



LUND UNIVERSITY
Faculty of Social Sciences

**Biofuels Expansion and Their Differentiated Social-
political Impacts in Developing Countries:
A Comparative Account between Land Grabs and Social
Sustainability in Honduras.**

Mauricio Javier Luna Galván
MSc in Global Studies, Major in Political Science
SIMV07 20122

Postal address Box 117, 221 00 Lund Visiting address Paradisgatan 5, Building H Eden Telephone
+46 222 31 30, +46 46 222 00 00. Fax +46 222 44 11. Supervisor E-mail:
Jakob.Skovgaard@sam.lu.se. Website www.sam.lu.se

Abstract

The present study is concerned with the expansion of biofuel production and two revealing and contrasting impacts caused in Honduras.

The biofuels complex emerges as a sustainable alternative to cope with pressing problems related to climate change, energy insecurity and environmental degradation. However such an argument becomes problematic as land expansion for biofuels entails land-use changes and limitations to land tenure and access to the rural poor. The latter is recently known as the phenomenon of land grabbing in developing countries.

The problematic to tackle around these biofuels' impacts is captured in two cases in Honduras. The first one, showing a case in which biofuel expansion has created political conflict, displacement and dispossession for rural communities and peasants struggling for land. On the other hand, another case shows a small-scale project that enhances sustainable development and socially inclusive results.

The study compares the contrasting impacts based on empirical data from reports and studies about both cases. The aim is to understand the differences of both cases from a critique neoliberalism and a from a social sustainable development approach in order to analyse the reasons behind those differences.

My argument draws on the assumption of an existent convergence of actors and approaches which are intrinsically materialized on the contrasting impacts. Therefore actors and approaches play key roles in those differentiated impacts. The study also reveals the emerging complexities around biofuels with key roles played by the state, governments and international organizations in developing countries.

Keywords: biofuels, land grabbing, social sustainability, social-political conflicts, dispossession, neoliberalization, Honduras.

List of Acronyms

BAV- Bajo Aguán Valley
BYSA Biocombustibles de Yoro S.A
CDM- Clean Development Mechanism
EC- Earth Charter
EU- European Union
FIAN- Food First Information and Action Network
GVP- Gota Verde Project
IADB- Inter-American Development Bank
IFC- Inter-American Investment Corporation
IFPRI- International Food Policy Research Institute
IISD- International Institute for Sustainable Development
IMF- International Monetary Fund
NGOs- Non-Governmental Organizations
MCA- Peasant Movement of Aguán
MUCA- Unified Peasant Movement of Aguán
RAI- Responsible Agricultural Investment
SECCI- Sustainable Energy and Climate Change
SSD- Social Sustainable Development
STRO- Social Trade Organization
UNHR- United Nations Human Rights Office

Table of contents

1. Introduction	1
1.1 Background and problem description	1
1.2 Purpose and Research Question	3
1.3 Scope	4
2. Theoretical Framework	5
2.1 The Neoliberalization and Land Grabbing Nexus	6
2.1.1 Role of State & Corporations	8
2.1.2 Role of International Banks and Development Agencies	9
2.1.3 Market Approach of biofuels and Land	10
2.1.4 Concentration of Land	11
2.1.5 Accumulation by dispossession	13
2.2 Sustainable Development Approach	14
2.2.1 Defining Sustainable Development	14
2.2.2 Social Approach of Sustainable Development	16
3. Methodological Framework	19
3.1 Research Design	19
3.2 Comparative Approach	19
3.3 Organizing Comparison	21
3.3.1 Case Selection	21
3.3.2 Data Collection	22
3.3.3 Discussion of the Material Collected	22
3.3.3 Organizing Comparison: Units of analysis	23
3.3.4 Data Analysis	24
4. Honduras in Context	26
5. Two Comparative Cases in Honduras	29
5.1 Land Acquisition	30
5.2 Land Access	32
5.3 Access to Credit	34
5.4 Social-Economic enhancers	36
5.5 Control and Market approach	39
5.6 .Final Comparative Remarks	41
6. Conclusions	43
Executive Summary	47
Annex	50
References	52

1 Introduction

1.1. Background and Problem Description

During recent decades biofuels¹ have become a response to the increasing crisis of energy, climate change and environmental degradation. These have prompted an energy transition to ‘green’ sources which is driven by “the economic, energy security and climate change policies of national governments and international organizations and institutions; business opportunities in the energy and agricultural sectors; technological innovation in the automotive and transport sectors², and by social and environmental concerns” (Murphy et al. 2011: 353). These lead to a process that rebuilds local agriculture by localizing energy production especially in developing countries³.

Accordingly, biofuels attempts to follow different rationales; first, by the ‘desire of governments in developing countries to harness the stimulus of new commercial investments to boost the agricultural sector and to national economies’ by advancing rural development, employment and poverty alleviation efforts; second, to enhance sustainability goals in the context of an unfolding crisis; and to find alternative energy sources as oil prices escalate for importing (German et al. 2011: 1). Moreover, the importance ascribed to biofuels is also based on “the capacity to contribute less to environmental degradation; the only source of energy which can directly benefit the rural poor incomes and energy security in developing countries, and the stimulus it provides for economic growth and better living standards in communities which have not benefited from the exploitation of alternative energy” (Chamda. 2009: 10).

Consequently, an unwavering faith in the potential of industrial-scale agriculture and foreign (and domestic) direct investment to drive economic development has led many governments to provide generous incentives to attract investors and facilitate their access to land (Schoneveld and German 2010, de Andrade and Miccolis 2011).

Nonetheless, the expansion of biofuels is fraught with undesirable trade-offs and often subject to conflicting policy objectives. Therefore a deepening food crisis, environmental degradation and other emerging adverse effects, exacerbate the

1. Biofuels in this thesis is referred to those of first generation such as African Palm Oil and Jatropha.

2. It is expected that biofuels will form an important element of global transport energy mix (20–30% of total requirement) over the next forty years and beyond (in Murphy et al. 2011: 352)

3. Developing countries are depicted in this thesis as a country in which the majority lives on far less money—with far fewer basic public services—than the population in highly industrialized countries. And those that are classified into any of the World Bank’s categories as Heavily Indebted Poor Countries (HIPC), Middle-Income Countries (MIC), Low-Income Countries Under Stress (LICUS) and Small States <http://web.worldbank.org/>. Honduras fits into the category of HIPC.

impacts related with negative land-use change practices. Accordingly, White and Dasgupta argue that: “first-generation biofuel such as palm oil or *Jatropha* feedstock are highly inefficient sources of energy, as they require very large expanses of land, especially as the targets for land acquisition by 2020 (about 500 million more hectares of land) would be required to meet global demand for biofuels in which investors and corporations are investing massively in biofuel production in the global South” (White and Dasgupta: 580). This means that the impacts of biofuel feedstock expansion are also associated with the displacement of peasants from their lands for large-scale land transfer to investors (German, L. et al. 2011), which becomes problematic due to the lack of formal land property rights to customary land users.

Therefore the biofuel expansion is increasingly linked to “the effects in new forms (or the resurgence of old forms) of corporate land grabbing and expropriation, and of incorporation of smallholders in contracted production” (White and Dasgupta. 2010: 594). In that conjuncture, land is becoming a strategic resource targeted by agribusiness and international interests. This shifts the dynamics of rural communities in a process that displaces small farmers and poor peasants, which further triggers conflicts over land rights, and undermines their social and human activities.

In that sense, we have to focus on the impacts from biofuels in which White and Dasgupta (2010:605) argue, that “all depends only in so far the way in which biofuels crops are produced such as the forms of ownership and labour regimes, the scale of production and what kinds of commodity”. Therefore, land tenure and access become more problematic to peasants and poor rural communities as land constitutes a relevant element for the survival social, cultural and economic relations in these communities. The social impacts from biofuel expansion in developing countries can be seen most clearly in those local communities that become spaces of dispossession, displacement and disenfranchisement as land is handed out to the corporate interests.

From such dynamic, biofuels become problematic since they are seen as a source of ‘land grabbing’. Thus we find a contradiction to the sustainable development discourse as they are promoted as substitute for oil to achieve energy security and sustainability (Harvey & Pilgrim, 2010: 542).

The two cases providing empirical evidence of that unbalanced debate are found in Honduras. There, the expansion of biofuels has a major impact related to land tenure and access leading to social-political unrest. First of all, because as palm oil production expands its land frontier, land grabbing and conflict triggers. Such scenario is evidenced ostensibly after the coup d’état of July 28th 2009 that ousted the pro-land reformer Manuel Zelaya. Subsequently, the violent social and political impacts taking place in the region of Bajo Aguán Valley (BAV) has triggered as peasants fight for access to land in order to exercise their right to feed themselves, and for such reason have become targets of repression, killings and harassment (FIAN Report. 2011: 6).

On the other hand, a different scenario appears in the neighboring region of Yoro where The Gota Verde Project (GVP) sprung up to develop and stimulate

jatropha crops, and has meant a case of sustainable practices having social, economic and environmental benefits for those rural communities.

The unfolding impacts of biofuels according both cases, demonstrate their contested notion and ambiguity as they aim to enhance sustainability and as they become a source of land grabbing.

Therefore, this study alternates between two perspectives based on the emerging impacts of biofuel expansion. First, the one in which the biofuel complex purports for a new agriculture on underused land, based on clean, green feedstocks and sustainability offering not just potential for global energy security, but for rural communities and peasants to enhance social and economic conditions; secondly, the one which biofuels is turning into a corporate-capitalist and a neoliberal model, undermining local access to land and livelihoods, and economies (Borras et al. 2010:581).

Using those two standpoints, the impacts and the dynamics from the cases in Honduras, I will delve into the underlying forces driving the biofuels development and their contrasting results in both cases.

1.2 Purpose and Research Question

As there are such contrasting impacts from biofuels production supported by empirical evidences of land grabbing and of social sustainability within Honduras, the research question intends to answer:

Why do we find such differentiated social-political impacts of biofuel production creating one case of land grabbing and social sustainability?

This study concerns the impacts of biofuels by contributing to the debate about biofuels from two cases and two perspectives. In order to do so, a comparative account of the study is used to elucidate not just the differences but also how the role of actors and approaches enforced by them ascertain the underlying reasons that produce such differences.

This paper aims to contribute to this debate by highlighting the social and political consequences from two contrasting cases in Honduras. Drawing on two cases covering diverse crops (Palm Oil and Jatropha), and approaches (neoliberalization and social sustainability). The analysis of the impacts is based on evidence from reports and studies setting the ground with a realistic perspective to contribute to the debate on biofuels differentiated impacts. Hence, the discussion and the analysis are centered on two specific cases depicting contrasting impacts of biofuels production. The first depicts one case with undesirable social-political results attempting to achieve sustainable goals. The second presents a case where sustainable practices have resulted in social peace.

Our objective is not to assess how well the impacts of biofuels have met these goals, but to explain why these impacts differ, and thus to ascertain the underlying factors driving such contrasts.

The debate of biofuels in this study focuses on the problems linked to sensitive political and social issues around land tenure and access, especially as land goes

experiences several changes and pressures affecting several rural communities in developing countries. The land issue is therefore vital for the social and political stability, as the effects of such intensification are seen when dispossession occurs and marginalization is widespread on some of the territories they develop. The study attempts firstly to identify social and political impacts, which are addressed here as an intertwined process of social disruptions in which land tenure and land access are under threat and limitations for peasants and poor rural communities, therefore prompting political instability as conflicts are triggered. In that case, the problems with land use and ownership are leading to negative social and political impacts in Honduras, which ultimately, destabilize and worsen the social and economic conditions of the rural areas.

In that context, the role of international institutions and their policies are influential as they further undermines the democratic process and the institutions within the country while the social and political stability diminishes. This is nurtured by a growing resistance by social and rights movements struggling to have access to land and their livelihoods, and to a more sustainable ways for biofuels and food production.

1.3 Scope

The analysis concerning the debate around the advance of biofuels is a broad task since the impacts deriving from their expansion entail several issues related to climate change, the environment and food security. Although biofuel impacts in the two comparing cases further problematize the policies and paradigms to tackle pressing global issues, this study focuses on the problems related to land rights and access linked to biofuels expansion.

The study alternates between the growing problems with land tenure and access; and the sustainable practices of biofuels across the two evidenced cases. However, there are some other issues this paper has not taken in a more in-depth manner.

One of those issues are related with Human Rights is relevant, however this study address it as one of the impacts linked to land grabbing and dispossession without further delve into this topic.

On the other hand, although Clean Development Mechanisms are involved in analyzing the role of actors and policy framework, the study eschews to further assess if those biofuels are undermining the climate mitigation and adaptation policies due to methodological issues.

Although the two case studies should not be interpreted as general; they do provide enough preliminary evidence that biofuels can be contradictory to their promise.

2. Theoretical Framework

This chapter aims to present two analytical and theoretical approaches behind the impacts of biofuels in Honduras.

Firstly, the theory can lead us to a new understanding of social life and set a new ground to study a phenomenon. A theory is thus defined as a set of well-developed concepts related through statements of relationships, which together constitute an integrated framework and can be used to explain and predict phenomena (Strauss & Corbin.1998: 15).

The present chapter will provide a conceptual and analytical framework to shed light on the biofuels debate. Choosing a suitable framework is necessary to explain new attempt to take over land of peasants and indigenous people on the first case; and what is the approach that can best help us understand the impacts on The Gota Verde Project.

First, the analysis shows specific factors and dynamics that are illustrated by the theoretical approaches reflected in both cases, which are depicted by the roles of actors that end up in those practices of sustainability and dynamics of land grabbing in both evidenced cases. The theoretical framework provides the concepts to compare across the units of analysis thus contributing to a valid explanation of the cases and its contrasting impacts.

As this chapter aims to structure the framework for the analysis in order to explain and understand the impacts, it is key how those dynamics are reflected on the units of analysis across the cases for the comparative analysis. Therefore, the most important part of this framework is to demonstrate how the concepts and dynamics from the approaches are reflected on the impacts in order to understand the differences between the cases.

The aspects that will elucidate the cases are based on the theoretical part of this paper and they revolve around two different approaches. First of all, that one critical to neoliberalism is based specially on David Harvey and furthered by Phillip McMichael. This part aims to connect Harvey's aspects on neoliberalism with the emerging complex of biofuels and other agribusiness interests on the global stage. From this perspective, I will proceed to identify the components and dynamics that reflect on the case of biofuel production and land grabbing. Furthermore, to compare, therefore demonstrating if refine or challenge the critics to neoliberalism mainly by Harvey and McMichael, and other that complement the analysis in the theoretical part.

The second part of this chapter focuses on the Sustainable Development approach, specifically on the social aspect developed by Murphy's principles for social sustainability. These contribute to shedding light on the analysis and factors as well as subsequent findings of interactions between those.

In order to have a better understanding of the analysis regarding impacts, both cases follow two rationales, thus both theoretical approaches contribute to both concepts. They are preliminarily explained to see the connection I want to convey.

Thus it is necessary to define terms which are often left undefined, such as in the case of land grabbing.

Defining Land Grabbing:

The 'land grabbing' issue has emerged as a "catch-all phrase to define the explosion on (trans)national commercial land transactions and land speculation, not just around the large scale production of food and biofuels" (Borras, Franco; 2012: 34). The recent phenomenon, as many call it, has been explained since the 2007–08 food prices and biofuel crisis, which led investors, agribusinesses and governments to turn their attention towards agriculture and land after decades of neglect (Oxfam report, 2011).

