BIISS JOURNAL, VOL. 32, NO. 4, OCTOBER 2011: 285-302

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'LOOK AFRICA' POLICY: BANGLADESH'S INVESTMENT POTENTIAL IN LIBERIAN AGRICULTURE

Abstract

Currently, the government of Bangladesh is interested to strengthen economic ties with African countries through pursuing its 'Look Africa' policy. It is widely perceived that Bangladesh has considerable untapped economic potential in African countries which are endowed with abundant oil, minerals and agricultural land. By undertaking a field-based primary investigation, this paper attempts to examine the potential of Bangladesh's investment in Agricultural sector in Liberia, an African country with plentiful agricultural land. It suggests that Bangladesh can benefit from both full and joint-venture investment in rice, other food grains, fruit production, and agro-processing industries.

1. Introduction

The government of Bangladesh is currently pursuing 'Look Africa' policy. There are several strong arguments for such persuasion. There is a general perception amongst policymakers, entrepreneurs and traders that Bangladesh has huge untapped economic potential in Africa. There is an immense opportunity for investment cooperation in new mutually beneficial areas. As a result, the present Bangladesh government's policy for economic diplomacy focuses on Africa as a new destination as well as origin for the country's external trade. The Bangladesh government has already sent a "Fact-Finding Mission to Africa" aimed at exploring major areas in the second largest continent of the world endowed with plenty of oil and mineral resources. The governments of several African countries have also expressed their interests to the Bangladeshi

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contingents that are deployed as UN peacekeepers for a long time, mentioning that Bangladesh-Africa cooperation would be attractive to African countries since it would increase and diversify the sources of development activities available to the region. Moreover, a number of developing countries are strengthening economic cooperation with the African countries for mutual benefits where Bangladesh is lagging behind. Bangladesh's relationship with African countries can be based on complementary advantage. African countries need technology, skilled manpower, and external capital to address its development needs and challenges. Conversely, Bangladesh needs land, natural resources and markets that can be utilised by the Bangladeshi entrepreneurs.[1]

Bangladesh and African countries can avail advantages of the complementary nature of their economies. The availability of fertile lands and water resources to irrigate it for agricultural production is a common phenomenon for most of the western African countries.[2] The land-man ratio is highly favourable in Africa for agricultural production.[3] However, they are only producing rain-dependent crops. On the contrary, Bangladesh has scarcity both in land and water for agricultural production and this scarcity provides justification for Bangladesh to invest in agricultural sectors of Africa. Bangladesh could take the lead in providing technical and financial support in rice and other food grain productions where it has developed substantial skills. Bilateral investment agreement on agricultural sector can allow Bangladesh to undertake contract farming in Africa. Under this agreement, Bangladesh can invest in Africa and send experts and farmers to grow rice and other agricultural crops round the year. This contract farming can further create opportunities to invest in the agro-food processing industries in Africa. Bangladesh's private sector might be interested to process the agricultural products, produced under contract farming, as well as local agricultural products[4] in Africa and export these to other countries.[5]

Given this context, this paper has made an attempt to analyse the potential of Bangladeshi entrepreneurs to invest in Liberian agricultural sector. It is an

[1] Mahfuz Kabir and Sharif M Hossain, "Why 'Look Africa'? An Analysis of Economic Potential for Bangladesh", *BIISS Journal*, Vol. 31, No. 3, 2010, pp. 300-321.
[2] In Liberia, one acre of land is given on lease at one US cent for rubber production. Not only in West Africa but also in East Africa, huge fertile lands are just lying idle, specially, in Ethiopia, Uganda, Tanzania, Malawi and Mozambique. Indian entrepreneurs have already taken hundreds of thousands of acres of land on lease in all those countries and doing well with agriculture.
[3] For example in Africa, by using a tractor, a farmer can cultivate 6 times more lands than Bangladesh. The size of cultivable land is very small in Bangladesh and a farmer has to move the tractor frequently. This type of hindrance is not present in Africa.
[4] There are huge surplus production in fruits in African countries and they do not have the capacity to preserve these.
[5] "Bangladesh Eyes Trade, Farming in West Africa", *The Daily Star*, Dhaka, 16 September 2010.

outcome of a short-term field investigation in Liberia. Qualitative method has been followed to undertake this study, which includes interviews, case studies, and analysis of some relevant reports and materials. The paper has been structured as follows. After this brief prelude, section 2 makes a comparative assessment of the current socio-economic state of Bangladesh and Liberia. Section 3 analyses the structure, performance and challenges of agriculture sector in Liberia. Section 4 describes the nature of operation of foreign firms in Liberian agriculture. The prospects of Bangladeshi investment have been described in section 5. Section 6 mentions some challenges in realising the investment goal while section 7 suggests the way forward. Finally, concluding remarks have been made in section 8.

2. Socio-Economic Status of Bangladesh and Liberia

Although Bangladesh demonstrated significant successes in economic and social fronts over the last two decades, both Bangladesh and Liberia are still in the group of Least Developed Countries (LDCs) with low per capita income reported by the World Bank in Atlas method and low level of human development reported by the United Nations Development Programme (UNDP) in terms of Human Development Index. Even then there remain many basic differences between the two countries with regard to economic and social performances, resource endowments and development.

