



Amidst Chaos of War, A New Report Exposes the Stealth Take-over of Ukrainian Agricultural Land

Description

- One year into the war, a new report reveals how oligarchs and financial interests are expanding control over Ukraine's agricultural land with help and financing from Western financial institutions.
- Aid provided to Ukraine in recent years has been tied to a drastic structural adjustment program requiring the creation of a land market through a law that leads to greater concentration of land in the hands of powerful interests.
- Ukraine's crippling debt is being leveraged by financial institutions to drive post-war reconstruction towards further privatization and liberalization in several sectors, including agriculture.
- Ukrainian civil society, academics, and farmers are demanding the suspension of the land law and of all land transactions; and calling for an agricultural model no longer dominated by oligarchy and corruption.

One year after the Russian invasion of Ukraine, a new report from the Oakland Institute, *War and Theft: The Takeover of Ukraine's Agricultural Land*, exposes the financial interests and the dynamics at play leading to further concentration of land and finance.

"Despite being at the center of news cycle and international policy, little attention has gone to the core of the conflict — who controls the agricultural land in the country known as the breadbasket of Europe. Answer to this question is paramount to understanding the major stakes in the war," said Frédéric Mousseau, Oakland Institute's Policy Director and co-author of the report.

The total amount of land controlled by oligarchs, corrupt individuals, and large agribusinesses is over nine million hectares — exceeding 28 percent of Ukraine's arable land. The largest landholders are a mix of Ukrainian oligarchs and foreign interests — mostly European and North American as well as the sovereign fund of Saudi Arabia. Prominent US pension funds, foundations, and university endowments are invested through NCH Capital, a US-based private equity fund.

Several agribusinesses, still largely controlled by oligarchs, have opened up to Western banks and investment funds — including prominent ones such as Kopernik, BNP, or Vanguard — who now

control part of their shares. Most of the large landholders are substantially indebted to Western funds and institutions, notably the European Bank for Reconstruction and Development (EBRD) and the World Bank.

Western financing to Ukraine in recent years has been tied to a drastic structural adjustment program that has required austerity and privatization measures, including the creation of a land market for the sale of agricultural land. President Zelenskyy put the land reform into law in 2020 against the will of the vast majority of the population who feared it would exacerbate corruption and reinforce control by powerful interests in the agricultural sector. Findings of the report concur with these concerns. While large landholders are securing massive financing from Western financial institutions, Ukrainian farmers — essential for ensuring domestic food supply — receive virtually no support. With the land market in place, amidst high economic stress and war, this difference of treatment will lead to more land consolidation by large agribusinesses.

The report also sounds the alarm that Ukraine's crippling debt is being used as a leverage by the financial institutions to drive post-war reconstruction towards further privatization and liberalization reforms in several sectors, including agriculture.

"This is a lose-lose situation for Ukrainians. While they are dying to defend their land, financial institutions are insidiously supporting the consolidation of farmland by oligarchs and Western financial interests. At a time when the country faces the horrors of the war, the government and Western institutions must listen to the calls made by the Ukrainian civil society, academics, and farmers to suspend the land law and all land transactions. The necessity to prioritize an agricultural model no longer dominated by oligarchy and corruption, where land and resources are controlled by and benefit all Ukrainians, is the way forward for post war reconstruction," Mousseau concluded.

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