However, ontological considerations arise as the issue is seen from two perspectives and names. First, as the politically loaded phrase 'land grabbing' is used by radical social movements, who first introduced it; and second, as the depoliticized phrase 'large-scale land investments', more recently introduced and popularized by mainstream international development institutions and governments. Thus "the image of 'land grabbing' is seen as a grand opportunity to further extend capitalist agro-industry in the name of pro-poor and ecologically sustainable economic development" (Borras, Franco; 2012: 35).

The case of land grabbing in this study is framed within the political debate by the social movements as dynamics of dispossession, evictions and displacement unfolds. These dynamics and impacts have increased the movements that claim land in historical and traditional notions of access through hard work and collective action. These notions belong to a world-view at the core of their social, economic, cultural and ecological lives. However, under the logic of neoliberalism, the peasant's land is depicted under features of un-competitive, non-attached to the modern production thus un-productive on the way the agro industrial complex demands are profit-driven.

I do consider that the eventual expansion of land devoted to biofuels may be a source that triggers land grabbing from global forces. This could unleash a process of land dispossession of the poor rural communities and indigenous peoples who rely heavily on their access to land. From a critical stand-point of neoliberalism, the impacts of biofuels expansion can be explained throughout a neoliberal process of accumulation by dispossession, land concentration and marketization with negative social and political consequences in many developing countries.

2.1 The Neoliberalization and Land Grabbing Nexus

Biofuels expansion has recently been called one of the causes of land grabbing across developing countries. Biofuels have meant the displacement and dispossession of poor rural communities and peasantry in BAV. From that context, theory purports at explain and understand this case of land grabbing through a critique to neoliberalism. First of all, Neoliberalism should be

understood as an entirely new paradigm for economic theory and policy-making (Thorsen, E. 2009: 5).

A clear picture of what neoliberalism actually entails is drawn by David Harvey (2005), who gives a broad definition of Neoliberalism, which dynamics are linked to land grabbing:

“Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices. The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defense, police and legal structures and functions required to secure private property rights and to guarantee, by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks the state should not venture. State interventions in markets (once created) must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefit”.

Following that definition, I want to highlight different aspects in which the dynamics from neoliberalism are related with land grabbing. Land grabbing is explained here through dynamics of accumulation by dispossession, marketization, concentration and disenfranchisement for rural communities and peasants struggling for land in the case of Bajo Aguán Valley.

The study also aims to widen the understanding of land grabbing, by also demonstrating the ‘potential of biofuels in displacing land uses and access that are of high value to the local population for food, income, and safety net functions’ (Colchester et al. 2006, Reijnders & Huijbregts 2008, Romijn 2011).

A key element from that potential is related to the policies derived from Neoliberalism, highlighting the role of the state and corporations enforcing mechanisms and policies through the international banks and development agencies. One example is given with the expansion of land for biofuel project following a typical capital accumulation script, thus intensifying the contradictory consequences of its expansion (McMichael, 2009: 825). Harvey clearly explains that this is a process of accumulation by dispossession, concentration of land and marketization set by the neoliberal paradigm. Upon this paradigm there is a convergence of factors which have been driving a revaluation of land by powerful economic and political actors. There is a critical perspective due to its contradictory and conflictive impacts on territories, then tangibly expressing its social-political consequences and its process. (Harvey, 2006: 78).

2.1.1 Role of State & Corporations:

The institutional framework of neoliberalism is enforced by actors such as the state, corporations and international financial and development institutions which task is to enforce their policies under the umbrella of neoliberalism.

The debate around biofuels does not escape from that framework, as their impacts also “expresses several trends in global political economy including the global commodification of a time-honoured local energy supplement and the consolidation of corporate power in the energy and agribusiness sectors, and a new profitability frontier for agribusiness and energy sectors beset with declining productivity and/or rising costs” (Borras et al. 2010: 577)

The state provides the platform for agribusiness to develop the projects to further the neoliberal and development agenda in the land issue. For that purpose, the state seizes the opportunity of new commercial investments biofuels (and land) to boost the agricultural sector and national economies after decades of neglect (Oxfam, 2011). By doing so ‘the corporate and governmental drivers of biofuel production increasingly base their characterizations of land, such as ‘marginal lands’, ‘empty lands’ and so on, as a way to define concepts in that ‘new development’ process. But “what those categorizations are aiming for is helping the governments achieving rural development and modernization by transforming marginal, idle and inhabitable lands into productive spaces” (Borras, Franco; 2012: 45).

Thereby, the state and corporations use such a discourse to categorize land as is ‘underutilized’ or even ‘idle’, to justify the appropriation of land for new investment, transforming ‘wastelands’ into ‘green’ and productive landscapes (Borras and Franco, 2010b).

The ‘new development’ in agriculture is given in a context where developing countries persistently seek out internal reorganizations and new institutional arrangements that improve its competitiveness in the global market (Harvey, 2005: 65). In order to do so, they also enforce neoliberal policies which designed to open up markets for biofuels and to strengthen the private property over lands. Therefore the state plays a key role since ‘the neoliberal state favors strong individual private property rights, the rule of law and the institutions of freely functioning markets and free trade’ (Harvey. 2005: 64), thus justifying and legitimizing a process of land concentration.

In that process “the murky politics of land grabs unfolds, new interactions are evident between state actors and private companies (investing in new agribusiness operations, often involving biofuel feedstocks), and finance” (Borras et al. 2010:583). Those trends occurred especially in countries lacking institutional capacity or political will to enhance participation and public consultations for communities. Instead, the public agencies responsible for this work are both poorly structured and financially impoverished to credibly conduct this work (Taylor, 1998: 9)

Another relevant aspect of Neoliberalism hinges upon the active mobilization of state power, insofar as it ‘produces legislation and regulatory frameworks that advantage corporations, and in some instances specific interests such as energy,

agribusiness, etc.’ (Harvey, 2005: 77). Consequently, in many developing countries ‘investors are treated more favorably than local smallholders, by reducing tax payments and the ability to obtain land and other resources’ (Deininger, 2011: 244). Governments seem to have aligned themselves with investors, thereby helping to evict people from the land.

However, such a process finds itself with growing resistance as ‘‘Neoliberalism is opposed by diverse social forces concerned to preserve non-market or ‘socialized’ forms of coordination that constrain unfettered capital accumulation and impose limits upon the process of commodification’’(Heynen, 2007: 154). The massive enclosures from the private and public fronts manifest ‘accumulation by dispossession’ and the opposition and resistance to the state take shape from the dispossessed and disenfranchised groups. Therefore, ‘‘in the event of a conflict, the typical neoliberal state will tend to side with a good business climate as opposed to either the well-being of the population’’ (Harvey, 2005: 70). In fact, the coercive arm of the state is augmented to protect corporate interests and, if necessary, to repress dissent (Ibid: 77). To further illustrate, as the opposition to accumulation by dispossession tend be stronger in developing countries, the role of the neoliberal state quickly assumes that of an active repression even to the point of low-level warfare against oppositional movements. Such movements are contained by the state power through a mix of co-optation and marginalization (Ibid: 165), thus showing a high level of unequal power relations between corporations and dispossessed individual entailing their disenfranchisement.

Neoliberalism also aims to reduce state’s role in markets and in economy by replacing it by private investment, in such milieu many of the countries consider agricultural investment strategic, thus eligible for certain incentives and benefits in return for the social benefits it presumably provides. By doing this, they offload the cost of such subsidies to local land owners by providing land for free to investors without any compensation for the loss of existing rights to local communities (Deininger, K. 2011: 240).

The land issue is translated into the political agenda by having impacts in two separate dynamics under the rubric of neoliberalism. In one of these dynamics, the government plays an important role in shifting land tenure structures through major infrastructure projects that dispossessed thousands of people off their land and encouraged the voluntary migration of many more. On the other hand, dynamics in which the government policies seek the political support of landless masses through populist maneuverings and rhetoric supporting direct land distribution or colonization (Taylor, 1998).

2.1.2 Role of International Banks and Development Agencies:

The role of global financial and developmental institutions works by enforcing, financing and guiding their policies to developing countries. Among these we find the World Bank advocating for ‘good governance’ as a ‘persuasive ethic’ that allows for corporate self-regulation, making it possible for governments to intervene less intrusively and more efficiently in society (Borras, Franco; 2012: 35). The World Bank and other regional development agencies, advance the

neoliberalization agendas through loan conditionalities and training of an international cadre of experts.

The aforementioned framework is connected with the emerging principles to justify different processes in many contexts and across many realms of resource governance which often have negative effects on certain populations (Heynen et al.2007). Such governance are operationalized through the emerging RAI principles, in which the World Bank and particularly its private sector lending arm, the International Finance Corporation (IFC), have been advocating titling as a means to improve the business climate and to attract investors (Muir and Sheen 2005, World Bank 2004a, 40, World Bank 2004b, 78). The World Bank notes, that ‘secure and unambiguous property rights [. . .] allow markets to transfer land to more productive uses and users’ (World Bank. 2007, 138).

The emergence of rules for land investment and the development of a market for land rights favors not only the marketability of land (De Schutter, 2011: 271), but actually may show the failure of international standards and rules that aim to safeguard communities from the devastating impacts of land grabs, hence demonstrating problematic contradictions.

The neoliberalization process creates an institutional framework that legitimizes all its policies and mechanisms, in which ‘climate change is mobilized to justify laws, institutional strategies, projects and institutional changes (stressing certain urgencies and leaving others in shadow); mobilizing knowledge regimes; hegemonic ways of engaging with and managing the environment’ (Andersen, 2012). About this latter, Harvey further argues that ‘the rise of commodification of phenomena such as climate change or food crisis is likely if it becomes big business, for instance dispossession occurs in a variety of ways.

It is necessary that the state in tandem with global institutions of development work to serve neoliberal interests in such ways that prioritize the large scale agroindustry and those highly profitable land investments for biofuels. The government should simultaneously address their development needs and ‘rebuilds’ local agriculture.

2.1.3 Market Approach of biofuels and Land.

The Neoliberal institutional framework is also characterized by a strong preference for free market and to create markets where they do not exist such as in land or water. Within such a scheme it is important to recognize ‘the way in which markets are constructed under specific historical circumstances by particular powerful players that stand to benefit from the political creation of that advantage’ (McMichael. P. 2010:137). One clear mechanism from the environmental market approach is also taken throughout Clean Development Mechanisms (CDM), which aim to lower the greenhouse emissions and spur investments. It also aims to target lands and integrate them into the global production and supply chains for energy purposes using a clear market approach. CDM is part of an institutional construct, managed by powerful players, including international financial institutions, banks, corporations, states, and even NGOs.

In such a context, the European Union and the United States have introduced biofuels mandates over the past decade based on the name of mitigating carbon emissions (Oxfam, 2011: 38). Those countries seek to purchase carbon credits, turning biofuel crops and land into commodities targeted by companies on areas with ambiguous titling rights in developing countries to invest through CDM projects (Kerssen, 2011).

The external mandates by some superior power (e.g. states, multinationals) entails the penetration of some pre-existing social order and geographical terrain to the advantage of that power' (Harvey, 2006: 92). Thus neoliberal forces aim to control and maintain access to the land and livelihoods of rural communities, peasants and indigenous peoples by a market approach. In that sense, McMichael (2010) asserts that neoliberalization creates a 'global ecology' (Sachs 1993). In this ecology, planetary resources are to be managed through the application of the market paradigm to the environment ('market environmentalism'). Hence, criticism mounts as the neoliberal paradigm that accumulates, encloses and dispossesses lands from people, hence paving the way to major non-desirable social and political impacts.

Is important to identify how the biofuel crops are grown, who owns and who works them, and the kinds of their commodity chains as White and Dasgupta (2010) argue. That explains how biofuel interventions are constructed with different economic and political pressures. To illustrate this, the large-scale crops systems are hooked into different markets through the structure of a commodity chain, and the ownership and control of different elements of it, and this can be the case for palm oil (White & Dasgupta: 580). The result of that approach is well known: 'rural poverty on a large scale, a wide segment of the farming population relegated to subsistence agriculture, and governments that have become almost irrelevant to the lives of many small-scale farmers' (De Schutter, March 2011: 250-251).

2.1.4 Concentration of Land.

This dynamic is evidenced by the increasing preference for large-scale over small-scale biofuels farming. The development paradigm and the neoliberal imperatives of market structure support the interests of big landowners and agribusiness as they set organizing principles privileging the markets over other ways of organizing society. They frame progress in terms of market freedom, which for agriculture means the integration of large scale industrial farming into global commodity markets (McMichael, 2012). To further justify it, the national trade and development policies prioritize a large-scale agribusiness and the export-oriented model.

Consequently, that model is increasingly being implemented in developing countries. One example is provided by the biofuel crops which aims to 'benefit' these countries as trade mechanism ease that exchange through preferential import tariff and trading access into the EU under the Generalized System of Preferences scheme; thus making them very attractive as export crops. The EU Member States

have increased the importation of palm oils from Honduras in recent years (Aid Church Report: 33).

Under the logic of market and neoliberalism, small-scale crops and land are depicted as non-competitive and un-attached to modern production. Thus they are seen as un-productive to the agro industrial complex.

The dynamics of accumulation by dispossession can be shown through general mechanisms of structural adjustment, as well as through particular mechanisms that displace peasant agriculture as corporate commodity chains construct a 'world agriculture' (McMichael, 2006: 408-409) throughout large-scale agribusiness.

However, the major problem lies on the farm size related with the small scale farmers, who infrequently qualify for commercial or public sector credit programs.

This creates a process of unequal power relations, and the relations of property become problematic as there are 'difficult relationships between small-scale farmers and attempts to integrate them into the larger economy' (De Schutter, 2011: 251). These are driven by 'dominant social classes and groups and state bureaucrats, who have some pre-existing private access to and/or control over land resources; or by incorporating land in the new food and energy agro-industrial complex in a variety of ways' (Borras, Franco; 2012: 49). Having such effects, it is relevant to establish the degree to which land-based relations and power are distributed, which in such context leads to a land re-concentration type, where 'access to and control over land is further concentrated in the hands of dominant social classes and groups. These include landed classes, agribusiness, the state and other dominant community leaders' (Borras, Franco; 2012: 52). Such process advances even faster as there is a structure that maintains 'that instability on insecure property rights allowing large-scale land acquisitions to push people off the land' (Deininger, 2011: 232).

On the other hand, the agricultural complex argues that the increased reliance on free market and technology will improve food security, amidst an inevitable process of agricultural stratification where commercially oriented smallholders are compelled to either work for others or move out of agriculture altogether (McMichael, P. 2010: 112). That means that a strategy is in place for companies and big investments to take over peasant's lands to develop and modernize it through large-scale biofuels production. Developing countries find themselves compelled to implement such neoliberal agenda, which in many cases mean losing control over their own agricultural policies and the food prices. They instead become reliant on external markets and policies, especially when an economy with great agricultural potential shifts from food production such as bananas to biofuels, thus constraining its own agricultural potential.

The 'dominant model' thus entails a shift in ownership and control of a strategic resource such as land. In this vein, small-scale farming is replaced by large-scale agri-business which has recently been linked to land grabbing issues (Kean, 2012). The contrast between the two models depicts a key issue that both unites and divides key actors around biofuels. The outlook for the small-scale peasant is bleaker as global commodification of local energy supplement and the

consolidation of corporate power expands in the energy and agribusiness sectors. Thus, biofuels represent a new and profitable frontier for agribusiness and energy sectors beset with declining productivity and/or rising costs (Magdoff 2008, McMichael 2009, Houtart 2010, and McMichael 2010).