Bangladesh has come through a long way from the ‘Test Case of Development’[6] of the mid-1970s to a medium human development country in 2003. [7] Right after independence, Bangladesh strived to overcome the ravages and vacuum in the entrepreneurship throughout the decade of 1970s. However, the country performed well in reducing poverty over the years through a number of initiatives by the government, non-governmental organisations (both for-profit and not-for-profit), and international agencies. Manufacturing, especially the Ready Made Garments (RMGs) sector performed very well in the international market demonstrating greater resilience of this sector despite the phase out of Multi Fibre Agreement (MFA). It may be mentioned that RMG export of Bangladesh is the third largest in the world market.

Bangladesh has promoted a large proportion of public investment in social sectors like health, education and social safety net programmes. It is the best case of encouraging empowerment of women through microcredit and many other social innovations. Indeed, Bangladesh has become a social laboratory where all

[6] Just Faaland and J.R. Parkinson, *Bangladesh: The Test Case of Development*, Dhaka: University Press Limited, 1976.

[7] However, the country has lost the ‘medium human development country’ status in 2011.

kinds of experimentations are going on. As a result, the country has shown interesting signs of social development on the grounds.[8]

Bangladesh has recently formulated its Outline Perspective Plan 2010-2021 based on its 'Vision 2021', which envisioned the country becoming a middle income country by 2021. Now 31.5 per cent of the total population live under the poverty line, while only 17.6 per cent people are extremely poor. The country has already achieved or on track to attain some major targets of the Millennium Development Goals (MDGs) that includes female education and empowerment, reduction in child mortality and eradication of extreme poverty and hunger. The economy is demonstrating robust emergence of the industry by contributing to GDP at more than 30 per cent with an increasing trend, while the contribution of 'traditional' sector or agriculture is currently around 20 per cent with a deceasing trend.

Table 1: Basic Socio-Economic Indicators

Indicator	Bangladesh	Liberia
GDP (nominal billion US$)	104.6 (2011)	1 (2010)
Per Capita GNI (US$, current)	818 (2010-11)	200 (2010)
Income level	Low income	Low income
Poverty Head-Count Ratio (%)	31.5 (2010)	63.8 (2007)
Population (million)	142.3 (2011)	3.9 (2010)
Land Area ('000' km^2)	148	111
Population Density (pop/km^2)	964.4	35.5
Trade (% of GDP)	50.2 (2011)	94.4 (2010)
Adult Literacy Rate (% of people ages 15 and above)	56 (2009)	59 (2009)
Life Expectancy at Birth (years)	68.9 (2011)	56.8 (2011)
Human Development Index	0.500 (2011, low)	0.329 (2011, low)
Agriculture Value Added (% of GDP)	20 (2011)	61 (2008)

Note: Figures in the parentheses of the second and third columns indicate the year of data.
Source: World Bank's *World Development Indicators*[9], UNDP's *Human Development Report 2011*[10], and various reports of Bangladesh Bureau of Statistics.

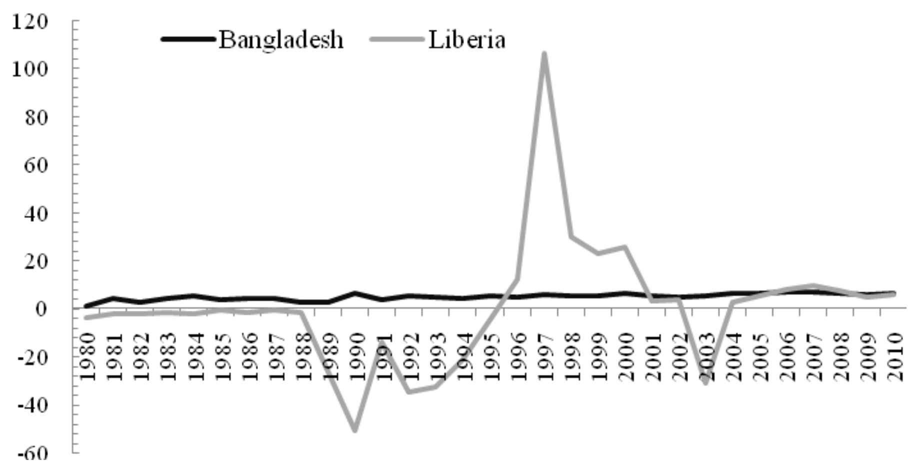
The Liberian economy relied heavily on the mining of iron ore and on the export of natural rubber prior to the civil war (1989-2003). The civil war had a devastating effect on the country's economy — major businesses were destroyed or heavily damaged, and most foreign investors and businesses left the country.

[8] Atiur Rahman, Mahfuz Kabir and Abdur Razzaque, "Bangladesh: Civic Participation in Sub-national Budgeting", in Anwar Shah (ed.), *Participatory Budgeting* (Vol. 3), Washington, DC: World Bank, 2007.
[9] World Bank, available at www.worldbank.org accessed on 9 February 2012.
[10] Available at www.undp.org accessed on10 February 2012.

