COMMENTARY

The hungry of the earth

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The price of food is soaring. The ability of the world's poorest to pay for it isn't. The results are predictably catastrophic. The UN Special Rapporteur on the Right to Food has explained that the people starving and taking to the streets in countries like India and Haiti are 'paying the price for twenty years of mistakes'. It appears that these mistakes are set to continue.

Governments and the international financial community have responded to the riots, most recently at a High-Level Conference on World Food Security hosted by the Food and Agriculture Organization in Rome, with a strikingly narrow range of remedies, concentrated around a small number of market-based solutions and technological quick fixes. The Conference's final declaration, adopted on 5 June 2008, amounts to little more than a fortification of familiar and largely discredited policies. It calls on governments to re-embrace the conclusions of the World Food Summit in 1996 and to reassert 'their commitment to the rapid and successful conclusion of the WTO Doha Development Agenda'. The language of re-reaffirmation is everywhere.

This response to the demands of the world's poorest people from the world's richest governments is no less predictable than the results of their previous policies. The present crisis is yet another timely investment opportunity for what Naomi Klein has aptly dubbed 'disaster capitalism'. In spite of some belated public handwringing, the current crisis offers profiteers an unprecedented occasion to shut down the most successful mechanisms for mitigating and preventing food crises, and to eliminate the people who are in the vanguard of developing alternatives to the capitalist food system.

The basic facts of the crisis are now well known. Over the past year, there has been a 130 per cent increase in the global price of maize and a 75 per cent increase in the price of rice; similar increases apply to soya, wheat and other major food commodities. Overall, the aggregate global price of food has doubled in real terms over the past eight years, and is set to increase in real terms by up to 50 per cent in the next decade, according to the OECD and FAO. Yet over the past eight years, income for many of the world's poorer people has fallen. For the lowest paid workers, income has fallen in real terms since the mid-1980s in a wide range of countries; in Haiti, for example, one of the countries hardest hit by the food price increases, by 2003 wages for menial and sweatshop jobs had plummeted to just 20 per cent of their 1981 level.[1] Such declines have taken place at the same time as heavily indebted countries were given new loans only on the condition of implementing punitive 'structural adjustment policies' imposed by the self-styled international development community. Since such conditions have also served to undermine democratic institutions in many poorer countries, popular protests against rising prices have recently exploded as full-blown food riots, which now as throughout history are demands both for food and for government accountability.[2]

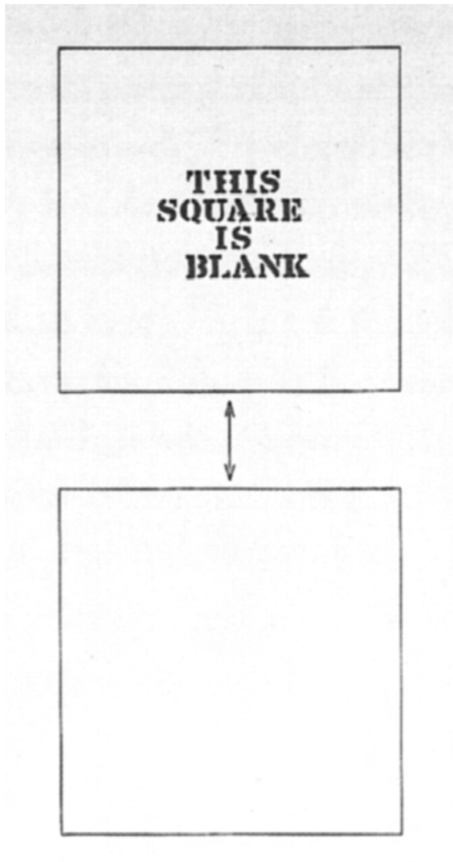
There are several short-term factors that account for the recent rise in food prices. First is the price of oil. With prices at $136 per barrel at the time of writing, the cost of food is automatically kicked up. It takes more than a calorie of fuel to produce every calorie we eat and, in industrial meat production, the ratio of calories-in to calories-out can be as high as 58 : 1. The second reason lies in the production of agrofuels, more commonly but less sensibly known as biofuels. It should hardly be surprising that the decision to burn rather than eat a large share of the US corn harvest would push up food prices. Estimates of the impact on global food prices vary from a high of 30 per cent to a low of around 5 per cent. The third factor driving up food prices is increased meat consumption. The demand for meat will this year divert 760 million tonnes of cereals to feed animals rather than people – enough to cover the world's food shortage fourteen times over.[3] A fourth reason for higher food prices involves the climate. There were poor harvests this past year in Australia, the USA and the Philippines because of inclement weather. Meteorologists continue to debate the role of climate change in recent weather patterns. While it is impossible to ascribe any given climatic event to global warming, it's obvious that unusual and extreme weather patterns have detrimental impacts on food production. Agriculture is both culprit and victim of climate change. Livestock farming in particular is responsible for more CO_2 equivalent emissions than all forms of transportation. But those who bear the brunt of climate change in agriculture will, according to the United Nations, not be the feedlot meat manufacturers in North America where 15 per cent of the planet's meat is grown, so much as the farmers in the Global South.