Furthermore, the global trend of biofuel expansion emerges with a structure of institutions and increasing investments and interests worldwide in such way that privileges corporate management of energy resources. They convert biofuels into an industrial commodity at the expense of encouraging local biofuel developments for local 'energy sovereignty' (Borras et al. 2010, From Rosset 2009). Therefore their transcendental implications on territorial political and social dynamics as small-scale holdings and farming are undermined.

2.1.5 Accumulation by Dispossession

Harvey's main points leads to a discussion of how 'The contemporary global land grab represents both continuity and change from previous historical episodes of enclosures' (Borras, Franco; 2012: 35) carried out through a process of neoliberalization which David Harvey has examined as a global project to refurbish, renew and expand the conditions for capital accumulation and, in related fashion, to restore power to economic elites. Therefore Neoliberalism tends also to reinforce and celebrate strong private, individual and exclusive property rights (Heynen, 2005: 5).

To create these conditions, linking the state, corporations and global financial institutions is key to a globalization process in which the consolidation of neoliberalism in developing countries stirs the capitalist relations between North and South. This is rooted in long-term colonial and trading relationships. Those configurations are based on the neoliberal policies and the global needs (North) leading to a process accumulation by dispossession (Harvey, 2003). Taking into account the context of this study, Gillon (Borras et al. 2010: 742) identifies the attempt to create an 'environmental fix' centered on biofuels as a 'socio-ecological project indicative of the contradictory capitalist imperatives to exploit, protect and create new resources for accumulation'. Accordingly, Murphy further contributes on the emerging land-biofuel issue, by asserting that 'the new global configurations of the biofuel complex is critical in understanding the dynamics of more localized agrarian political economies is equally essential, especially as biofuels complex may lead to appropriation of land and the forms of their insertion or exclusion as producers in global commodity chains' (Murphy et al. 2011: 360).

When it comes to the Land issue, such projects lead to movements that claim land in historical and traditional notions of access through hard work and collective action. It is a world-view at the core of their social, economic, cultural and ecological life. These struggles give expression to problems of the neoliberal era as displacement and disenfranchisement stem from an historic process of capitalist development, captured in the concept of accumulation by dispossession (Harvey, 2003).

The resistance against that process arises and turns towards a universalistic rhetoric of human rights, dignity, sustainable ecological practices, environmental rights, and the like, as the basis for a unified oppositional politics (Harvey, 2006: 53).

Other than the forceful expulsion of peasant populations, as well as accumulation and privatization, there are dynamics of conversion of various forms of property rights (common, collective, state, etc.) into exclusive private property rights. The suppression of rights to the commons; and the suppression of alternative forms of production and consumption also exist; likewise monetization of exchange, particularly of land is a concern (Harvey, 2006: 43). But the way in which the enclosure of communal and agriculture lands are carried out, lies on the emphasis on dispossessed peasants becoming 'surplus people', ultimately depicts the worst possible social outcomes of big land deals (Borras, Franco; 2012: 36). So to speak, 'without title to land, peasants sell their labor on the rural market, invade land, farm illegally or migrate' (Taylor, 1998: 8), thus becoming a source that fuels the conflict over land rights and access.

2.2 Sustainable Development Approach

2.2.1 Defining Sustainable Development

The concept of sustainable development emerges as an alternative paradigm that attempts to solve the problems arising from environmental degradation and climate change's disruptive impacts. Nevertheless, since its inception, the concept has been characterized by its vagueness and ambiguity, as being officially defined by the Bruntland report: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (Our common future Report, 1987).

One of the key concepts is related with needs, 'in particular the essential needs of the world's poor, to which overriding priority should be given'' (IISD definition webpage). But there is an absence of a clear and specific definition when referring to the needs? And whose needs?

The debate around sustainable development is a major one. However, what is clear is that as energy crisis, environmental degradation and climate change loom large, the implementation of sustainable development policies becomes imperative.

Nevertheless, there is evidence that practices that supposed are to be sustainable are increasingly colliding with the principles of sustainable development. Such practices are for instance biofuel production, in which many of their development are seen as unsustainable especially in the case of land use, and land tenure and access.

The latter impacts on what biofuels are being involved; illustrate more of a social-framed dimension which is included within the sustainable development approach, along with a broad set of dimensions to tackle emerging issues. Together these highlight the relationships among the economic, environmental

and social dimensions which are generally assumed to be compatible and mutually supportive (Littig & Grießler, 2005).

However as many populations faces increasing challenges, especially if those cope with relevant dimensions of social and human values and institutions. This is specifically the case on which the social approach has been overlooked compared to the other dimensions.

The social sustainability approach is relevant under such context, as Ekins has referred to a society's ability to maintain, on the one hand, the necessary means of wealth creation to reproduce itself and, on the other, a shared sense of social integration and cohesion (Baker, 2000: 26). Therefore, Sustainable Development as a holistic concept requires simultaneous recognition of these dimensions, as well as specificity in order to achieve sustainability in a larger extent.

The biofuels debate attempts to achieve sustainable practices, specifically focused on economic and environmental basis; however the issue goes beyond this and depicts an important element. This element aims to analyze the link with many principles and strategies to achieve a social sustainable development (SSD). This can happen if we take into account the effects causing land grabbing, which is thus treated as opposed to sustainable practices to produce biofuels. The fact that illustrates such emerging dynamics occurs when there is an increasing dispossession and concentration of land for biofuels, making them more vulnerable and less capable of achieving well-being goals.

In the Gota Verde Project case, the implementation of policies and the resulting dynamics from that, have aimed to protect and allow the right and access to land. This constitutes a relevant approach, especially when land grabbing advances as a serious social, political and economic challenge ahead.

Practices of Sustainable agriculture along with technological, social and democratic empowerment that allows access to land should be a priority to cope with challenges and threats facing the rural communities and poor peasants. An approach that allows access to land thus provides a platform on which sustainable lives and livelihoods are built in order to provide the land on which people build their homes and organize their communities. This land is directly linked to their well-being that fulfills their needs, and faces threats in a context of land grabbing in which access to land and the ability to make decisions about the land use is relevant to rural economies.

The discussion of sustainability in economics has shifted from the needs-based formulation from the Brundtland report to the preference-based formulation that is standard in welfare economics. In that vein, some authors such as David Victor and Bill Hopwood (2006) argue for a more reformist approach of it, by claiming to return to Brundtland's fundamentals. Furthermore, they remark that sustainable development can be revived by following four courses of action: 'making a priority of alleviating poverty, dropping the environmental bias that has hijacked the entire movement, favoring local decisions over global ambitions, and tapping into new technologies to spur sustainable growth. In particular poverty alleviation; the other two prongs of sustainability, environmental protection and social justice, will lack force until basic living standards are improved' (Victor, D. 2006. Foreign Affairs: 3). Reformists of the approach talk especially about a

‘sustainable society’, and also refer to social issues including tackling poverty. Many of the reformists argues that the economy should be run ‘as if people mattered’, with the implication that small and local is more sustainable than large and global, although they envisage small as being privately owned and operating in a market economy (Hopwood, 2005: 45).

The above perspectives are linked to the social pillar of sustainable development, in which capabilities and needs of the poor become central within a context of land grabbing. Thereby, the best way to address this is by taking into account primarily the needs of the poorest (Jones & Carswell, 2007: 189). Developing such an approach means that one must understand on the one hand, the complexity of land grabbing, and on the other hand, to integrate that understanding into a suitable frame that makes those vulnerable have access, social justice and inclusion, as well as empowerment and sustainable use of land (and livelihoods). The sustainable development approach here, must aim for an analytical structure within the complexity of the increasing challenges on the access to livelihoods, lands and property rights, by identifying critical impacts for those living in those territories. The influences, trends and actors are relevant for the analytical approach. Therefore it is necessary to develop an approach within a case that places the people and land access and rights at the center of the sustainable development paradigm.

2.2.3 Social Approach of Sustainable Development

Sustainable development has a holistic understanding that integrates economy, society and environment. But as it aims to transform and restructure in a more sustainable way, the social dimensions of sustainability have not received the same treatment compared to the other two pillars (Cuthill, 2009; Vavik & Keitsch, 2010). However, the social approach becomes an imperative as conditions to fulfill the needs of rural poor are being increasingly undermined. The approach and aims enforced by stake holders in any project are keys to determine the impacts. In that sense the SSD plays a relevant role in implementing its inherent principles to compare with those contradictory dynamics to sustainable practices.

Within that debate, the needs dimension is increasingly contested, as negative environmental, political and social conditions are being undermined by impacts such as land grabbing. Therefore a more committed approach to principles of social sustainability is necessary when those issues such as land grabbing are emerging. To understand the impacts throughout the lens of sustainable development, the importance of defining SSD principles allows to explanations of the case causing those impacts.

The framework attempts to prioritize the access to livelihoods, social cohesion and inclusion, and people’s rights needs to address an understanding of the social pillar of sustainable development. This approach is linked with the principles that Murphy (2012) addresses. Firstly, it serves to identify what is generally understood as the “social” in sustainable development discourse. Secondly, it provides classifications under which the policy objectives of the social pillar may be usefully subsumed. From the case to be explained I feel more inclined to

Dempsey et al. (2011), who prefer to include all policy concerns under the two master classifications of “equity” and “sustainability of community.” Nonetheless, Murphy seems to be more accurate when he highlights four pre-eminent concepts of the social pillar that emerge from this literature: equity, awareness of sustainability, participation and social cohesion.

Although Dempsey’s approach provides excellent discussions regarding the social aspects of sustainable development, the links between social and environmental goals does not receive as much treatment as the latter does. Its concepts may function as a tool of analysis with which to examine how different states and organizations understand the social policy concepts within the broader Sustainable Development framework. In order to do so, a commitment from organizations, institutions and governments must comply with these objectives.

Emerging mechanisms such as the Earth Charter⁴ is relevant to this approach, and is ultimately related with the impacts in GVP case and its results.

The EC has three pillars: ecological integrity; Social and economic justice; and democracy, nonviolence and peace. These need to be highlighted as they overlap with the pillars of SSD.

Therefore, Murphy (2012) refers to principles such as equity when there is an unequal distributed on a global level of pollution and via ecological footprint. For instance, a combination of demand for certain goods in the North and poverty in the South forces economically developing countries to eschew strict environmental legislation for economic survival. This asymmetry effectively leads to the “export of pollution” to poorer countries, a dynamic that is manifested in different ways around the world. Further it is asserted that a commitment to equity may be assessed in terms of resolve for economic and technological transfers to southern countries rather than relying solely on carbon-trading mechanisms from North to South and the interest behind them and the inequities that might cause demands from the North. That demands could be of energy, consumption and agro-exports. This there is “unequal distribution of responsibilities, in the way that rich countries relocate to poorer nations where cheaper and dirtier production processes are tolerated” (Faber, 1993; Faber & McCarthy, 2003). Greenpeace (2002) notes that export credit agencies (ECAs) in developed countries have, in recent years, substantially increased their financing of fossil-fuel power in developing countries.

Murphy (2012), also addresses *participation* as a critical concept in the sustainable development discourse as there is growing evidence of the disempowerment, exclusion and disenfranchisement of several populations from developmental projects in the developing world. In the present case, little attention is directed to the role of small holding settlements in developing countries or their inclusion in decision making, for instance.

(4) EC principles scored the highest in the GVP regarding the right of all to a natural and human environment supportive of human dignity; 13, regarding strengthening democratic institutions; and 16, regarding promoting a culture of peace and nonviolence.

In terms of policy, participation refers to the goal of including as many social groups as possible in decision-making processes. This approach is justified on the basis that benefits accrue to both citizen and state. By joining in participatory processes, individuals and groups can enhance their social inclusion. In addition, the participation of more social groups increases the likelihood that civil society will deem government policy legitimate. By including a range of voices, increased public engagement promotes social cohesion and social sustainability (Goodland, 2002; Chan & Lee, 2008; Cuthill, 2009; Dempsey et al. 2011). Numerous observers also view participation as important for promoting environmental goals as policy objectives in international documents point out the need for governments to engage with civil society to achieve environmental sustainability (Murphy, 2012). Its results are important for environmental decision-making processes that need to incorporate mechanisms that require planning to meaningfully reflect the needs of future generations. Accordingly, policy approaches should be examined to assess the views and preferences of vulnerable groups. The underlying premise here is the importance that people get involved in decision making and to participate in such a way that the process is presented in terms of creating legitimacy. Such forms of engagement are said to allow societies to build consensus about the legitimacy of collective political choices, according to Murphy (2012).

Social cohesion can be variously defined. It has been linked to such policy objectives as promoting the well-being or minimizing social strife. However, it points out that SD documents establish few clear policy objectives related to social cohesion. Dempsey et al. (2011) further develop this principle by linking social cohesion to the concept of “sustainability of community” and outline five interrelated and measurable dimensions: social interaction/social networks in the community, participation in collective groups and networks in the community, and safety and security. These are policy objectives related to social cohesion which appears to be focused on creating opportunities that promote harmonious coexistence or, at least, combat the potential for civic and social strife.

Domestic policy influenced by global policies to tackle climate change and energy renewables may lead to state budgets aimed at welfare provision to divert it. This could result in negative consequences, thus placing greater strains on low-income groups (Murphy, 2012). Leading to a necessary implementation and promoting the SD is relevant when global regimes seek to facilitate bottom-up engagement with sustainable development, in contrast to the hegemonic approach (Baker, 2006:11). This point is important if the participation and equity principles are to be enhanced.

Finally, alternative biofuel development trajectories should support and protect not just the environment, but also be rooted in principles of social justice. Boosting inclusive small scale farming aiming for social justice is a reasonable approach to strengthen the sustainable development paradigm.

3. Methodological Framework

Having set out the theoretical framework in the last section, I will now discuss the methodological framework. These will serve as methods to apply theories and the analytical framework in order to answer the research questions.

3.1 Research Design:

The research design drawn by Alexander George (1979 cited in Marsh & Stoker, 2010), discusses a series of essential stages for the study. Firstly, having already specified the problem to be investigated, the following step is to highlight the units of analysis around dynamics to be central to that comparative study. In order to do so, an important task is to select the types of data that will be needed, and to specify how the expected findings would relate to the theory that has guided the selection of the cases. The second phase of the research process involves the actual execution of the case studies required by the design developed in the first phase. This consists in the operationalizing the chosen instrument that fits the research question.

The choice of the method is related to the nature of the question, the presented empirical cases and the expected results. Similarly, a relevant criterion to selecting an appropriate research method relies on its purpose (Aberbach & Rockman. 2002: 673, Peters. 1998). As outlined before, the study has the objective of ascertain the underlying reasons of why we find such differentiated impacts between the cases.

The comparative approach for this purpose depicts a suitable instrument of researching the relationships between two cases. It is justified if it is linked to the question and hypothesis. Therefore, as Peters further asserts, “without some comparison (across cases for instance) there is no means to sort out the causes of the differences” (Peters, G. 1998:139). In that sense, the research question and purpose as stated previously aim to find out and interpret the reasons for the contrasting impacts from the two cases in Honduras. This will further enable me to understand the transformations underway and further findings in their social-political realms in those rural spaces. I will do this, by critically engaging the theoretical framework with the evidence of the two differentiated cases in Honduras in order to gain an understanding from both processes and features.