Currently, Liberia’s revenues come primarily from rubber exports and revenues from its maritime registry programme. The country has the second-largest maritime registry in the world; there are 2,724 vessels totaling 83.3 million gross tons registered under its flag, earning nearly US$16 million in maritime revenue in fiscal year 2008. There is increasing interest in the possibility of commercially exploitable offshore crude oil deposits along its Atlantic Coast.

With a democratically elected government in place since January 2006, Liberia seeks to reconstruct its devastated economy. The Governance and Economic Management Assistance Program (GEMAP), which started under the 2003-2006 transitional government, is designed to help the Liberian Government raise and spend revenues in an efficient and transparent way. Moreover, the Liberian Government is working to improve the business climate, has formed a commission to deal with land tenure issues, and is reviewing tax and tariff regimes to harmonise them with neighbours in the Economic Community of West African States (ECOWAS). The Liberian National Investment Commission reported US$97 million in new investment in 2007 and has set a target of US$100 million annually for future years. Investors are finding opportunities in mining, rubber, agro-forestry, light industry, and other sectors.

Figure 1: Trend of GDP Growth Rate (per cent)



Data source: *World Development Indicators*. [11]

Liberia is a nation-state transitioning from “emergency to development.” Under the leadership of Nobel laureate President Ellen Johnson Sirleaf, Africa’s first female elected Head of State, the country has embarked on the extraordinary task of reconstructing a war-ravaged society. As a highly indebted poor country,

[11] World Bank, *op.cit*.

the Liberian Government developed a Poverty Reduction Strategy (PRS) that directed efforts toward addressing the interlinking problems of poor governance, illiteracy, unemployment, poverty, and social conflict.

Despite abundant natural resources, bad governance has led to engender poverty, conflicts, and low human development. In 2009, Liberia had a very low human development index of 0.329. Access to modern health services is also very poor, estimated at 41 per cent. However, its adult literacy rate is 59 per cent, which is slightly higher than that of Bangladesh. Economic recovery has gradually taken off since the inception of the new government in 2006. Liberia has experienced fluctuations in growth rate of real GDP — 7.8 per cent in 2006, 9.5 per cent in 2007, and 4.5 per cent in 2009.

3. An Analysis of Agriculture Sector of Liberia

As mentioned before, many Asian countries are planning to strengthen the new strategic partnership with Africa with more focus on agriculture. China, India, Malaysia and other countries are already engaged in joint venture commercial farming in Africa. Apart from the investment in infrastructural development in Africa, all these countries are trying to secure their position for engagement in commercial farming projects with a view to ensure food security in their own countries as well as to help the agricultural market of African countries. Any coordinated joint venture project by Bangladesh in Africa would increase employment opportunities abroad, and would ensure low-cost import of food grain to Bangladesh. Given this context, it is important to understand the structure, performance, challenges and prospects of agriculture sector of Liberia.

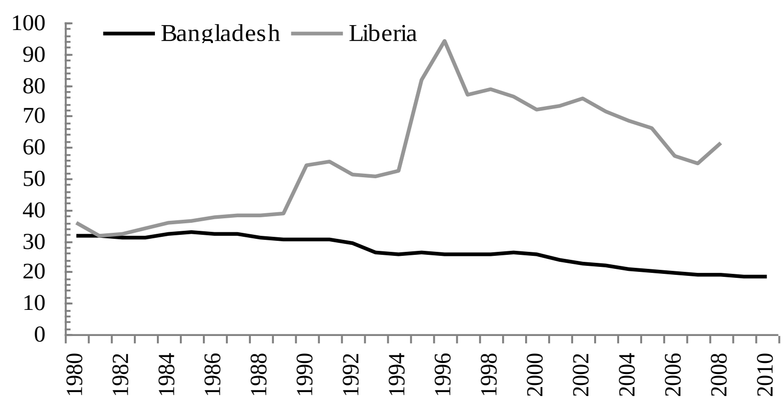
3.1. Structure and Performance

Protracted conflicts in Liberia destroyed agricultural capital and disrupted food production, bringing to the fore entrenched structural impediments and past policy failures. Currently, around half of the population is either food insecure or highly vulnerable to food insecurity. Liberian agriculture comprises food and crops, fisheries, and livestock, and the sector accounted for 42.2 per cent of real GDP in 2008. Rice and cassava remain the main staple food crops while rubber, palm oil, and cocoa are the dominant export crops. Rubber currently accounts for almost 90 per cent of total export earnings because timber, which was responsible for between 50 per cent and 60 per cent of total exports before 2000, was until recently under United Nations sanctions. Women are major players in the sector. They produce over 60 per cent of agricultural products and constitute the majority of smallholder producers (those with 15 or fewer acres of land) as well as the main agricultural labour force.

