage of land? How?

How did people dispossessed overcome problem of land shortage?

Are farmers incorporation to flower farm? If yes how? If not why?

What happen to those people whose land is taken by investors?

How much land they are dispossessed – Hint – partial, full and not at all.

How do you agricultural labour system and market before and after flower farm?

How do you see power relation between investors and famers?

How land is transferred? Mechanisms and process.

Who are employed more in flower farm? Why?

Any additional idea?

Thank you for your participation

Flower Managers Informant (FMI) Questions

Why interested in flower investment than other commercial crops?

What are the global and local factors for investing in flower farm in Ethiopia?

What provision or supports do you get from government?

What does government expect from the investor?

What are the benefits of the community, particularly farmers?

How did the company obtain land? Who provided you land? Any compensation for farmers?

How do you recruit employs?

Whom do you recruit- Hint- land dispossessed or not dispossessed, local farmers or migrants?

Any relationship between land and labour ?

What kind of employees do you have? Hit-full time, per time and seasonal? Numerical data if available?

How did you determine wage for the workers and other benefits?

Stability of the job?

Worker Safety?

Any additional idea?

Thank you for your participation

FWI- Questions

Your job and work experience before employed in flower farm?

How you employed here?

Alterative job / full time or par time?

Contract time duration?

What do you do when your contract is finished?

Working time/ hour in a day?

Payment amount?

What other supports do you get from the company?

Saving?

Any additional idea?

Thank you for your participation

GII -Oromia Rural Land and Environmental Protection bureau

Why flower investment started between 1994- 1999?

Who is the owner of the land transferred to flower farm? Hint – state, private or communal?

How do you define “empty”, “underutilized land” and “utilized land”, “communal land” land?

What type of land transferred to flower investors?

Land rent system – former and now

For who long time and how much land?

Who involved?

Lease system - former and now

How land was transfer to investors? – mechanisms, process and consultation.

Compensation estimation committee? How it

Established

Members

Duties and responsibilities

Why flower farm is allowed the densely populated area and land shortage?

Explain the use of land certification – how it protects farmers land use right?

Compensation for local community? How it is determined? Who pay it?

Amount of land transferred and people who gave land?

Flower farm expansion and method of land acquiring?

GII- OIC

How involved in flower investment; foreign or local? Why?

Why farm flower expended in Ethiopia in 1990s and 2000s

What are the contribution of flower investment to the nation and community?

Does the flower farm incorporate local community? Example outgrowing

If yes how?

If no why?

How do you see labour in flower farm?

- Employment opportunity

Wage

Workers safety and health

What supports do you provide to investors?

Tax exemption

Land

Legal

Policy

Loan -what is 70/30 loan system? ; Why?

What do you expect from investors? Hint-Tax and foreign currency.

Any additional information on land and labour issues?

Thank for your participation

GII- Federal Investment Commission

Why flower investment begun in1990s?

What role is flower farm playing in agrarian transformation? Capitalist and capitalism.

What are the contribution of flower farm to national economic? Nation, society and community.

What are the main national and global deriving forces of flower farm in Ethiopia?

National development policy – economy (foreign currency) and employment

Global factors – Globalization and Financialization

Flower farm benefits (win – win- win) for nation, investors and farmers?

How do you see the power relationship between the three actors? – state, investors and famers

How the state is supporting the investors?

How does your office manage land and labour issues in flower farm?

Origin of domestic flower investors? – farmers or from other sector?

How land is transferred to investors – mechanism and process

Any more information on flower investment?

Thank you for your participation?

EI (Expert Informant)

What are the socioeconomic and political forces of flower investment?

How flower farm affecting land property relations?

What types of labour regime created formation?

- Labour recruitment

-Labour organization

-Wage

-Who is employed?

- Job security

GII- Labour and Social Affairs

What is the objective of government flower farm in relation to labour?

Amount of employees?

Whom are they expect to be employed in flower farm?

Who are employed here?