3.2 Comparative Approach:

Comparative case studies allow scholars to investigate how system level traits affect outcomes (Manheim et al. 2008). Accordingly, Pickvance further emphasizes the two familiar types of comparative analysis, basically centered on those which seek to explain variation and those which seek to explain commonality. There are those in which the analyses focus on the explanation of

differences, and the explanation of similarities. The latter explains similar phenomena by different features (e.g. showing how a phenomenon occurs due to one set of causes in one society and another in another) (Pickvance. 2005:1). Therefore, this study employs a comparative case study approach that uses a comparative analysis to explain such differences (Ibid 2005:4).

The examination of two or more cases in order to highlight the differences is relevant in order to establish a framework for interpreting how parallel processes of change are played out in different ways within each context (Collier, 1993: 108).

The comparison of the study follows a logic that Collier asserts by “comparing entities whose attributes are in part shared and in part non-shared”. Similarities are important, however, Collier points out that one of the suggested approaches for analysis is to focus on comparable cases that ‘differ in terms of the key variables that are the focus of the analysis, thereby allowing a more adequate assessment of their influence (Collier, 1993: 106).

Two features define the comparative analysis as understood below:

1. An interest in the explanatory question of why the observed differences and (similarities) between cases exist, and
2. A reliance on the collection of data of two or more cases, ideally according to a dually explained framework (Pickvance. 2005:2).

Furthermore, as the theory and method are mutually interdependent (Keman, 1993c; Stephan, 2001), in order to provide explanations of specific phenomenon such as biofuels and their differentiated impacts, the analysis is based on the evidences and the theoretical approaches through comparison. Marsh & Stoker (2010) urges us to construct and research for cases that can be used to expand the analytic knowledge of political science and to illuminate, and even test directly, theories commonly used in the discipline. Moreover, the theoretical framework and the comparative analysis from the impacts of biofuels expansion along with the emerging land conflict in Honduras can also shed light on the political situation of that country.

The chosen method involves several reasons. In the first place, my focus on the land grabbing case in Honduras is evident, however I have found out a contrasting case, which leads me to the actual research question. So it was necessary to compare both cases and come up with the conclusions to my answer. Second, even though there is data available from the two cases in the same country, there is no comparative approach and no theoretical engagement to those emerging issues in the country. Third, the importance of using these methodologies is justified by the fact that there is a lack of research on the topic in Latin America. Therefore, the emerging dynamics and impacts around biofuels need a more comparative analysis.

Fourth, one must delve into the different dynamics linked to the approaches and actors that eventually converge to produce such contrasting impacts. Finally, to see how mechanisms and solutions being boosted by global institutions and

political-economic actors are working and the footprint they are leaving on those territories.

Comparing this study also presents important contributions to research due to the complex and differentiated set of actors and approaches influencing contrasting impacts from biofuels production. The importance of analyzing those variables in a scientific way is essential to widening the understanding on how and why the approaches and actors have an influence in and play a key role when tackling diverse emerging social-political phenomena.

3.3 Organizing Comparison

The cases will be presented with their general characteristics and dynamics stemming from the influence of actors and approaches that cause the impacts. One of the strength of comparative analysis as a research design is its ability to introduce additional explanatory variables (Pickvance. 2005:2). Therefore, the comparison will be done across the units of analysis and the dynamics produced and enforced by the approaches. There are different and intrinsic theoretical approaches and actors that enforce those dynamics and these are to have an impact on the cases for the comparison.

3.3.1 Case Selection:

The selection of cases is relevant. An important question is how do we take into account the complexity and the structure of the cases which are compared? (Flick. 2009:135). The case selection, as George and Bennett (2005) argue, should be relevant to the research objective. The objective of this part is to investigate the underlying factors which include the actors and approaches and how they interact with the units of analysis in the cases. This means that the selection was done to show two different cases in which processes and dynamics are reflected in the empirical evidence of both cases.

Honduras as a country depicts a distinctive and insightful case to understand the emerging issues around the debate of biofuels as their impacts have been quite notorious.

The palm oil industry in Honduras has expanded over the past twenty years. In Latin America, Honduras is recognized as the third palm oil producer (Fromm, 2007: 4). The implications of that expansion in the country are recently been reported in the arising conflict in BAV. This contrasts with another reality in the country which aims to produce different *Jatropha* with different and positive results.

Despite these contrasts in almost every of their features and impacts, both have similarities in some aspects. Firstly, the narrative from the stakeholders and their projects works throughout a sustainable development discourse. This aims to provide social and economic opportunities for the rural areas and by achieving environmental and sustainable goals. Secondly, the land issue is at the cross-roads in both cases. The interesting similarity is that both territories have been object of previous reforms such as the one in 1982 in a country implementing policies in

recent years for energy security and encourage the production of biofuels like palm oil and Jatropha.

3.3.2 Data Collection

A considerable amount of the data relies upon several reports, studies, videos and articles about both cases. These studies and reports highlight the role of stakeholders but specially the impacts showing those findings around the issues I want to tackle. By having these findings as empirical evidence, the task is to identify and compare the role of actors and the approaches in both cases.

The literature mainly encompasses the writings of David Harvey and Phillip McMichael, as well as others that complement the analysis in the theoretical part including the research done by experts such as Lorenzo Cotula, Olivier De Schutter and Saturnino Borrás, especially on land grabbing and the neoliberal paradigm nexus.

3.3.3 Discussion of Material Collected:

The qualitative evidence presented in the study is based on sources, the question remains on how reliable and un-biased these are, for this reason is noteworthy to discuss such issues.

The GVP case reports by Franklin Chamda Ngassa relies largely upon empirical studies that investigate the nexus between biofuels, sustainable rural development and peace, which is supported by facts gathered during an internship at the Gota Verde Project in Yoro, Honduras. In a small-scale report, Chamda comprises those results, by using EC-Assess, the Earth Charter ethics-based assessment tool, to assess the sustainability of this project.

The EC-Assessment methodology calls for qualitative interviews and surveys with Jatropha farmers and local inhabitants to assess how important each principle is to the project, thus providing an accurate view on the impacts of the GVP. Among other supplementary works are the one from Puente-Rodriguez (2009) who explores how GVP strengthen local sustainable development but from a biotechnology stand-point.

The data from the land grabbing in Honduras is taken firstly, by DanChurchAid (2011). This organization is rooted in the Danish National Evangelical Lutheran Church, but is active in many projects regardless of religion, gender, political beliefs, and race, national or ethnic origins. The focus of their report is land grabbing in Honduras, and it is based on experience from many years of development work in the country through local partners. The report documents how affected communities have lost their livelihoods because of land grabbing by national and international business corporations.

A second source was Cordaid and several organizations from the EU began working on the theme of small producers and energy crops in 2008. This work sought to promote integration of small producers into value chains. The report tries to relate the production models to certain consequences for land use and land

rights on the local experiences of smallholders in different areas. The report was produced after three rounds of critiquing and redrafting of the texts of the articles, during the writeshop, which took place from 28 November – 2 December 2011 in The Hague.

Among other relevant evidence we find videos especially from YouTube about both cases. These audiovisual evidences also provide insightful and somehow direct material being collected purposefully as supplementary sources. The information provided may be relevant to demonstrate the impacts events occurring on the territories that can provide and explain the events surrounding that issue, even if observation methods are not used.

3.3.4 Organizing Comparison: Units of analysis

A first and vital step in the process is to consider over the relationship between the cases under review and the variables employed in the analysis (Landman, 2003; Peters, 1998; Keman, 1993: 4). Therefore, in order to examine and compare systematically the selected cases within the study, the conceptual framework previously set is necessary to be operationalized in the cases. The key is ‘‘setting out common conceptual categories in advance, and specifying the way each concept (or, criterion) will be measured’’, but in this study is reflected once the information is gathered to be compared across cases.

To organize comparison I will guide it by using a model of point-by-point to enable comparison across cases. I will focus particularly on patterns that seem to characterize many or most of the cases (Walk, 1998)

As the interactions between actors and approaches with the units of analysis demonstrate the differences between the cases, a key step is to set the comparative analysis to establish in parallel the units of analysis playing a key role on the impacts. The argument I follow is to find the convergence of the approaches and actors influencing and leading to contrasting impacts.

First, the comparison themselves in our five units of analysis are evaluated across the two cases. The variables to compare are selected based on the propositions of the objectives and selected theories. These units are crucial in which impacts are given and are influenced by the outcomes, and they reflect the theoretical approach at the same time in order to operationalize the diverse dynamics reflected on both cases. The analysis attempts to see the roles of actors and the approaches they enforce from the theory showing distinct dynamics or impacts.

Land Acquisition: Reflects on how the actors have undertaken the land appropriation and land rights.

Land Access: shows the differences and levels on the access to land by the stakeholders. Is there a process of concentration or stable-land tenure?

Access to credit: reflects the way in which stakeholders provide credits in both cases to small-scale farmers or large scale agribusiness.

Social-economic enhancers: shows the social and economic conditions settle by different actors and by mechanisms and policies related to the approach. **Control and Market approach:** reflects how the actors and approaches set and employ their capacities and other mechanisms of control for the market and economy in each of the cases. Do the stakeholders participate or are excluded?

Across the units to be analyzed, the role of actors and the approaches interactions produce certain dynamics, are presented as follows:

1. **Actor's role** (positions and performances): How actors operationalize the logic they follow on biofuels production, based on a second point which is:
2. **Approaches role** in which a set of policies, mechanisms and policies surges from neoliberalism or from the social approach of sustainability.

Those units of analysis are to be compared to answer why there are contrasting outcomes. The importance lies in the analysis across diverse contexts, as qualitative researchers are less likely to exclude key variables or mistaken the interrelations among included variables. Qualitative researchers learn more about their cases and they come to increasingly appreciate the complexity of causal relationships in those cases (Mahoney, 130). Accordingly, the cases sufficiently demonstrate the dynamics and phenomenon surrounding biofuels and the factors driving differing impacts.

For instance, access to credit is a key unit of analysis for both cases. However the variation occurs as credits are distributed by market processes where the ability to pay is the criterion of access from a neoliberal logic. Differentiating comparative analysis can be seen as inclusive by definition. There are two potentially important explanatory features in access to credit: land access and how it is linked to the credit access to produce by the supports from two different approaches (Pickvance. 2005:8) thus supporting theory but not challenging.

The results will also reveal the real dimensions on which the biofuels complex works, and the global institutional framework that stands behind. There is clearly a dominance of one approach and the conflicts with other alternatives.

3.3.5 Data Analysis

The type of data needed is closely linked with the research. Having established the cases, the collected data purports to achieve those objectives. In order to accomplish it, the theory provides the concepts and approaches leading to contrasting dynamics reflected on the cases throughout the role played by relevant actors such as the state, corporations, NGO's and international agencies which all aim to enforce them. By comparing the cases and how the theory is operationalized I will test how those refine or challenge the theoretical framework.

The role of key actors such as the state and international agencies is relevant as they enforce those policies and processes explained within the theoretical framework. Throughout the cases they are seen by dynamics that follow a neoliberal logic and practices or social sustainability practices.

Comparison across categories and roles will act as determinants which will explain the differences around the issue. Since the two cases differ in their outcomes, I will then proceed to identify which factors have caused this differentiation. These differences are the models or approaches applied in the cases, the actors involved in them, the forces and drivers, the way in which land tenure and access are carried out, and finally we will have the differentiated impacts. I want to point out that the theoretical framework is linked when identifying those dynamics that build a framework for the comparative results for the research question. Moreover, they also reflect on the concepts and theories that are intertwined with the political and social situation of the country, as well as the dimensions and dynamics that are shifting and shaping the lands and rural spaces across the world.

The final stage of the analysis is to move from the case materials to the theoretical implications of the comparisons. Here I will focus on what has actually found in the cases, and to relate each case to broader theoretical issues (Flick. 2009: 153). Both cases are presented along with their theories. For such purpose, I will firstly juxtapose two models; the unequal and conflictive with the social sustainability case which may enable us to understand the process that clashes with small-scale farming in the rural world. This clash triggers social and political conflicts and instability in the developing world.

In the following chapter, I will proceed explain the differences I intend to highlight along with some final remarks of comparative analysis.

4. Honduras in context

The potential in agriculture is high in this small country of Central America; however as in many developing countries, agriculture was largely abandoned as the state institutions that were directing its development were dismantled, and the support given to farmers removed (Oxfam, 2011). Honduras was stricken by neoliberal forces that swept away the country especially from the 80's and 90'. This has had a particular effect on agriculture as the land reforms attempts have been thwarted and has turned into a more disrupting one in recent years.

The land issue in Honduras has been at the core of the political, social and economic life. During recent decades, land ownership is linked to economic investment and development by companies owning large tracts of land and having a wide political clout, which allowed the term *banana republic*⁵ to be related with Honduras. The land issue has triggered social conflict in this region, but it has extended its consequences into the political ground by provoking that President Manuel Zelaya, who promised to investigate the land rights issue, was removed in a coup in June 2009. Subsequently, in October 2010 36 small-scale farmers have been killed (Oxfam, 2011).

The problem of a land tenure structure is central, first because Honduras has 75 percent of its rural population living in poverty and 63 percent of them in extreme poverty (IFAD, 2007). The land has experienced a process of concentration in few hands at the expense of hundreds of thousands of small-scale farmers who have been dispossessed and displaced. The growing limitation to access the land and their livelihoods hampers the social sustainability goals to fulfill their needs.

In spite of following attempts to reduce the conflict by land reform has not resulted with satisfactory outcomes, in fact has been bogged down as we see the results in the case of BAV are proving to be a non-redistributive and re-concentration of land processes.

The land grabs constitute a previous process originated especially in the 90's by the state handing out lands to landowning agribusiness elite, however after the coup the issue has unfold a systematic process of land dispossession and displacement of peasants towards palm-oil production suggesting its links with neoliberal policies. In the emerging political and economic framework, biofuels are presented as a route to reducing or transforming energy-use patterns in ways that can ameliorate environmental concerns without affecting economic growth

(5) Honduras was referred to as the banana republic because foreign banana companies exploiting the land resources of Honduras had a great impact on the economic and political history of the country and its overdependence on banana exportation as the country's main economic activity.

As a 'win-win' vested discourse in the policies of the EU, US and other countries (Borras et al.2010: 576). In this sense Honduras would benefit from it by also building up a valuable export market.

The biofuel production trend has augmented in a considerable amount of countries to carry out the implementation of policies to meet reduction of carbon emissions and energy sustainability. Honduras is not an exception with 'the Honduran law on biofuels stipulates that biofuel production should be encouraged in Honduras because it has the potential to fight poverty, encourage sustainable development and reduce energy dependency on petroleum imports (Poder Legislativo of Honduras, Decree no. 144–2007, from Chamda, 2010: 292).

In such effort, the Honduras government has adopted a law that also encourages investments in the biofuel sector attractive by issuing several fiscal advantages (EU Report. 2012: 8), hence making available land in the country.

Consequently, the Honduran government launched an agrofuels initiative⁶ in early 2006 seeking to reduce its overall dependence on expensive imported oil, and to advance in rural development in country with 1.6 million rural poor (Rothkopf , IFAD Report. 2007).

The government attempts to achieve those goals relying on the existing palm oil industry and infrastructure. In parallel and worthwhile to mention, "in the country there is also 5 private small jatropha projects that in total cover 2000 hectares develop in dry tropical areas of the country under the frame of community development programs run by several international development agencies and local NGOs" (Silvestri, 2008:2), but that is officially supported regarding 'the sustainable production of biofuels is part of national and international laws and treaties, signed by Honduras, which are related to sustainable development and environmental conservation' (Chamda, 2009: 135).