Agriculture, however, is characterised by low productivity, which is caused by many factors including structural constraints, inadequate policies, and prolonged conflicts that displace farming communities, degrade transport and processing infrastructures, and diminish productive capacities (assets and skilled personnel). Major challenges include:

- weak land management and water control systems;
- impaired market access due to limited network of roads;
- limited scope for crop diversification and rudimentary production techniques;
- poor food value chains including storage, processing, and marketing channels;
- lack of agriculture credit and low institutional capacity; and
- limited incentives to produce marketable surpluses.[12]

Figure 2: Agriculture Value Added to GDP (per cent)



Data source: *World Development Indicators*.[13]

Agriculture provided the mainstay of the economy throughout the Liberian conflict and has accounted for over half of its GDP in the post-war period (compared to one-tenth in the late 1970s). A large proportion of the economically active population of Liberia is engaged either directly or indirectly in smallholder subsistence agriculture or fisheries. Women and children are particularly dependent on the agricultural sector. Revitalising the agricultural sector is crucial to overall economic recovery, ensuring that growth is inclusive, promoting peace and stability, and sustaining poverty reduction.

3.2. Challenges to Agricultural Transformation

Women are major players in the agricultural sector in Liberia, where they constitute the majority of small-holder producers and the agricultural labour

[12] Ministry of Agriculture, *Liberia Agriculture Sector Investment Program (LASIP) Report*, Liberia, September 2010.
[13] World Bank, *op.cit*.

force in general. Women produce some 60 per cent of agricultural products, carry out 80 per cent of trading activities in rural areas, and play a vital role in linking rural and urban markets through their informal networks. Despite this deep involvement in agriculture, they represent a tiny fraction of participants in the formal sector. They also have less access to productive inputs than men, including land, skills training, basic tools and technology. The key challenges for transformation of the agriculture sector in Liberia are:

a. Increasing food crop yields by adopting new technologies;
b. Improving access to seeds, fertilisers, and other inputs, and strengthening linkages to output markets, primarily by rebuilding farm-to-market roads;
c. Restoring value chains and increasing community and the participation of Minor, Small and Medium Enterprises (MSME) in supply and value chains;
d. Providing food assistance to vulnerable groups that are severely food insecure;
e. Strengthening key agricultural institutions that were destroyed during the conflict;
f. Slowing the extent of illegal fishing and increasing the value added from catches;
g. Slowing deforestation, slash-and-burn cultivation, and tree cutting for firewood and charcoal, which degrade habitats and deplete natural resources; and
h. Providing greater opportunities for women and youth in agriculture, especially in the formal sector.

3.3. Prospects

Despite its challenges, Liberian agriculture has tremendous potential. Developments in world markets have sharply raised the demand and international prices for agricultural commodities. Petroleum price increase has diverted large amounts of grain, sugar, and vegetable oils to ethanol and bio-fuel production. Environmental concerns over the use of fossil fuels have reinforced this shift. High and rising incomes in Asia and the Middle East have increased the demand for animal feed to support rising consumption of animal-based products. Additional pressure has emerged through the diversion of productive farm land, especially in Asia, to industrial and other uses. The ultimate consequence of these developments has been a sharp upward shift in the price of all agricultural commodities.

Figure 3: Aerial Views of Cultivable Land[14]

Liberia has significant potential for producing palm oil, rubber, rice, cassava and other agricultural products. It is ideally placed to take advantage of these opportunities, which offer the prospects of supporting the sustained expansion of farm-based employment and incomes. These benefits will spill over to other rural economic activities such as marketing, processing, and storage.

4. Foreign Programmes and Investments in Liberia

4.1 BRAC from Bangladesh

BRAC is the largest NGO in the world based in Bangladesh. It has successful programmes in Liberia that target the majority of people who are involved in small scale farming activities, such as cultivating small plots of land of less than three acres and raising chickens, sheep, goats or pigs. In addition to providing poor women with the investment capital for their activities, BRAC offers training and support on modern farming techniques which can greatly increase their profit. BRAC agriculture supervisors at the branch level attend microfinance group meetings to identify agriculture extension workers from the members. The local BRAC branch is responsible for screening and short-listing candidates. However, sometimes they face difficulties to recover credit. But in general, it is not too much thus they are little comfortable in their investment in Liberia. Agriculture extension workers assist the farmers on technical issues such as choice of varieties to grow, improved seeds to use, crop-spacing, rotation, inter-cropping, weeding, planting, post harvest management, as well as integration of crop and livestock enterprises within the farm. They also sell improved seeds and other agricultural inputs to customers.[15]