The fifth and most immediate reason behind soaring prices lies in speculation and profiteering. The cumulative effect of changes in the weather, consumption patterns, production of agrofuels and the price of fossil fuels has been to generate considerable uncertainty over the future prices of food. In conditions of increased risk, the market is prepared to pay for certainty. This offers an opportunity to profit both from insurance against disaster, and from speculation that disaster will happen. Wealthy buyers have already started to hoard rice in the Philippines, for instance, keeping it back from the market in the (correct) estimation that its price will continue to increase. Similar things are happening on a far larger scale on the Chicago Board of Trade and other commodity markets, where traders and funds buy up options on future production, in the hope that others will share their enthusiasm, bidding up valuable options yet further. By some estimates, investment funds control more than half the wheat traded in global commodity markets, with hedge funds in particular taking increasingly aggressive positions on food. Indeed, the European Commission has recently found that the price of certain food commodities has increased three times more than might be explained by the changes in agricultural input markets. In other words, 75 per cent of the increase comes from speculation and price gouging.

These factors have compounded one another and they are all chronic tendencies that exacerbate a longer and more acute malaise – a malaise concealed by regular media emphasis on the apparently more urgent and more 'spectacular' short-term factors. The main reason why the global food system is in crisis, of course, is because the agricultural economies of developing countries have been systematically starved of investment since the 1980s. The institution largely responsible for this has been the World Bank, which first began seriously to address agriculture under the tenure of Robert McNamara, who arrived at the Bank with the blood from the Vietnam War still wet on his hands. The Sahelian famines of the 1970s, however, spurred some comparatively progressive state-led agricultural sponsorship, with the Bank funding government grain marketing boards, and encouraging inward agricultural investment, often behind high tariff barriers, to achieve domestic food security.

The Reagan and Thatcher era, however, saw the state transformed from cure to cause of 'economic backwardness'. The Bank changed its economic policy accordingly, and set about systematically dismantling the institutions it had funded in the 1970s. The Bank's own Independent Evaluation Group has recently indicted the Bank's approach through the 1980s and 1990s, observing that while Bank staff had believed that sweeping away the inefficiencies of the state would bring in private-sector investment, once state agricultural supports had been removed the benevolent invisible hand was nowhere to be seen. The private sector singularly failed to step into the void carved out by the Bank.

At the same time, the Bank, the International Monetary Fund, and a range of bilateral and multilateral aid agencies and export credit institutions were pushing free-trade policies, as part of its broader neoliberal package. The rationale was a curious mix of patronage, charity and modernizing rationality – the then-US secretary for agriculture, John Block, said in 1986 at the beginning of the Uruguay Round of negotiations of the General Agreement on Tariffs and Trade that '[the] idea that developing countries should feed themselves is an anachronism from a bygone era. They could better ensure their food security by relying on US agricultural products, which are available, in most cases, at much lower cost.'[4]



The lower costs of food from the USA and Europe were achieved, however, through precisely the opposite of the policies being imposed on developing countries; the USA and Europe were, and continue to be, allowed to subsidize their agricultural systems to the tune of billions of dollars a year. The World Trade Organization agreement enshrines this central contradiction in the development project and process. In 1992, away from the critical glare of democratic process, the USA and European Union hammered out the Blair House Agreement, in which they resolved to continue to bankroll their large agricultural businesses. Such provisions were specifically prohibited to developing countries. The consequences of this were, again, predictable. Small-scale farming families in developing countries who were not able to weather the storm found themselves driven into bankruptcy, off the land, and into cities or overseas.

This 'depeasantization', as Farshad Araghi has argued, is a policy that has been an unspoken part of the postwar agricultural policy landscape, indeed a tacit prerequisite for modern industrial capitalism, but it has been made explicit in the latest generation of agricultural development policy. In its 2008 World Development Report on Agriculture, the World Bank makes it baldly clear that small farmers are 'inefficient' and, therefore, impediments to agricultural productivity, growth and 'a pro-poor agenda'. At a recent debate between the Bank and its critics, a smallholding Sri Lankan farmer parsed this with acuity: 'it's clear what you want to happen – you want me to disappear.' The Bank did not disagree. Through dollar-denominated loans, international development banks have created incentives within developing countries to favour export-driven and therefore foreign-exchange-earning ventures. The consequence of these incentives is to favour an agriculture that is intensive and larger scale, which, in turn, requires that land be owned by fewer and fewer people. Modern agriculture can only succeed by stigmatizing and eliminating the historic users of these means of production, the poorest and hungriest people on earth. In other words, industrial farming depends on pathologizing the landed and particularly the landless peasantry.