Although Palm oil production and sugarcane are large scale alternatives for biofuel production in the country, they are still only marginal as energy sources. Nevertheless there are some small indications that in the near future bioenergy will be a real option (Quiñónez, Moers and Galema. Report 2012: 14.) The implications of that might be serious in many issues if we take into account the impact that has had such expansion. First of all, the shift of land use and land property relations involves the replacement of basic grains by a large scale monoculture of Oil palm plantations, thereby seriously affecting food security. Consequently, "Honduras has gone from being one of the principal producers of basic grains in Central America to producing less than half of its own requirements, requiring it to import large quantities of basic foods like rice, corn and beans" (DanChurchAid, 2011:27).

However, the potential of food production has been deviated to biofuels in a country such Honduras which has had a broad agrarian tradition. Land access and property is thus relevant to analyze different social, economic and political

(6)The plan includes: Expanding the area of production by 200,000 hectares; Generating 300,000 new jobs, 100,000 of them directly linked to the industry; Producing over 760 million liters of biodiesel; Saving US\$ 370 million in gas imports; Reducing the dependence on foreign oil; Reducing the carbon dioxide emissions in the country.

dynamics taking as precedent that agriculture has been as well a neglected sector by the State, especially in recent decades, and land is still an ‘undefined’ issue, thus conflicts over Land have been common, especially this conjuncture of land grabbing (Jarnum, K. DanChurchAid. 2011: 25).

The expansion of agrofuels in Honduras, as the case in many other developing countries, has diverted the purpose of using the land for agriculture for food production. Moreover, the emerging types of economic and fiscal incentives may end up undermining governance, creating a net of preferences for those capital’s owners at expense of those who will lose their ways of living, namely their lands and rights.

In both cases, the two cases are being object of policies and processes aiming the same purpose, although not enhancing or achieving the same impacts upon them. That is what makes me wonder about these dissimilar cases on impacts which comparison follows next.

5. Comparative cases in Honduras

There are two empirical cases in Honduras that demonstrate the differences on impacts over two biofuel crops. These crops aim to achieve almost the same goals by applying different approaches and actors.

In a first step of the comparison, the similarities are highlighted. Both cases address the importance of expanding the production of biofuels as means to achieve better sustainable practices, modernize agriculture, rural development, and employment for rural populations, to diversify the production and increase exports. In order to do so, both cases require an influx of credits and financial support, especially in a poor country such as Honduras, to further have a market entry.

Both *Jatropha* and palm oil crops are included within the same governmental plan for biofuels as earlier stated. The narrative under both projects works under the sustainable development discourse that aims to provide social and economic opportunities for the rural areas and by achieving environmental and sustainable goals.

The land issue is at the cross-roads in each case, especially as those territories were object of previous reforms (1992) allowing peasants to produce, but the recent development of biofuels and interaction of powerful actors and approaches have threatened their way of life.

Here is a first brief introduction of each of the cases. The comparison proceeds to show the role of the state and the approach enforcement across the five units of Analysis.

• **Case of Land Grabs in Bajo Aguán Valley (BAV):**

The first attempts of land grabs in Honduras started with the Agriculture Modernization Act in 1992 in Bajo Aguán Valley (see map Annex), which is one of the most fertile regions in Honduras. Much of the valley's land was given to 54 cooperatives of smallholder farmers from other parts of the country, however the process had a turnaround as Land grabbing unfolds when "corrupt cooperative leaders in coalition with bad intentioned businesses circumvented the legislation through a combination of deceit, blackmail and violence, selling much cooperative land into the hands of powerful landlords" (Oxfam report 2001: 19-20). The lack of rights and access for peasants to land gives way to the landowners and companies such as Dinant Corporation to produce palm oil for its processing plants.

The expansion of the oil palm crops and the consequent land grabs all over the valley has grown in parallel with escalating killings, threats and human rights violations to the peasants after the coup against Manuel Zelaya government.

The projects for Palm Oil production are also being financed by international banks and development agencies, thereby showing the lack of responsibility upon their role, which leads us to ask how are the international institutions increasingly partaking in the emerging framework that is leading to an increasing concentration and dispossession under a market and neoliberal basis, and through a development discourse to materialize renewable energy policies. Consequently, land and agriculture policies for the Government become a source that provides stimulus for the economic revitalization of agriculturally unproductive rural areas both in developing and developed countries (Johnson, F. 2011).

• **The Case of Sustainable Jatropha in Honduras- Gota Verde Project (GVP):**

While the impacts of biofuels production in developing countries are proven to be conflictive and violent as we see the case in Bajo Aguán, we find a contrasting picture with the impacts produced Jatropha small-scale project taking place in the neighboring Yoro region, by yielding results that lead to the purpose of creating sustainable development and social peace.

Categorization of Biofuels such as Jatropha or Palm Oil, may lead us to assert that each one follows a model with different impacts, this is a generalization that can be arguable. However, it should be highlighted that “Jatropha curcas stands out within the academic, civil society, and policy circles as an interesting crop for strengthening the agrarian systems of resource-poor farmers, and has primarily come to public attention because the high oil content of its seeds” (Puente-Rodríguez. 2009: 1-14).

The first characteristic found within this case is related to the actors involved. In this case, international donors play the main role in developing the Gota Verde Project (GVP), which is framed in an approach with multi-stakeholders by growing, transforming and using Jatropha and aiming at benefiting peasants in the Department of Yoro, Honduras. The project consists then in a consortium of organizations from Europe and Honduras (see Annex figure 2) which developed and tested an integrated regional economic development approach based on the promotion of small-scale production and local use of biofuels projects in marginal rural areas in Honduras, designed to both assist in the sustainable development of poor rural communities and to reduce greenhouse gas emissions by providing renewable fuels.

The most important to highlight from the approach of SSD and the case is that shows impacts which responded to the principles and dynamics of participation, equity, social cohesion.

5. 1. Land acquisition

A) Actors Role:

The Land Issue started to take a bigger shape since 1998, when a group of landless peasant cooperatives from Bajo Aguán began to investigate the sales of the former reform lands. They discovered several irregularities and illegalities, and in 2001 the Unified Peasant Movement of Aguán (MUCA) and the Peasant

Movement of Aguán (MCA), altogether consisting of 73 peasant groups, was formed. They began to fight for it in the courts to reclaim the lands, proving the illegal land titles from the owners. Since 2004, MUCA has been demanding the nullification of the land sales, as well as legal clarification regarding the situation of the lands and the rights of the peasants. This has been a “protracted and difficult process of broken agreements and hunger strikes, which have recently turned those territories into violence, killings and occupations of land” (DanChurchAid, 2011: 31).

In the project description, the IFC asserts that: “land acquisition (for oil palm plantation development) is on a willing buyer-seller basis, and there is no involuntary displacement of any people”, thus implying a land grabbing process without any accountability basis.

The peasant movement in BAV is justified by a process of re-concentration of Land that has been underway by of the richest men in Honduras, Miguel Facussé owning approximately 17,000 hectares of land in the area throughout the “Dinant Corporation”, which receives international monetary support from international institutions such as the World Bank and the Inter-American Investment Corporation (IAFC) for the development of plantations and has recently been approved by the CDM in relation to a biogas facility connected to his palm oil plants in Bajo Aguán (DanChurchAid, 2011: 31). There is then a responsibility from those ‘development Banks’ to spur land acquisition for investments, besides the particular case of this Corporation exemplifies the issues concerning international role to businesses involved in human rights violations as well as conflicts related to land rights and food security (Ibid: 26).

The major actor in this case is the Dinant Corporation, which is currently producing more than 300,000 metric tons of African palm oil a year, of which almost 70 percent is exported (DanChurchAid, 2011: 27). Meanwhile, the State has played a role not enforcing customary rights of peasants and maintain the ambiguous framework, that leads to arising conflicts of interest and political manipulation are rife in land policy-making, further weaken and make even more complex processes for social inclusion of those neglected communities.

Whereas, in the GVP I would add that power relations maintain an equal base, where all stakeholders such as the small-scale land holders participate and have property rights over land. Their land acquisition titling dates from 1982, and it is based on traditional and customary use.

The GVP project tested an integrated regional economic development approach based on the promotion of small-scale production and local use of biofuels projects in marginal rural areas in Honduras.

b) Approach role:

As stated earlier in the theory, ‘the corporate and governmental drivers of biofuel production increasingly base their characterizations of land, such as ‘marginal lands’ or ‘idle lands’ as narrative that ultimately justify the appropriation of land for investments.

The process of neoliberalization and accumulation is increasingly underway in Honduras, framed within legal structure having a favorable stance to the corporate-State interests. To illustrate, on 30 August, the Honduran Supreme Court decided to revoke the Zelaya government decree, “18-2008” (DanChurchAid), which established that peasants who had worked a piece of land for more than 10 years were entitled to receive titles for the land.

The resistance and occupation has followed as the one in April 19th 2012 (see Video # 2) whilst the reform and legal titling delays for the peasantry amidst the escalation of land conflict on this region. The process of land acquisition from agribusiness has turned more disrupting after the coup, and that is evidenced when “in 2007 for example, 110 peasants in the Yoro area were evicted were they used to practiced subsistent agriculture, despite the fact those lands were granted to them by the government in 1982. The eviction was carried out by a paramilitary group claiming the land for rich landowners” (Silvestri, 2008: 35)

Furthermore, the resistance and occupation by the peasants and the rural poor is prove of what Harvey regards ‘the seemingly infinite variety of struggles over what is being dispossessed, by whom and what to do about it adds an unpredictable allure to the dynamics of capital accumulation in space and time’ (Harvey, 2006: 111).

On the opposite reality, in the GVP the managed approach is focused on multi-stakeholders by growing, transforming and using *Jatropha* and aiming at benefiting peasants in the Department of Yoro, Honduras. The project consists then in a consortium of organizations from Europe and Honduras.

5. 2 Land Access

A) Role of actors:

The structure and policies of international agencies and financial institutions which sets priority over access to land to large-scale production, facilitates this transition by accommodating policies of host governments, public-private biofuel complexes, and State governance mandates regarding land titling -- legitimating new initiatives for the development industry (Da Costa and McMichael 2005 Ibid: 3). This controversy over biofuel claims follows the subsequent attempts by the World Bank and IFPRI to elaborate ‘Principles for Responsible Agricultural Investment’ (RAI) were met with current UN HR Rapporteur Olivier de Schutter’s charging of ‘responsibly destroying the world’s peasantry’ (McMichael, April 2011: 4).

The impacts are leading to an ever-growing land concentration, also done by manipulation by outside actors and those with old interests and possession of land with no consultation or participatory process. The extent in which they are affected lies on the access to land and livelihoods to produce their food and generate some income. However the land access is further problematized as the evictions and displacement leads to an increasing hardship to access land for peasants. There are also videos which demonstrate such facts (Videos 6, 12) and clearly shows the process of dispossession hence of land grabbing.

On the other hand, “the GVP has involved 388 small and medium-sized farms farmed by their owners (on average 1-3.5 ha per family), farmers with low investment capacity and low socioeconomic standing and today 185 farmers are shareholders of this company” (Quiñónez, Moers and Galema. 2012: 15). Furthermore, the landless, daily workers and jobless shall have an opportunity to benefit from the project by participating in farm activities related to the feedstock production (Chamda, 148. 2009), showing the diverse and inclusive nature of the project.

Ultimately, the project improves the use and access on those who use natural resources and Land should benefit the rural poor communities through an equal redistribution of resources maximizing the use of external assistance; communities can achieve sustainable development practices.

B) Approach Role:

The BAV case under the category of land access, internalize the quintessential problematic of accumulation by dispossession. According to the impacts, the escalating struggle in Honduras for restoration of rights to land is foundational for understanding arising conflicts which are connected with broader geopolitical struggles over the dynamics of capital accumulation which are also embedded in the conjunctural global crisis of energy and food (Borras et al. 2011). Therefore explaining it depicts a way of addressing the problems that have arisen out of the dispossession of access to land. Those are questions necessary for understanding the nature of the problem.

The impacts in this case we observe a re-concentration type, where ‘access to and control over land is further concentrated in the hands of dominant social classes and groups: landed classes, agribusiness (Borras, Franco; 2012: 52)

That becomes problematic as conflicts shows the acute social dislocations that will make those societies more vulnerable, by reducing its capabilities and access to livelihoods and losing the power to produce their food and other livelihoods. Furthermore, land in the South is increasingly accessible through new forms of what is called ‘environmental diplomacy’ (McMichael, 2011: 3) which includes the protocols such as CDM and World Bank governance interventions, thus climate and food crises spurring biofuel and ‘agriculture for development’ solutions implicating Southern land and their financialization.

Notwithstanding, of having similar rights over land peasants should be entitled in BAV from 1982, the case of GVP depicts one in which land use management in biofuel production can be used as a means of achieving sustainable development, which is also prerequisite for a lasting peace (Chamda. 2009: 132). Thus, participation of the peasants as a relevant dynamic is enhanced in the project: Consultative meetings, involving all stakeholders, are held on a regular basis. Such meetings present an opportunity for farmers to explain the behavior of *Jatropha* on their farms, since *Jatropha* has never been cultivated in Yoro region as an economic crop (Chamda. 2009: 143).

The study further concludes that poor rural communities can produce biofuels on marginal lands using feedstock which can grow in harsh conditions like *Jatropha*.

In situations where land is scarce, communities can produce biofuel feedstock crops which cannot be eaten alongside food crops (Chamda, 2009: 24). This action other than opening access to land for areas that State have dubbed as 'idle' or 'marginal', also solves out the question about the conflict between the biofuel crop and soil quality.

Additionally, Indigenous Rights were equally not part of the original plan of the project, however, the project successfully found a means of integrating indigenous groups found within the project area (Chamda. 2009: 155). Inclusion of poor peasants is sustainability as well to comply with the needs of the territory and the rural poor; the emphasis on providing tools and opportunities for those marginalized people to help themselves in cultivating jatropha is enhancing their social and economic conditions in the long run.

5.3 Access to credit:

A) Actors Role:

The Financial support to major stakeholder in biofuels production in BAV, the Corporation relies on international capital and credit from financial institutions such as the IADB and throughout carbon trade mechanisms from European countries (Oxfam, 2011).

In major role as well, the World Bank approved a loan of US\$ 32.8 million in June 2011 to Honduras for the funding of a program to modernize the country's land registry system and to distribute land titles. The goal is to legalize approximately 50,000 property titles. President Lobo has also promised to issue more than 200,000 additional titles by the end of his government (DanChurchAid. 2011:33). However, the programme benefits the marginalized urban families and not resolving rural land conflicts such as Bajo Aguán.

The biofuels program was previously granted by IADB to Honduras 350.000 USD, which was intended to facilitate the implementation of the national strategy targeting the production and promotion of biofuels (IADB 2007 cited in Silvestri).

In the same path, several international development and financial agencies are engaged with that political framework. Amongst them, the Inter-American Development Bank (IADB) also enforces such policies by supporting biofuel projects through their Sustainable Energy and Climate Change (SECCI) Initiative by granting US\$ 7 million loan in respect of biogas production from palm oil residues. Another recent example of a significant international loan is a project approved in 2009 by the International Financial Corporation (IFC), an entity of the World Bank Group, that also co-finances the project, providing US\$ 30 million of the sum total of US\$ 75 million to the Dinant Corporation, owned by Miguel Facussé and working out of Bajo Aguán (Ibid: 34).