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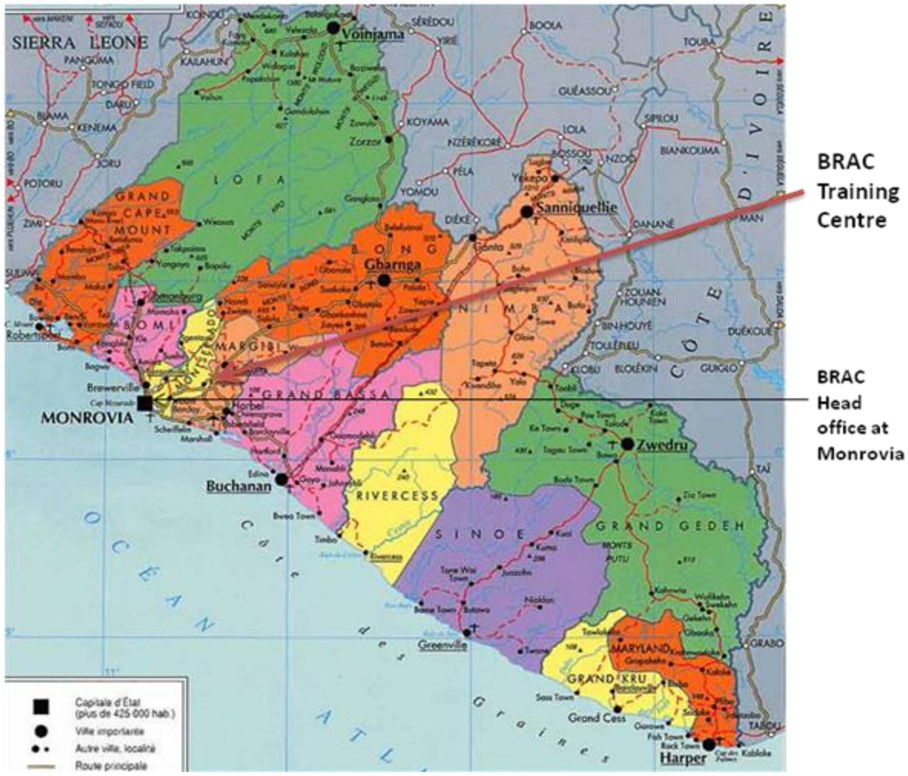
[14] Photo taken from a helicopter on 26 October 2011.

[15] According to an in-depth interview with Kishore Kumar, county manager of BRAC in Liberia.

Figure 4: BRAC Head Office in Monrovia and Training centre at Kakata Area

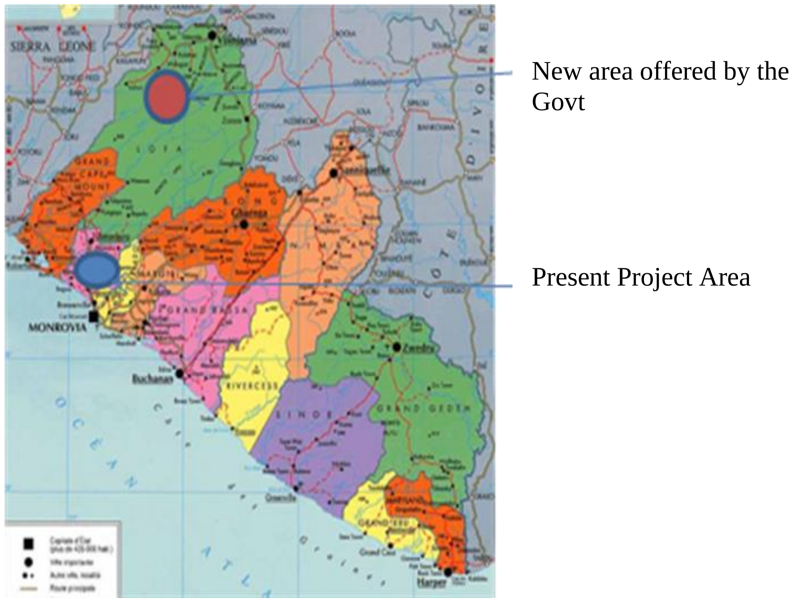


4.2 Malaysian Palm Oil

Liberia has a huge amount of palm trees throughout the country’s arable land. Local people use only a portion of palm trees for locally made palm oil. Malaysia is the world’s second largest palm oil producer after Indonesia but facing land scarcity at home. Malaysian Sime Darby Company is a successful agricultural investment organisation. Liberian Government and the Malaysian company had a deal which will cover 65 years of lease agreement of 200,000 hectares (500,000 acres) in the country for palm and rubber project. The project areas of Sima Darby Company are located in Bomi, Grand Cape Mount, and Gbarpolu Counties of Liberia. The Malaysian company also got offer from Government to increase its project area in Lofa County of Liberia.[16]

[16] According to an in-depth interview with Mohd Razalia Alias of Sime Darby Company.