Skill and profession

Duration (contract)

Professional background of workers

Labour migration

-Unemployment

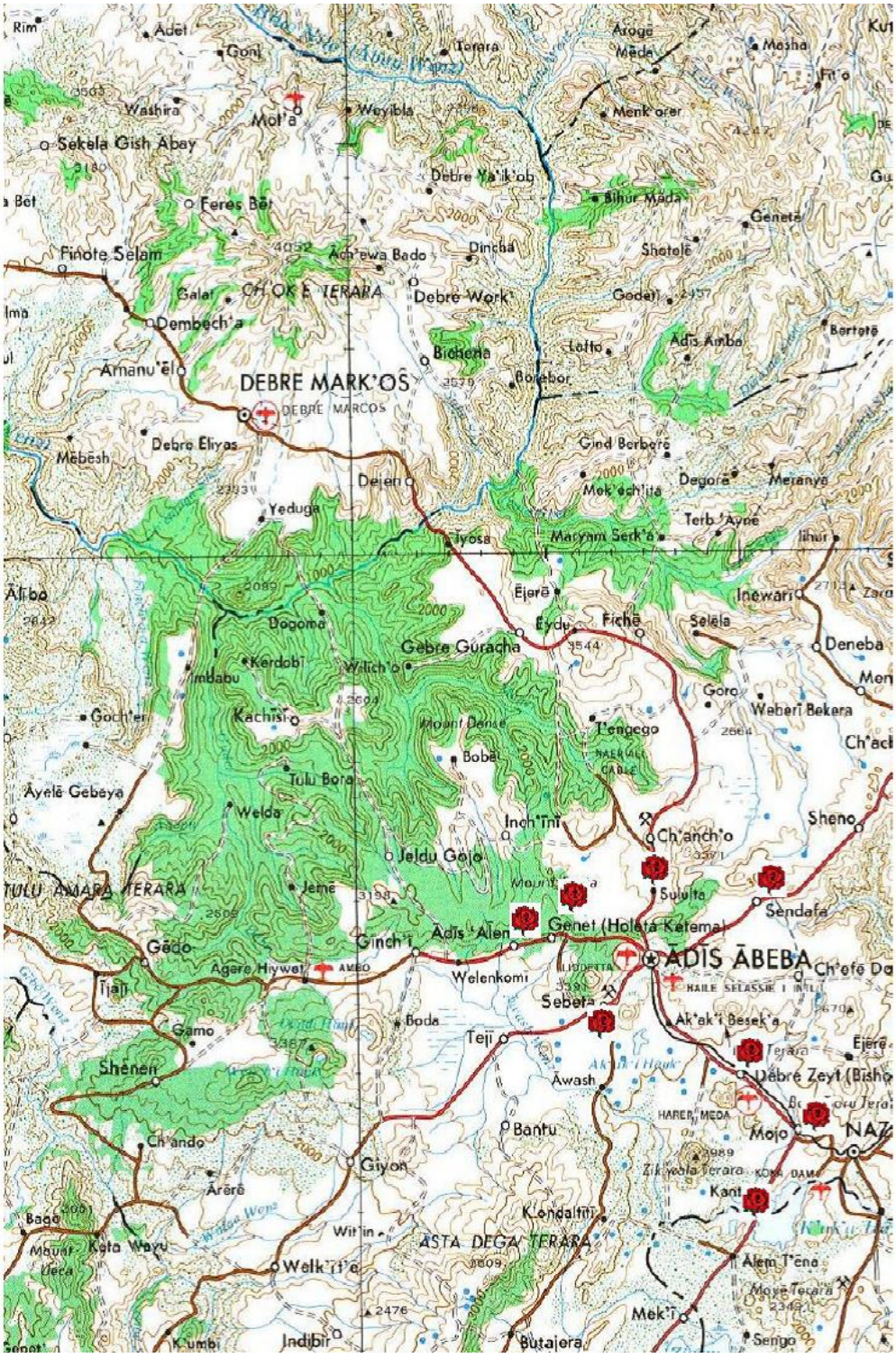
How do investment determine wage for employees?

How do you see compare in flower farm working conditions with other type of plantation?

Workers safety, wage and benefits?

What is the conditions of peasants who dispossessed?

Map A: Map of Flower Farm Locations in Ethiopia



Source: Taylor 2011: 68

Map B: Map of Flower Farms in Ethiopia