Land grabbing is implicitly or indirectly financed by international financial institutions such as the World Bank, were the drivers from its credit policies and rules have led many countries such as Honduras to neglect the land reforms to improve the living conditions of the rural poor.

Nevertheless, Social sustainable development goals are enhanced only insofar there is not only a financial support but a reliable and protected access to land and

other livelihoods from the State and also by international development institutions. Instead, the BAV case shows the state capacity aiming to provide the platform for the development of agriculture throughout neoliberalization, mobilizing all the financial resources and assistance from international developmental agencies and banks to big agribusiness projects.

Contrarily and in a simpler fashion, “Jatropha provides a stable financial basis to make small farmers independent from un-supportive financial institution or exploiting loan sharks, although initially external support remains necessary...still, the model gives loan access to farmers that normally are not considered by financial institutions.” (Moers, P. Article Oct 2008). Even though the project was previously designed to work with medium and economically viable farmer, the marked interest of small farmers influenced the introduction of loan schemes adapted to small farmers (Quarterly Newsletter Gota Verde, 2007). The lack of support and the absence of institutional role from the States and other international actors are clearly observed as poor rural communities and peasants activities find financial constraints, which is demonstrated by the fact that “Honduras only cultivates 30% of the 2.8 million hectares apt for agriculture. When one asks a small farmer why he does not plant all of his/her lands, the main problem mentioned is generally the lack of access to credit” (Moers, P. Article Oct 2008). Such situation leads to the question about who actually does international and national financial institutions support or stand for. We may elucidate this through the neoliberal imperatives, which in this case focuses on the large-scale industrial export-oriented approach intended to expand and develop the agriculture sector. Thereby, the distinctive differences with other approaches like the neoliberal hegemonic one, lies on three evidenced characteristics in this assertion: “the products from the project cannot be found in the irrigation pumps, tractors, agro-industrial equipment and vehicles used locally in Yoro, Honduras; their feedstock does not come from huge monoculture plantations, but from hundreds of small plantations and living fences, managed by small and medium-sized farmers and their families; The owners of the processing enterprise are not anonymous overseas shareholders, but the very local farmers that cultivate their lands” (EU Report: 4).

The Gota Verde Project thus could be an opportunity to demonstrate the confluence between foreign technical and financial assistance and local participation in sustainable management of land resources for the production of biofuels (Chamda, 2010: 295). However, that also requires public investment in technology, infrastructure, and market development to raise smallholder productivity, especially with limited nonagricultural employment, grave equity effects could result in social tensions (De Schutter, 2011: 232).

B) Approach Role:

The IFC and other international institutions granting credits in such cases are problematic, as they are overlooking the human rights and other social impacts, and undermining democratic process makes it flaw the emerging framework (DanChurchAid:34) The key problem here is that financial institutions

‘assessing’ the investments by ignoring the impacts not just upon the food security and human rights, but the inequalities and property rights on those territories, therefore those are increasingly involved on trading CO₂ in conflicted land throughout the trade and investments through the Clean Development Mechanism (CDM) (Keressen, 2011)

Compared to the above, there is first of all structural power asymmetries that ultimately undermine smallholder participation (German. 2011) by reducing public spending on and interventions in agriculture, and diminishing subsidies and credits.

In spite the limited number of wider financial support and governments applying responsible investment instruments and sustainable production practices, an interwoven strategy enforced in the GVP by including financial aid, equity, and rights recognition further creates a sustainable base not only in economic terms but in social aspects through an inclusive and participatory approach. Proof of that, is that Gota Verde Project can provide the local communities in and around Yoro with an economic stability that could help in improving their living standards and the surrounding environment. Creating a locally based economy from the exploitation of an energy crop, grown by local farmers, can significantly impact the lives of poor rural farmers in a positive way (Chamda. 2009: 102). Furthermore, farmers that participate in the Gota Verde project cover all socio-economic pyramids: from large, well-off cattle farmers to small subsistence farmers that still live largely outside the money economy (EU Report: 33) thus pointing out the participation and inclusion principles is key variables for access to credit.

5.4 Social-Economic enhancers:

A) Actors Role:

The role of the government has been key in expanding the Land for biofuels. The peasants find themselves now working as laborers for the large landholders – but since palm cultivation is not labour intensive; the expansion of palm plantations in the Bajo Aguán generates high levels of unemployment. In addition to their works as laborers, the peasants often work as subcontractors under temporary conditions and the pay is so low that most workers cannot feed their families without bringing themselves into debt (DanChurchAid, 2011: 31) the real targets have not been met.

But in a gloomier picture of the situation, the Government has not complied the agreement and its renewal between the corporate land-owner Miguel Facussé, seven MUCA settlements and the government, determining that the company Exportadora del Atlántico of the Dinant Corporation would sell 4,085 hectares for distribution to the MUCA settlements. Such standoff has paved the way to continuous unfolding violence when ‘there are continued reports of general threats and intimidation by private guards and police’ (Ibid.32). Furthermore, the conflict has reached its peak on 14-15 August 2011, when 11 people (Video # 1 Newslook) were killed in Bajo Aguán and several more were wounded, thus

following an increase in the militarization by the government and the suspension from the Dinant Corporation of the 16 June 2011 agreement to sell 4,085 hectares of land for distribution to MUCA. On 21 August 2011, the vice president of MUCA and his wife were killed (Ibid: 33).

Several events following those killings have meant reversal of the peasant struggle and the increased resort of violence from the State against those affected peasants and rural communities.

On the other hand, the GVP has created the path to BYSA as company will be in charge of the production that started with GVP (Chamda. 2009:157), aiming also at promote a culture of tolerance, nonviolence, and peace (Ibid:159).

Two main aspects I would like to underline from the report and the project's impacts. Firstly, there is the creation of local social structures aimed at developing sustainable production and utilization systems of *Jatropha* and its related products. These local structures are formed by the aggregation of peasants, researchers, and NGO practitioners, workers of the BYSA, and local business that collectively generate local development. Given that the production of biofuel within Gota Verde is intended to be for local consumption, and that the exchange of *Jatropha* oil will take place in a complementary currency space with a value only within the territory, it is anticipated that the resulting economic, social and energy gains will remain within the locality" (Chamda: 158). Therefore, an economic feasibility of the project reflects a significant support to the social conditions of the farmers.

B) Approach Roles

The militarization and the increasing neoliberalization from the state, interwoven with the interests of the company have triggered the repression and violence against approximately 3,500 peasant families after that agreement, the results: between 2010 and 2011, 32 peasants were killed in connection with the continued agrarian conflict, at least 11 forced evictions of peasant communities in Bajo Aguán have been reported and there was no warning or consultation prior to the evictions (FIAN Report, 2011). The social implications come to have a high cost as the human rights are escalating.

Nevertheless, in previous stages of partnership between the communities and the State, MUCA and the government of Manuel Zelaya managed to negotiate an agreement in June 2009 to investigate the irregularities claimed by the peasants, unfortunately 11 days after, a coup d'état caused instability in the country and the agreement was never implemented. Consequently, the violence was somehow triggered and worsened the political situation. Ever since, not just the violence escalated, as resistance increased when 500 peasant families occupied the land in December 2009, giving way to the violence and repression exerted by government and private security forces carried out evictions, armed attacks, illegal arrests, captures and assassinations. As a result "during and after the coup d'état, these violations became systematic and generalized. These became part of official policy, implicating practically all main public institutions in the country" (FIAN report. July 2011:8).

An unequal process sweeps and the rights diminished, the land grabs has then stirred resistance from peasant movements. The coup of 2009 has marked a key role on the land conflicts in Honduras, (Video 4 & 5) especially in the aftermath there has been an escalation in the existing land conflicts, as well as in human rights violations related to the confrontation between peasant movements and landowners. The peasants' movements are confronted with abuse from the public security forces as well as from private security companies working for large landowners (video). More than 40 people, most of them workers, have been killed in Bajo Aguán Valley since the beginning of 2010 (DanChurchAid, 2011:30). Bajo Aguán Valley are linked to conflicts over land, where peasant movements occupying lands are being violently evicted by plantation owners (Ibid. 31) to support that fact (YouTube Videos further illustrate)

CDM projects are required to be socially as well as environmentally sustainable, no specific criteria defining social and environmental sustainability have been set out by the European Union, for instance. That is based on a demand by the developing nations in the climate negotiations that their own governments should be in charge of assessing this.

The EU is the biggest buyer of CDM carbon credits worldwide, but CDM board has no mandate concerning human rights, there is a serious risk of CDM development funds indirectly supporting violations such as those happening in Bajo Aguán (Ibid. 35).

Whereas, the positive results of the project has turned into Biofuels Yoro SA (see video # 12) , which has emerged to increase the flow of capital within the local communities of Yoro, with capital generated from biofuel production and other subsistence agricultural activities, aim at the establishment of almost 600 ha of oil yielding crops, of which 373 ha permanent *Jatropha* plantations in Yoro region. Thereby the reduced area for production demonstrates that the project advances an approach that ‘uses small-scale biofuel production for local consumption as a strategy to create employment, stabilize income sources for small farmers, reduce their dependence on loan sharks, avoid soil erosion, protect water sources and increase food production’ (Moers, P. Article Oct 2008). Hence, showing the expected social and political dynamics, which are associated with this approach by promoting of small-scale biofuel renewable energy initiatives in rural areas to further practices of social sustainable development.

Finding sustainable and locally producible alternatives to oil is critical to the goals of social peace and sustainability, but *Jatropha* may be an exception as has been recognized as one of the most advantageous tools for sustainability and energy independence in the tropics. *Jatropha* cultivation is a means of sustainable community development that simultaneously deals with global problems (article Bowen and Phillips 09) Furthermore, *Jatropha* grown in large quantities does not affect the —Three Ps of sustainability (People, Planet, Profit), because *Jatropha* can grow on marginal lands under very harsh conditions of drought (Chamda. 2009: 101).

The small scale production of biofuels on small farm sizes could be sustainable for a community which takes into account the principles of the earth charter

(Chamda. 2009: 162), as well as capable of enhancing sustainable rural development and poverty eradication in the poor rural communities of Yoro, if it has been leveraged by the Honduran law on biofuels which stipulates that biofuel production should be encouraged in Honduras because it has the potential to fight against poverty, encourage sustainable development, and reduce energy dependency on petroleum imports (Poder Legislativo de Honduras, Decreto no. 144-2007), however, if analyzing the differences of both cases, it has proved to be failure on the Bajo Aguán case.

Secondly, there is a complementary production system of *Jatropha* and food crops. To avoid the substitution of food crops by fuel crops, Gota Verde does not support peasants wishing to devote their land entirely to the cultivation of *Jatropha*. The strategy of Gota Verde is to promote *Jatropha* and in intercropping plantations with maize and beans, thus ruling out monoculture production. The importance of such measure is taken as *Jatropha* plant does not produce a significant amount of fruits during the first two years, therefore it has demonstrated that food availability has never been at risk; on the contrary, the production of staple foods has actually increased during the project'' (Quiñónez, Moers and Galema. 2012: 16) the improving social and economic conditions of the rural poor.

5.5 Control and Market Access:

A) Actor's Role:

The main role of State is to ease the path to companies and private capital by reducing economic or institutional barriers to market entry, the increasing control over markets by large agri-businesses has led to significant market restructuring, which has in turn favored the interests of medium- and large-scale producers, as larger are more able to compete in international markets than smallholders (German. Paper 75: 2011) therefore priority is set for them among the international financial and developmental institutions in which production is hooked-up with market to boost the economic opportunities for these agribusiness interests.

Whereas, the multi-stake (See fig. 1 Annex) holder approach started by The Dutch NGO Social Trade Organization (STRO) depicts a relevant role in order to explore the possibilities and the feasibility of biofuel production in Honduras aimed to develop sustainable development strategies that contribute the creation of independent, diversified and stable local economies. However, the role of the state has been absent in the *Jatropha* Project, in fact it has been developed under reduced governmental expenditures in the rural sector have resulted in a drastic reduction in services for poor farmers (IFAD. 2009), therefore the Honduran government has failed to provide a social and economic platform for the poor rural communities in the countryside.

How it is functionalized the project: "Gota Verde's approach is territorial in that it supports the development of sustainable structures based on primarily

(though not exclusively) locally-available human and natural resources for the purposes of strengthening peasant agrarian systems.

B) Approaches role:

The expansion of biofuels in developing is showing its most conflictive and violent side in Bajo Aguán Valley in Northern Honduras, as we see the escalation of land grabs, resulting in the clashes of poor peasants and small land holders with the private-corporate power that ‘carries the promise’ of future economic ventures producing biofuels from African palm oil through the Clean Development Mechanism (DanChurchAid, 2011: 26).

The limited ability of smallholders to benefit from opportunities of emerging markets are issues that are causally linked in the biofuel feedstock sector (German, 2011). For instance, drivers of oil palm crops boom invest one is the prospect of development funds and a growing export market due to the rising interest in so called biofuels of gaining approval to sell carbon credits via the Clean Development Mechanism (CDM) (DanChurchAid. 2011: 33).

From this angle, biofuels can be analyzed as a resource capable of sustaining conflict and resort violence for access to such strategic source. However, as Biofuels expands it has leveraged with it a process in which Land is increasingly used for commodity crops required for the domestic and global markets, and has entailed the enclosure, dispossession and displacement in Bajo Aguán Valley in Honduras.

In order to control the resistance and occupation movements against the growing evictions and displacement, the increasing militarization is evident (video 9. Militarization in Bajo Aguán) after the coup has gone hand in hand with false promises of a new agreement in April of 2010 to transform 11,000 hectares of land in the Bajo Aguán into the peasant communities; upon which “the government agreed to buy the land from the large landholders and re-sell it to the peasants. However the large landholders responded to this by demanding excessively inflated prices due to claimed improvements made to the land, thus protracting the process” (Jurnam, K. 2011: 32). The militarization and deployment of State forces is another of the policies that state enforces to carry out the so-called rural development against those who actually boost the agriculture sector and those who lives in the rural areas.

On the other hand, the overlooked social and political impacts from biofuel production should be mainly safeguarded if there is a long term commitment which creates a fully sustainable biofuel chain; substantial investment funds farmers to establish plantations an; availability of land, and improvement of food security for the poor rural areas. Therefore, enhancing positive effects for smallholders where they are sufficiently organized to strengthen their market position by creating economies of scale, in order to overcome market failures, by developing a local trade network and local-currency-based on the production of biofuels; Transfer know-how on the improvement of biofuel production; Establish a legal enterprise run by local partners, to coordinate the production chain in the long run; (Moers, 2008).

Highly ranked results are found in the principles of democracy, nonviolence, and peace. First of all at the level of the projects' executive boards, there is enough transparency and participation in decision making. The project equally organizes consultative meetings in which all project stakeholders come together to discuss on issues concerning the progress of the project (Chamda. 2009:157)."

5.6 Final Comparative Remarks

The comparative analysis has given an account and the reasons of biofuels impacts by highlighting the main characteristics from both cases in order to identify the causes that make both so differentiated. First of all, the way in which the approaches and the actors involved interact across the units of analysis produce differentiated impacts.

The jatropha projects based on integrated food and fuel production on smallholder farms contrasts dramatically with a largely unregulated agribusiness oil palm based on a more large-scale commercial production. Those differences caused by processes of neoliberalization with increasing trends of concentration and marketization of land and biofuels crops are creating an overbearing complex that threatens access to land and livelihoods for the rural poor and peasants; and also to the small-scale farming model.