Figure 5: Sime Darby’s Present Project Area and Newly Offered Project Area

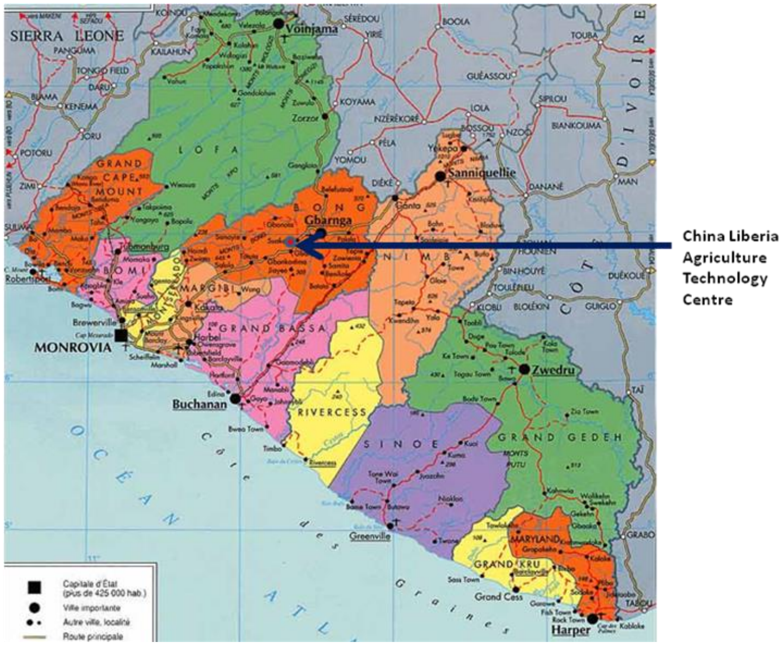


4.3. China-Liberia Agriculture Technology Centre

China has agricultural investment in many countries of Africa. In Liberia, China helps train people for better farming. In 22 July 2010, Chinese Government established China Liberia Agriculture Technology Centre in Suakoko District of Bong County. China has more than ten of this type of Agricultural training centre in Africa. These centres teach local people the techniques of basic farming. Every week 20 to 50 people are learning the various cultivation technique and methods. The workers are given 220 Liberia Dollar (US$3) per day with the training. This Center uses modern equipment like tractor for the farming tools.[17]

[17] According to an in-depth interview with Li Jin Jun, head of China Liberia Agriculture Technology Centre.

Figure 6: Location of China Liberia Agriculture Technology Centre



4.4. Rubber Plantation of Firestone of USA

The USA-based Firestone Rubber Company is one of the world’s largest rubber producing Companies. In 1926, Firestone Tire & Rubber Company leased 1,600 square miles area for 99 years in Liberia, with the goal of producing its own rubber. Liberia is now home to the world’s largest single natural rubber operation. Today, Firestone Liberia operates on a much smaller area of land with close to 8 million rubber trees planted on 200 square miles at its Harbel (Near Kakata) location. Though the firestone has its own plantation area throughout Liberia, it has many buying station to buy raw rubber from small rubber farm owners. Firestone Liberia authority maintains good relation with the workers. Local people are happy on the investment of Firestone Company in Liberia. In 2009, firestone authority signed a new, mutually beneficial labour contract with the Firestone Agricultural Workers Union of Liberia (FAWUL).[18]

4.5. Rubber Plantation Project of Lee Group of China

Liberia has a huge amount of rubber plant in the country’s arable land. Lee Group of Enterprises (LG), a China-based rubber processing entity is located in Nyanvorlah Town, Salala District of Lower Bong County. Lee group has its own

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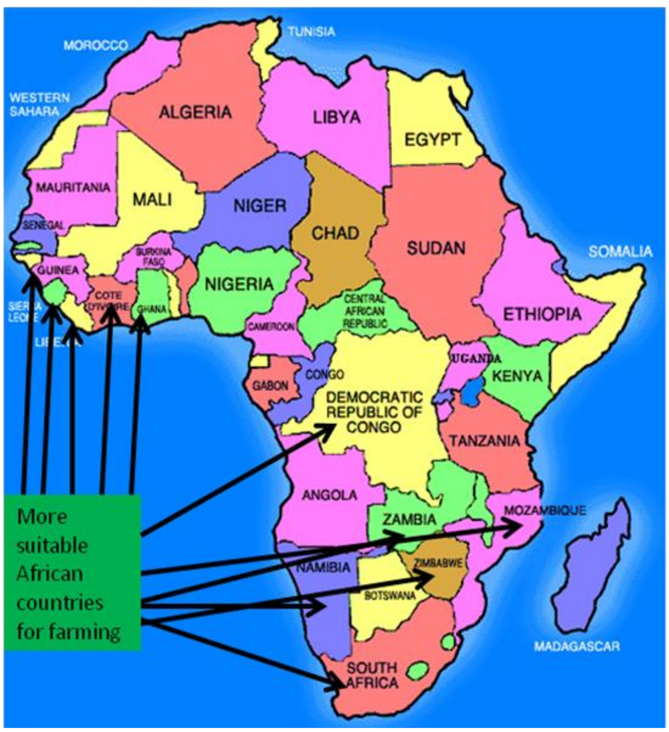
[18] According to an in-depth interview with Wilim Moses, Manager of Firestone Buying Station at Gbanga.

big area of rubber plant project. This company also buy rubber from small rubber farm owners. In the Bong, Lofa and Nimba County, Lee Group has buying stations through which it buys raw rubber regularly.

5. Bangladesh's Potential Investment Areas and Locations

Joint farming by Bangladesh is possible in many countries of Africa. Mozambique, Zimbabwe, Zambia, even South Africa is suitable for joint venture farming. Soil and weather of these countries are favourable for any type of agriculture project. Democratic Republic of Congo is also suitable because of reasonable rain and good soil condition. West African countries like Liberia, Sierra Leone, and Guinea are suitable for agriculture farming as well.

Figure 7: Bangladesh's Potential Investment Locations in Africa



Bangladesh has a very good opportunity to invest in Liberia. The good will of Bangladesh Armed Forces has increased this possibility even more. A focus group discussion with ten farmers of Sergeant Kolly Town[19] reveals that among USA, China, India, Pakistan, Malaysia and Bangladesh, the common people like

[19] In Liberia, a village/place comprises more than five family is considered as a town, not village.

Bangladesh the most. They have shown more interest towards the Asian nations rather than any African Nation like Nigeria. Also, Liberian Government is looking for joint partnership in the agriculture sector in Liberia.[20]

In Liberia, Bangladesh Government has the opportunity to invest in agriculture sector in the following areas:

a. Production of rice, wheat, pulse, corns, etc., which would help in increased supply of staple food in Bangladesh;

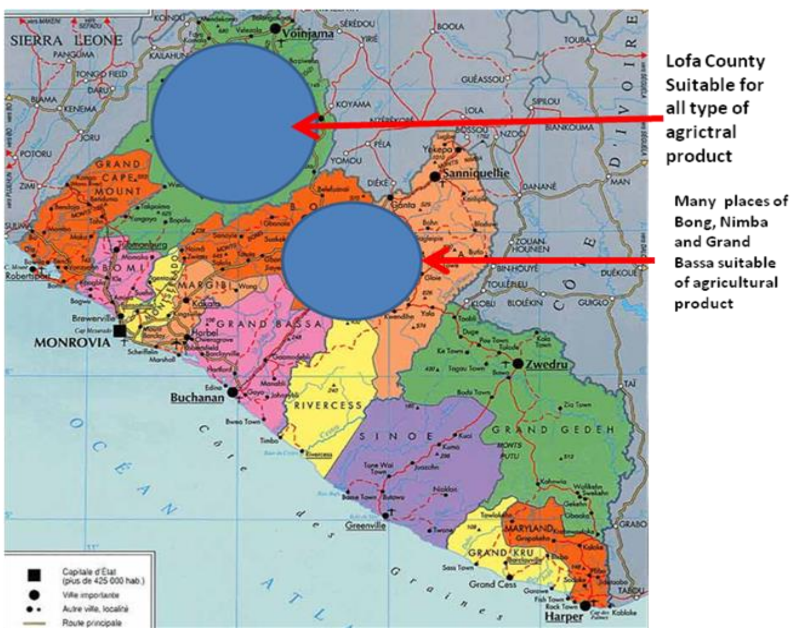
b. Production and processing of sugarcane. In many places of Bong Lofa Nimba, people are already producing sugarcane. It will reduce excessive import of sugar in Bangladesh;

c. Production of onion, garlic, chili, tamarind, etc.;

d. Production and processing of palm oil. Almost whole Liberia has plenty of palm trees. The land and weather are highly suitable for palm plantation;

e. Rubber production and processing. Again Liberia is suitable for rubber plantation. World's one of the largest rubber producing company Firestone's 99 years investment is the example in this regard.

Figure 8: Bangladesh's Potential Investment Locations in Liberia



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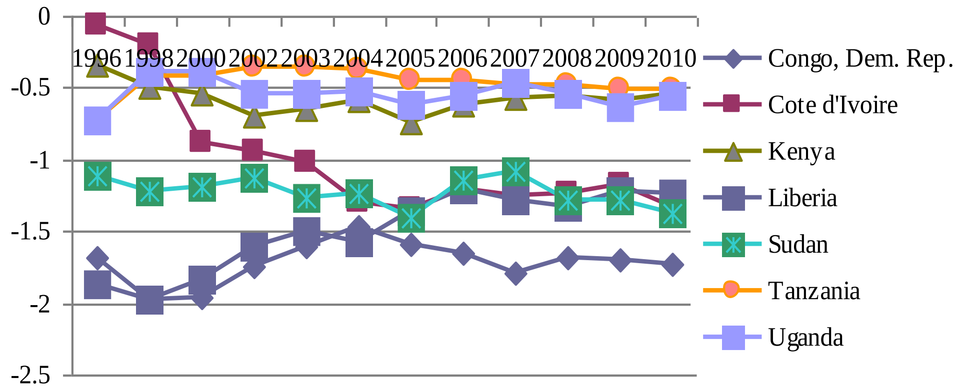
[20] According to an in-depth interview with Abugarshall Kai, Deputy Director General in the Central Agricultural Research Institute (CARI) of Liberia.

6. Challenges for Joint Venture Investment

- *Bitter experience of colonial era*: African people have a bitter experience of long colonial era, which may affect the prospect for joint venture. Although Liberia became fully independent in 1980 overthrowing Americo-Liberian regime, they are still suffering from the adversities of colonisation. Even after 31 years of full-fledged Liberian regime, the country could not solve many land disputes due to the strong colonial law.
- *Land is not favourable in all African countries*: Though many countries of Africa has vast land but all are not suitable for cultivation. Countries like Sudan, Ethiopia, and Congo have vast land but because of desert and less of rain these are not suitable for farming and therefore have less scope for establishing agro-based industry.
- *Many African people are not interested*: Many people of African countries do not want pure foreign investment or even any farm to do the joint venture agricultural project. A big clash occurred between the Government force and locals in July 2011 in Saro City of Guinea. Many of the inhabitants of Saro City became refugees after the incident of land dispute involving the farmer community and Sougipah Palm and Rubber Farming Company owned by Guinea government. The farming company tried to gain their land without paying any compensation. The intervention of the security forces of Guinea took place when the people denied leaving their place and forced them to move. In the clash one person died and about 1,000 people took asylum in neighbouring Liberia.
- *Financial constraints*: Bangladesh is currently experiencing a downward trend of foreign exchange reserve and facing tremendous pressure for clearing import payments. Hence, Taka is also depreciating over time. Such a state of foreign exchange does not provide a healthy situation for joint venture farming project in Africa.
- *Political and security challenges*: Lack of security and political instability also pose threat to the successful implementation of the joint venture project. Conflict between tribes, clans, communities and major powers had always been a part of worse security environment. Starting from Somalia, Congo, Liberia, Côte d’Ivoire, and Sudan to other African countries, overall security situation failed to ensure successful implementation of development projects in any African countries.
- *Bad infrastructure*: War-torn and conflict-prone African countries mostly lack sufficient infrastructural support for any investment. Communication, power supply and shipping infrastructure will be some of the major obstacles for any investment in agriculture sector. Overall infrastructure challenges will also be a determining factor for undertaking joint venture farming projects in Africa.