The impacts shown by the biggest case demonstrate that a majority of landless peasants and small holders that are losing their lands and rights, making biofuels complex a serious case of negative social and human impacts. Therefore the Honduras case is that one in which the politics of biofuels does not take into consideration the emerging social and political disruptions on those territories, and causing a detriment in effective governance accountability and legitimacy, thus contradictory process to the democratic system. The weak capacity of the State to cope with the sway of corporate actors to expand, otherwise, as we see in Honduras, the State partakes with the private interests achieve development in the erstwhile neglected countryside.

The comparison shows most striking results in the case of Palm Oil, as the emerging biofuel complex and its increasing linkages with governments, international institutions and agencies are reinforcing processes and political and legal structures that increase pressure and control over strategic resources such as land from subsistence farmers, indigenous people and rural communities with insecure land rights. Therefore, the enforcement of neoliberal and developmental policies tend to produce dynamics that have impacted rural communities in very disruptive ways such as in Bajo Aguán

The role of international institutions such as World Bank on the impacts in BAV, are unlikely to realize the positive potential of biofuels especially to enhance social sustainability. Thereby, global governance institutions are having problems of accountability, whereby development experiences a substantial legitimacy crisis, as social exclusion and displacement and ecological decline now stalk the

landscape (Harvey, 2003: 11). Likewise mechanisms such CDM demonstrates the lack responsibility on the social and political impacts, demonstrating the intricate linkages between state, investors and global development agencies under neoliberalism deepen contradictions, as they create ultimately an entangled structure that wreaks havoc on life of many rural and peasant communities, therefore it undermining the social, economic and political structures.

Along with the above, 'the role of governments in consumer countries is also critical as neglect the emerging social and political impacts conveyed by the land grabs and human rights, thus there is a deficiency in the regulation of CDM for instance, and the weak coverage of social sustainability concerns in the European Union's Renewable Energy Directive (German and Schoneveld, 2011).

The comparison between both cases suggests that, even though there is a small-scale and social inclusive model that ultimately benefits the rural poor and peasants within a social focus of Sustainable Development, there is ongoing process in which converge powerful economic and political actors acquire a growing clout to take over lands.

As biofuels are yet to be proven a sustainable source of renewable energy, it is important to take in consideration social and political impacts related to access of resources such as land, and the participation, inclusion of the poor for a social peace and stability on those territories that contrast with other cases within the country the social-political aspects in the impacts are to be relevant as well as proved with this case in GVP.

The emergent global biofuel complex, as proven by case in BAV, is increasingly linked to dispossession, displacement and inequality which eventually will end up in political conflicts and undermining democratic processes and social peace as rural livelihoods and access to land are reduced ,and as disenfranchisement among poor rural communities and peasant increase.

The synthesis of findings from the case study sites suggests that smallholder-oriented models, especially in well-established crop sectors, are likely to produce greater benefits in territories, that is one of the reasons grounded the contrasts on the one hand. But as in the case in BAV, the smallholders and peasants face the threat not only of being excluded from new opportunities in the global policies and markets, but displaced from the land under the neoliberal logic.

6. Conclusion

This paper has given an account on the reasons behind the different impacts between two contrasting cases in Honduras around biofuels. The complex and differentiated sets of actors and approaches influenced differentiated results from biofuels production, which are constructed by different economic and political structures.

The study set out to determine the underlying reasons of the influence exerted by powerful actors such as the state, the corporation and the international financial agencies as part of such structures, which widen the gap of power relations in several aspects, such as in land acquisition, land rights, access to credit, the social and market conditions.

The analysis has found a set of actors driven by the logic of their own approaches that influence the impacts on those two cases. These are mainly driven by a developmental project and neoliberal policies being enforced by powerful actors. For instance, the state incentivizing agro-industrial expansion by resort the state's forces to achieve their projects, and the role of the international banks in providing credits for biofuels, are key elements to produce such differentiate impacts. The interactions between actors involved can determine the performance of the oil palm agrifood chain.

The paper found the existence of a confluence of powerful actors and interests targeting lands. The adverse effects on poor rural communities demonstrate the dimensions of a hegemonic approach in which financial and developmental and governmental institutions playing a role on this issue which ultimately contradicts their real purpose and democratic nature. This in turn increases pressures over land and the escalating conflicts that stem from dispossession, accumulation and marketization. These are seen as contradictions from policies and mechanisms that global governance institutions, which have ended up in social and political conflicts. Furthermore, the actors and drivers of biofuels expansion such as the model of large scale agribusiness are more powerful, thus creating a dominant model by using its structure of power to take over small scale lands. That platform leads to growing asymmetries in power relations and undermines the rural poor and peasants' rights.

The above is clearly seen on the land issue. The theory and evidences shows that land in the BAV has become the new frontier for neoliberalism and the biofuels expansion. The public and corporate partnerships allow a legal and institutional structures to further such project, thus materializing the intricate linkage to enforce the global 'solutions' by justifying laws, institutional strategies and mechanisms (Andersen, 2012). In fact, Honduras is moving towards that process

of consolidating a neoliberal state that benefits the industrial large-scale production of biofuels, as the evidence shown in the BAV case strongly suggests. If such neoliberal consolidation continues in Honduras, small farm size, the sustainable rural development and the promotion of social peace, are doomed to fail. Therefore the expansion of palm oil is at least increasingly contested issue as in this case leads to undesirable violent social and political impacts for local people.

The dimensions shown by the BAV case, also suggests that the agricultural development policy enforced by the state and international institutions, has been benefiting the large-scale commercial ventures, undervaluing the potential of smallholder production and excluding smallholders as partners. This is a dominant approach among decision-makers which fail to recognize the peasants rights (Anseeuw et al. 2012: 48).

The conditions in which decision-making over land and investment are taking place, are important factors in shaping the outcomes of the land issue. The role of democratic governance with their deficits of transparency and accountability contribute to the elite to capture resources in the case of BAV. The palm-oil expansion sweeps away those areas because is basically based on government efforts to promote growth in the sector through strategic policies and incentives from global actors. Thereby, the development project and the enforcement of neoliberal policies leads the state and corporations to implement mechanisms and actions that end up in the appropriation of spaces aiming the capital accumulation by dispossessing poor rural communities. Otherwise, if those projects would relied on the real logic of sustainability practices, they would instead create dynamics of inclusion and access to the resources as in GVP case.

The economic governance thus fails to the rural poor as the international trade, the state and investment regime provides robust legal protection to international investors, while fewer and less effective international arrangements have been established to protect the rights of the rural poor or to ensure that greater trade and investment translate into inclusive, sustainable development and poverty reduction (Ibid: 48)

The study set a precedent to advance the research on this topic. For example, there is a need for research related to the impacts of land grabbing and the sustainability debate within the emerging food and biofuel regime complex as McMichael (2010) explores.

The above underscores the social and political unrest in Honduras, which lies on the land issue, the capacity-building of the State to cope with challenging problems, and external factors linked with finance and investments in which domestic private-public partnerships overlap despite of the fact that Honduras has disposable land resources to invest in sustainable biofuel production projects for the well-being of poverty-stricken rural areas.

However, the adverse effects on land rights of rural communities make us recognize that global policies and responses do not match local ones. One of the

cases shows the loss of land rights and access, which increasingly undermines the local social-economic conditions. Insofar as a global problem arises, the global institutional framework will play a major role in tackling those pressing issues under the same unsustainable logic.

The study further stresses that both cases in Honduras portraits an example of how difficult it is to reverse the inequalities concerning access to land in developing countries once the productive land has been concentrated in a few large and powerful estates, whether they be national or transnational. The lack of regulations regarding the acquisition and distribution of land has allowed Honduras to be transformed into a “banana-republic”, where large corporations have control over production. This also leads to a problem in which the productive and emerging industry do not absorbs the peasants in creating proper employment opportunities. Although the responsibility to ensure sustainable development lies primarily with the local governments, the dynamics of the global economy continue to promote a global land and resource concentration – biofuel production being one of many good examples of this (Oxfam, 2011: 40).

The comparison of contrasting cases, impacts and approaches shows the increasing amount of complexities and contradictions of the biofuels impacts. But they also problematize the emerging phenomenon that exposes the limitations and problems related to the role of the stake holders such as the state, international banks and development agencies to undertake those projects and tackle global issues. In fact, their role in financing companies regarding land grabbing and the adoption of responsible investment policies is worthy for further research. These powerful economic and political actors should overcome the limitations of land rights and weak frameworks for consultation, and the lack of institutional responsibilities by enhancing participation and real democratic ways to strengthen sustainability in a broader approach.

Finally, understanding the complexities around the two cases in Honduras have become clearer, as during recent decades the country was exposed to control from foreign companies to produce bananas, which explains the aforementioned term of 'banana republic'.

The social unrest and further political rifts have been caused significantly by the core problem in the country. This is of course related with the land issue as there continues a process of re-concentration of land owned by the economic elite and big landowners. This process has had a long-standing partnership between government and corporations which deepens to consolidate a neoliberal state. Land constitutes a key factor to economic interests, but at the same time the land issue has worsened, especially after the attempts of equalitarian land reform by Zelaya’s government. The subsequent coup d’état ousting Zelaya, implies a correlation of his attempts and the growing agribusiness complex in the country. The aftermath of such event has led to social unrest and political instability in the country whilst in the Bajo Aguán Valley had been going through a process of accumulation by dispossessing the peasantry and poor rural communities. There is a growing concern in Honduras due to levels of social and political strife after

the coup and also those related expansion of land used to biofuels in which the country is shifting from a banana republic to a biofuels republic. Hence, this issue can become relevant in the years to come in order to explain the political, social and economic situation. Therefore a great deal of further research is necessary to untangle the puzzle that is Honduras.

Executive Summary

The increasing production of biofuels in developing countries is driven by the imperatives of capitalist development and expansion in the context of converging food, energy, financial and environmental crises (Borras, Franco; 2012: 49). The narrative and the discourse that biofuels conveys are intertwined with those of the sustainable development agenda, especially aiming to achieve energy security and clean energy sources. However, the mounting criticism and scrutiny over biofuels real impacts arises as their practices for biofuels production are entailing environmental degradation and food insecurity on the areas where those crops are being produced. The latter is an issue that is related to land-use change. Nevertheless, the impacts of biofuels are not only limited to those pressing global problems, but it is also starting to be linked to the phenomenon of land grabbing. The expansion of the land frontier devote it to biofuel crops is leading to a process that marginalize, dispossesses and displace many poor rural communities from their customary lands. Is in that way, in which biofuels becomes increasingly problematic and contested, as their negatives impacts increases.

Taking into account the importance of this issue, the present study aims to discuss the debate around the biofuel complex through two revealing cases about their impacts in Honduras. One case shows those disrupting impacts related to land grabbing in which the lands of peasants and rural poor are being taken to produce palm oil from big landowners and corporations, along with the financial support of international banks and development agencies such as the World Bank and the Inter-American Bank. Those actors create and implement mechanisms to encourage biofuel production such as the promotion of Clean Development Mechanism (CDM) for instance.

On the other hand, Agrofuels projects have been developing in those two areas in Honduras throughout a complete different approach. This approach refers to social sustainability, which is more social inclusive where small scale farming with small holder have central participation. According to reports and studies, the projects have been positive for rural development based on model small scale farming and for sustainable development. The project applies a multi-stake approach, small-scale farming and the participation and inclusion of peasants, and small-land holders, therefor complying with the principles of social sustainable development.

My question having in mind such context is: why do we find such differentiated social-political impacts of the biofuels production creating one case of Land grabbing or territories for social sustainable development?

From a theoretical perspective, a critic to neoliberalization provides an important framework for the analysis and critique of the impacts related to land grabbing, as

dynamics and contradictions of this emerging global biofuels complex unfolds. Secondly, in order to give us insights to compare it with other alternatives such as those related with Sustainable Development, I will focus on the overlooked social pillar. In that sense, a reformist approach focuses especially about a 'sustainable society', and also refers to social issues including tackling poverty. Many of the reformists argues that the economy should be run 'as if people mattered', with the implication that small and local is more sustainable than large and global, although he envisages small as being privately owned and operating in a market economy (Hopwood, 45). However, a more explicit approach is developed by Murphy (2012), which focuses on social sustainable principles such as equity, participation, social cohesion and inclusiveness.

From the theoretical framework, Honduras and specifically the Bajo Aguán Valley, depicts the case in which biofuels expansion has created political conflict and social exclusion, violence, inequalities and disenfranchisement for rural communities and peasants struggling for Land in northern of the country. On the other hand, in the neighboring region of Yoro there is a small-scale project that enhances sustainable development and socially inclusive results.

As stated before, Neoliberal explains most the land grabbing cases as agro industrial large-scale project entails massive enclosures on these two combined broad fronts (private and non-private) manifest 'accumulation by dispossession', in Harvey's term (2003). Within this context, the role of state and global financial institutions is relevant; in fact they establish a partnership in order to consolidate the neoliberal state. Hence, biofuels production can feature outbursts of violence and conflict especially in countries with high inequality and unresolved land conflicts such as Honduras.

The expansion of agrofuels in northern Honduras, specifically in the Bajo Aguán Valley, has meant the escalating of violence over land possession and land access small farmers and rural communities, who have been subject of violent evictions, dispossession and marginalization at high rates even reaching high level of human rights violations. The fertile valley has seen the expansion of palm oil especially by the Dinant Corporation from Honduras that has being financed by foreign capital, especially from the World Bank and other financial projects from the European Union within the framework of carbon trade mechanisms. Those financial endorsements are fueling the land grabs in Bajo Aguán Honduras.

Therefore, the smallholder farmers and other rural dwellers are being subject of increasing pressure from investors and agribusiness in a context of global booming consumption of food and biofuels. , therefore the arising conflict from the expansion of agribusiness within those rural spaces becomes more evident, as the state takes an stance by the corporations and private capital to modernize and develop the neglected agriculture sector of the country.

The results of the study and the comparison, suggest that a convergence of actors and approaches influence on the impacts of such differentiated impacts. There is influence exerted by powerful actors such as the state, the corporation and the

international financial agencies, which enforce a developmental and neoliberal agenda that end up in appropriating land from peasants and rural poor. On the contrary, the project of small-scale jatropha implements policies with lower action of big corporations and international development agencies, which ultimately downplay the regulations and conditions on those national corporations and from the states to develop such projects.

ANNEX

Fig # 1. Chamda Report. Page 13.