Figure 9: Government's Effectiveness of Selected African Countries



Data source: Worldwide Governance Indicators.[21]

- *Risks and uncertainties*: Countries like Liberia, Tanzania, Uganda, Kenya, etc. welcome Bangladesh initiative in joint venture farming projects. However, overall investment environment in many African countries may not be sustainable and supportive. Poor law and order situation, absence of government's care over public sentiment, lack of transparency and accountability, lack of national leaders' vision, absence of national interest, and ethnic myth describe worse risk profile of various African countries for any foreign farming investment. Therefore, Bangladesh's initiative in joint venture farming project would experience risks and uncertainties.
- *Weak financial institutions*: Agricultural finance and foreign investment requires specialist skill and value chain approach that African countries lack to a great extent. Absence of Bangladeshi diplomatic missions in West Africa, financial protocols between Bangladesh and African countries, and related local laws make joint venture projects more complex. Thus, poor financial institutions of Africa are likely to play an unenthusiastic role in implementation of joint venture farming project.

7. Possible Measures to Overcome the Challenges

- *Improvement of financial infrastructure*: Once joint venture farming projects are implemented, a strong separate foreign exchange bureau may be introduced for investing, controlling and monitoring. Supportive bureaucratic channel and financial institutions abroad in close coordination with destination country may be established for reinforcing the financial dynamics in 'Look Africa Policy'.

[21] Available at http //info.worldbank.org/governance accessed on 20 February 2012.

- *Understanding the land sensitivity*: Conflict between tribes and communities can be characterised by excessive land disputes. Land tenure in Africa is very complex and sensitive, which entangles with the overall philosophy, culture, traditions and social practices. Any investment initiative without taking into consideration such sensitive issues will certainly drag any project into jeopardy. Hence, proper focus on understanding the land sensitivity thoroughly would serve as a safety measure to the future of joint venture farming project.

- *Weighing poor infrastructure risk*: Bangladesh may not financially afford to directly contribute like China in infrastructure development projects in Liberia. However, detailed study of poor infrastructure risks on target investment may be carried out to measure the feasibility of a project against such risk. Besides, agricultural infrastructure may be developed gradually, and adopting the technological aspects in phases would also take away some of the difficulties.

- *Minimising the phobia of neo-colonialism*: Bangladesh has already developed a good image in the grassroots level in many African countries through its participation in the UN Peace Keeping Mission. Winning the hearts and minds of Africans by exposing the peace loving image of Bangladesh, addressing the land sensitivity in finalising the farming deal, avoiding all aggressive approach to investors' interest, and sincerely contributing in local agriculture sector would definitely curb the misnomer of neo-colonialism in Liberia.

- *Establishment of new diplomatic missions*: Inadequate number of Bangladeshi diplomatic missions in many African countries created missing pivotal role and link in launching the joint venture farming projects. Therefore, immediate opening of diplomatic missions especially in West Africa and financial institutions in destination country is a must for implementation of the project.

8. Conclusion

Food security is now a common concern for most of the underdeveloped and developing countries. Developed countries are also suffering from food crisis. Bangladesh is one of the most populous countries in the world where food availability is explained by adequate domestic production, net food imports, aid and national food stocks. The country's population boom takes its toll on food security despite a boost in food grain production**.** Import cost due to rising global food grain prices increases the possibility of food insecurity. The challenging environment of African countries for joint venture farming could be turned into facilitative through the peace loving image of Bangladesh. The rising food price is also a stimulating factor in investing in African agriculture. The vision of African leaders and Bangladesh's willingness to invest in food production can result in joint venture project in African lands.

Bangladesh, therefore, should develop substantial image in Liberia and many other conflict-prone countries by highlighting its commendable success in farming in terms of producing grains and seed innovation. This will help Bangladesh to have stronger platform for launching joint venture farming project in Liberia. Food produced from joint venture farming project can be sold in local market or be exported to world market which will increase foreign currency inflow to Bangladesh. Joint venture farming project is likely to create overseas employment opportunities for growing population of Bangladesh. Therefore, successful implementation of joint venture farming project in favourable African countries in general and specifically in Liberia would play a catalytic role in improving food security situation in Bangladesh as well as creating overseas employment thereby reducing burden of food import cost on foreign exchange reserve of Bangladesh.