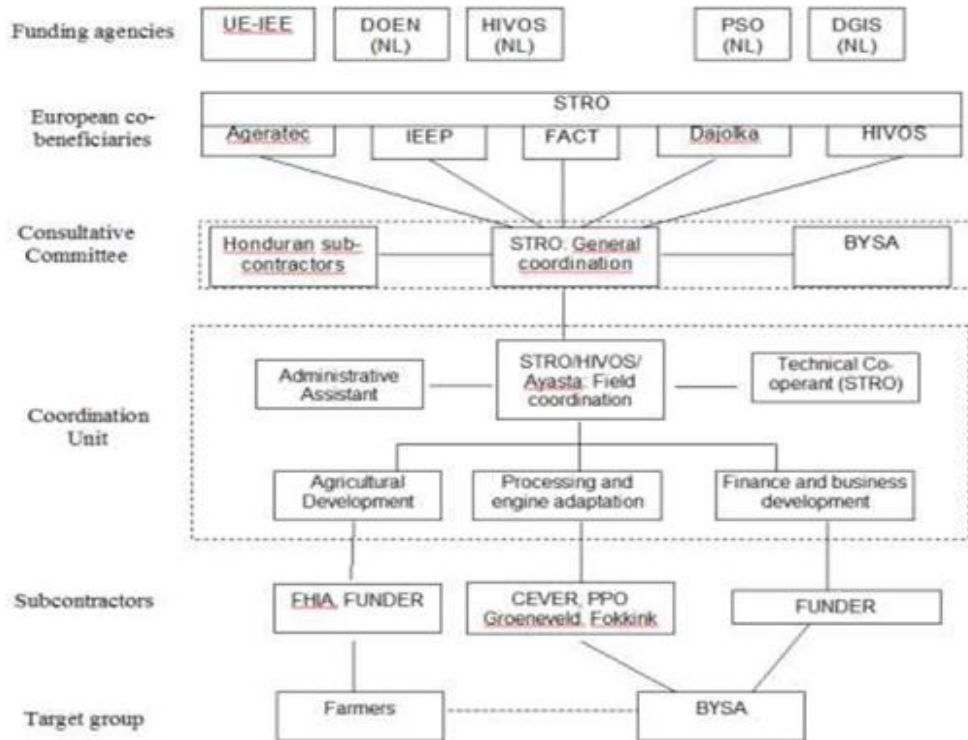


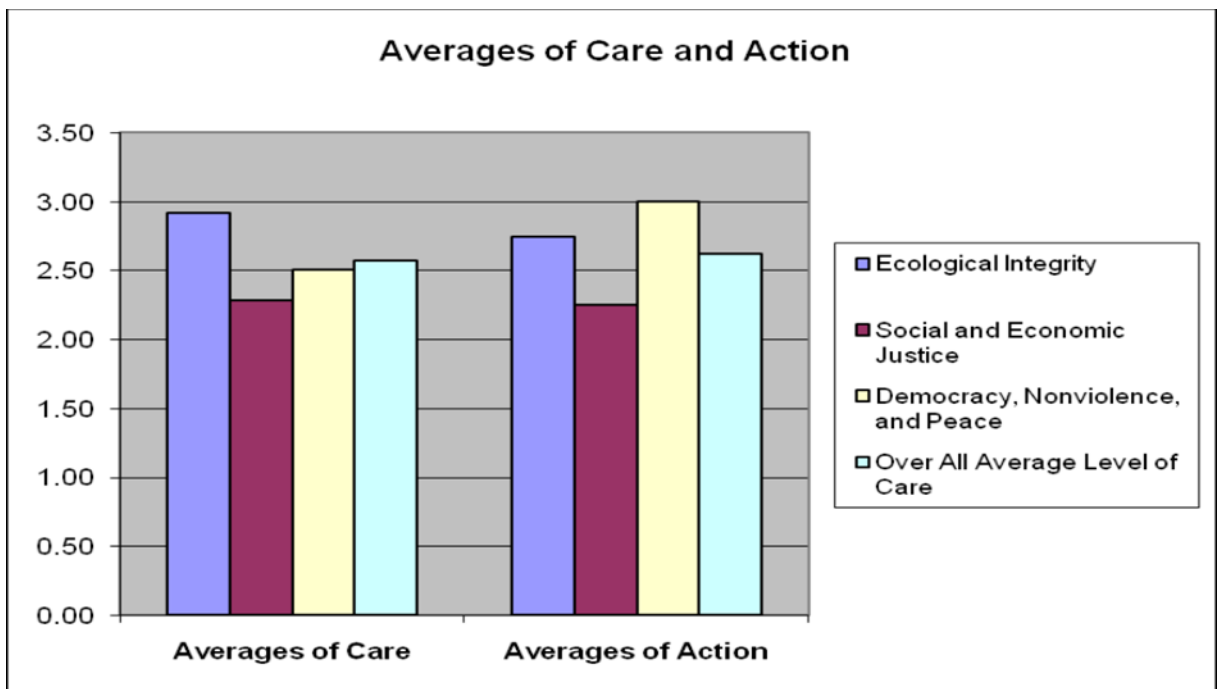
Table # 1. Expansion of Area for Oil Palm in Honduras

Region	Total Area (ha)	Expansion Area (ha)
Sico	50,000	30,000
Mosquitia	120,000	30,000
Aguán	140,000	50,000
Leán	80,000	35,000
Sula	150,000	35,000

Map # 1. Bajo Aguán Valley- Northern Honduras



Figure #2 (Chamda Report: 130)



● References

- A Andersen, Astrid (2012): Climate change and institutional change. Knowledge on the move in Arequipa, Peru. Paper NOLAN Conference. Stockholm University. April 28th. Publisher: University of Copenhagen.
- Anseeuw, W., L. Alden Wily, L. Cotula, and M. Taylor. 2012. "Land Rights and the Rush for Land: Findings of the Global Commercial Pressures on Land Research Project". ILC, Rome.
- Baker (2006): Sustainable Development. Routledge.
- Borras, Saturnino Jr. Global Land Grabbing and trajectories of agrarian change: a preliminary analysis (2012). Pp. 34-59.
- Borras, Saturnino Jr. and Jennifer Franco (2010): Towards a Broader View of the Politics of Global Land Grab: Rethinking Land Issues, Reframing Resistance. ICAS Working Paper Series No. 001.
- Borras, Saturnino Jr., Philip McMichael and Ian Scoones. The politics of biofuels, land and agrarian change. *The Journal of Peasant Studies*. Vol. 37, No. 4, October 2010, 575–592
- Chamda, Ngassa Franklin. Using EC-Assess to Assess a Small Biofuels Project in Honduras. *Journal of Education for Sustainable Development* 2010 4: 287-296. September 2010.
- Chamda, Ngassa Franklin. University for Peace. Internship Final Report. June 2009
- Collier, David. Cap: 5. In Ada Finiter, ed (1993). *Political Science: The State of the Discipline II*. Pp.: 105-109.
- Cotula, L., N. Dyer, and S. Vermeulen. 2008. Fuelling exclusion? The biofuels boom and poor people's access to land. International Institute for Environment and Development, London, UK.
- Cotula, L., Vermeulen, S., Leonard, R. and Keeley, J., 2009, LAND GRAB OR DEVELOPMENT OPPORTUNITY? AGRICULTURAL INVESTMENT AND INTERNATIONAL LAND DEALS IN AFRICA, IIED/FAO/IFAD, London/Rome.
- Cotula, Lorenzo (2012). The international political economy of the global land rush: A critical appraisal of trends, scale, geography and drivers. *Journal of Peasant Studies*.
- Cultivating Community Independence: Sustainable Biofuels in Honduras. Whitman College. Curt Bowen and Jesse Phillips. 2009
- David G. Victor : 'Recovering Sustainable Development'. Published by Foreign Affairs, January-February 2006.
- Deininger, K. (2003). Land Policies for Growth and Poverty Reduction. The World Bank, Washington D.C.

- Deininger, K. et al. *Rising Global Interest in Farmland*. World Bank. 2011
- EU Report. *Biofuel partnerships: from battleground to common ground: The effects of biofuel programs on smallholders' use of land and rights to land in four countries*. The Hague, 2012
- FIAN et al. *Honduras: Human Rights Violations in Bajo Aguán (International Fact Finding Mission Report)*, July 2011, p. 11.
- Flick, Uwe. *An introduction to Qualitative Research*. Ed. 4. 2009. SAGE.
- Fromm, Ingrid. *Integrating Small-scale Producers in Agrifood Chains: The Case of the Palm Oil Industry in Honduras*. Leipzig, 2007.
- German, L, G. C. Schoneveld, & P. Pacheco. 2011. Local social and environmental impacts of biofuels: global comparative assessment and implications for governance. *Ecology and Society* 16(4): 29.
- German, L., and G. Schoneveld. 2011. Social sustainability of EU-approved voluntary schemes for biofuels: implications for rural livelihoods. CIFOR Working Paper 75. Center for International Forestry Research, Bogor, Indonesia. URL: http://www.cifor.org/publications/pdf_files/WPapers/WP75German.pdf.
- Johnson, Francis X (2011). *Biofuels, land use, and sustainable development in Asia and Africa* <http://www.grida.no/publications/et/ep5/page/2361.aspx>
- Harvey, M., Pilgrim, S. *The new competition for land: Food, energy, and climate change*. Food Policy (2010).
- Harvey, D (2005). *A Brief History of Neoliberalism*. Oxford
- Harvey, D. (2003). *The New Imperialism*. Oxford University Press. New York.
- Heynen, Nik, James McCarthy, Scott Proudham, Paul Robbins (2007). *Neoliberal Environments: False Promises and Unnatural Consequences*. Routledge. New York.
- Hopwood, Bill; Mellor, Mary and Geoff O'Brien. (2005) *Sustainable Development: Sustainable Development: Mapping Different Approaches*. 13, 38–52.
- IFAD International Fund for Agriculture and Development. 2007. *Strategy for rural poverty reduction. Regional Overview Latin America and the Caribbean* <http://www.ifad.org/operations/regional/2002/pl/pl.htm>
- Ino Rossi. *Frontiers of Globalization Research*. Springer. 2007
- Jarnum, Katja Merete. *The curse of biofuel in Honduras from DanChurchAid Report*. October 2011.
- Kerssen, Tanja. *The Military-Aid Complex, Agrofuels and Land Struggles in Aguán, Honduras*. Food First. Posted October 6th, 2011
- Marsh, D & Stoker, G (2010). *Theory and Methods in Political Science*. Palgrave
- McMichael, P (2012): *Development and Social Change: A Global Perspective*. SAGE
- McMichael, April (2011): 'The Food Regime in the Land Grab: Articulating 'Global Ecology' and Political Economy'.
- McMichael, P (2010): *Agrofuels in the food regime*, *Journal of Peasant Studies*, 37:4, 609-629.
- McMichael, P (2009): *The Agrofuels Project at Large*. *Critical Sociology* 35(6) 825-839.

- McMichael, P. (2006): Peasant Prospects in the Neoliberal Age. *New Political Economy*, Vol. 11, No. 3.
- McMichael, P (2005): Global Development and the Corporate Food Regime. *Sociology of Global Development*. Volume 11, 265–299.
- Moers, Peter. Discovering new oil fields: Small-scale local biofuel production and use in rural Honduras Report: lessons from the Gota Verde project in Honduras (2007-2009). March 2010.
- Moers, Peter. How small-scale biofuel producers boost food production. *Gota Verde*. October 2008.
- Murphy K. 2012. The social pillar of sustainable development: a literature review and framework for policy analysis. *Sustainability: Science, Practice, & Policy* 8(1):15-29.
- Nancy Lee Peluso & Christian Lund (2011): New frontiers of land control: Introduction, *Journal of Peasant Studies*, 38:4, 667-681.
- Olivier De Schutter. The Green Rush: The Global Race for Farmland and the Rights of Land Users. Volume 52, Number 2, summer 2011.
- Oxfam Report Land and Power: The growing scandal surrounding the new wave of investments in land. 2011.
- Pickvance, Chris. The four varieties of comparative analysis: the case of environmental regulation Paper for Conference on Small and large-N comparative solutions, University of Sussex. September 2005.
- Peters, Guy. *Comparative Politics: theory and methods*. 1998. Macmillan Ed.
- Poder Legislativo de Honduras, Decreto No. 144–2007. 2007. *Ley Para La Producción Y Consumo De Biocombustibles*. Tegucigalpa: M.D.C., 28 de diciembre de 2007. Available at http://www.sag.gob.hn/arch_desc/Ley%20Bio.pdf
- Puente-Rodríguez, Daniel: Bio technologizing *Jatropha* for local sustainable development. "Agriculture and Human Values 27, 3 (2009) 351-363". 18 March 2009.
- Quiñónez, Jorge, A. Peter Moers and Titus Galema. 2012. The effects of biofuel programs on smallholders' use of land and rights to land in four countries. *Case Study Honduras*.
- Salih, Mohamed. *Climate Change and Sustainable Development*. Edward Elgar Ed. 2009.
- Silverman, D. 2005. *Doing Qualitative Research*. Sage Publications Inc., London, Thousand Oaks, New Delhi. Second Edition.
- Silvestri, Luciana Carla. Bittersweet promise of Biofuels: A case study of Honduras. Thesis IIIIEE 2008: XX.
- Taylor Berardo, Karin. "The Influence of Globalization on Land Tenure and Resource Management in Neoliberal Latin America", *Cultural Environments and Development Debates*, Center for Latin America Studies, the university of Chicago, 1998, pp. 14-43.
- Thorsen, Dag E. (2009). *The Neoliberal Challenge*. Oslo University.
- Walk, Kerry on "How to Write a Comparative Analysis". Writing Center at Harvard University. 1998.

- White, B & Anirban Dasgupta (2010): Agrofuels capitalism: a view from political economy, *Journal of Peasant Studies*, 37:4, 593-607.
- White, B & Anirban Dasgupta
- Zoomers, A. Introduction: Rushing for Land: Equitable and sustainable development in Africa, Asia and Latin America, in "Development", 54:1, pp.1- 9.
- Quarterly Newsletter Gota Verde, 2007

Web Sources:

- <http://www.ifad.org/pub/ar/2009/e/print.pdf>
- <http://www.iisd.org/sd/>
- Corporation Dinant S.A. de C.V. Summary of Proposed Investment. IFC.
<http://www.ifc.org/ifcext/spiwebsite1.nsf/0/2F9B9D3AFCF1F894852576BA000E2CD0>
- <http://climate-connections.org/2012/03/09/carbon-blood-money-in-honduras/>
(Article)

Videos

1. NewsLook: "11 Dead in Honduran Land Clashes". Daily motion. Web, 16-08-2011. (http://www.dailymotion.com/video/xkkgzi_11-dead-in-honduran-land-clashes_news -Fatal clashes have broken out between peasants and security guards at a farm in northeast Honduras)
2. <http://climate-connections.org/2012/04/20/honduran-land-dispute-rages-as-thousands-occupy-farms/#comments>: Honduran Land Dispute Rages as Thousands Occupy Farms. April 19, 2012.
3. <http://climate-connections.org/2012/04/03/honduras-four-are-killed-in-latest-aguan-violence/>: Honduras: four are killed in latest Aguán violence in March 29 in Colon North.
4. Video-Resistance: The Aguán Valley Occupation in Honduras. http://www.youtube.com/watch?v=8C1sTrY_JdQ&feature=player_embedded.
5. Real news Video: Honduras Community Burned to Ground for Oil Palm Plantations: http://www.youtube.com/watch?v=B4EPTkD9mHY&feature=player_embedded.
6. Video: <http://climate-connections.org/2012/01/23/oil-palm-in-honduras-family-killed-in-latest-aguan-massacre/>. 8 members of the Family were also murdered in Colon.
7. Video: <http://www.youtube.com/watch?v=Gyh3FbbjQMk>: Honduras campesinos under the gun.
8. Video: <http://www.youtube.com/watch?v=Oe9pdsZM2MM&feature=relmfu>: Honduran Police Burn Community to the Ground.
9. Video: http://www.youtube.com/watch?v=pU4sTrdR_g0&feature=related: Video of Militarization in Bajo Aguán (Spanish).
10. Video: <http://www.youtube.com/watch?v=SiwgXGDsXPU&feature=related> The Carbon rush

11. Video Title: “The Dispossessed – Access to Land and Resources”.
http://www.youtube.com/watch?v=RCtYFX_MHMo&feature=player_embedded: “The Dispossessed – Access to Land and Resources”.
12. Video: <http://www.youtube.com/watch?v=OUy8JNb15tY>. Title: Honduras video 01 EN Organisation Project BYSA.