It shouldn't be surprising, then, that the attempts to deal with the current crisis should have been so transparently directed at furthering the dispossession of peasants. Before the food crisis had begun to bite, the World Bank's 2007 World Development Report on Agriculture had already begun to pave the way. To take one among many ways that the Bank's approach to agriculture militates against the poor, the Bank's approach to land reform is tilted towards 'market friendly' policies of private land ownership and transfer. The results have been entirely unsuccessful. In South Africa, a country singled out by the Bank for the success of its willing-buyer/willing-seller market-led policies, less than 5 per cent of the country's land has been transferred from whites to blacks since the end of apartheid. The track record of the market-led land reform programmes run by the ANC government has been pitiful. By insisting that the only way that those dispossessed of land can acquire any is through the open market, the government creates incentives for rich white farmers to squeeze every penny out of potential land-reform beneficiaries, and to give them the poorest quality land for their money. It is little wonder that pet projects designed to show the viability of this approach have rapidly run aground.

Misrepresentations

Yet the Bank is able to make misrepresentations about market-led land reform projects to other countries because it positions itself as a global source for development knowledge, conferring authority on some opinions, silencing others. Sometimes, its efforts to shape ideology can backfire. When it told the Filipino government that the land-reform element of their Comprehensive Agriculture Reform Program should be modelled on the South African market-led success, the Bank didn't expect a delegation from the Philippines to fly out to South Africa to see it for themselves. When they arrived, of course, there was nothing to see.

At the more recent High-Level Conference on World Food Security in Rome in June 2008, the methods and tactics were similar to those foreshadowed by the Bank. The US government sent a delegation headed by the US secretary of agriculture, Edward Schafer, with three explicit policies in hand: (a) food aid for the short term, (b) 'investment in agriculture' for the medium term, and (c) biotechnology for the long run. Each of these is a sop to domestic corporate interests, an opportunity for disaster capitalists to profit from the food crisis.

Consider the call for food aid. Under US law, American food aid has to be purchased from US farmers and shipped on US flag carriers to the country in need. The effect, once the ship loaded with US food comes into port, is to wipe out local agricultural producers, who cannot compete with free food shipped from the Midwest. The food aid law was forged in the Cold War as a way of dealing with US agricultural surplus production, and simultaneously as a tool of foreign policy, as a way of preventing the spread of communism among potentially insurrectionary peasants and urban workers. That local production might suffer was never an element in the calculus, except in so far as removing such production might make recipient governments more sensitive to the carrot of US largesse.

'Investment in agriculture' means investment in large-scale agricultural producers and exporters. Those exporters are often US companies – the largest exporter of soybeans from the US, Cargill, is also the largest exporter from Brazil, for instance. Cargill announced in April 2008 that its profits were up 86 per cent from the same period in 2007.

The push for agricultural biotechnology is also a signature issue for the USA, particularly though not exclusively under the Bush administration. Corporations like Monsanto have pushed their green credentials, and their role as saviours in the current crisis. Monsanto, whose share price has doubled over the past year, took a beatific position on the food price increases. 'Agriculture intersects the toughest challenges we all face on the planet', said Monsanto chairman and chief executive Hugh Grant. 'Together, we must meet the needs for increased food, fibre and energy while protecting the environment. In short, the world needs to produce more while conserving more.' One of the ways they plan to do this is through genetic engineering and breeding. The key to profitability here lies in identifying and patenting genes that confer beneficial properties. Although these genes are ones that have been bred over millennia by farmers, mainly women, in developing countries, they are, under existing intellectual property regulation, also patentable by a single corporate entity. The longer-term crisis around agriculture will be a boom time for BASF, Monsanto, Bayer, Syngenta and Dupont, among others, who have filed 532 patents on 'climate-change-ready' genes. The US government's success in legitimizing their genetic accumulation by dispossession is a central part of their future business models.

The British government, needless to say, endorsed these proposals, and trumpeted its joint victory with the United States in successfully inserting into the final declaration a call for the speedy resolution of the Doha round of World Trade Organization negotiations.

Voices of Dissent

Yet there were some very clear voices of dissent. The international peasant movement Via Campesina sent representatives to put the case for their alternative to neoliberalism's failed policies. The statement presented at the conference concluded with the words 'There will be no solution to the climate and food crises without us!' Popular empowerment groups like Brazil's Landless Workers' Movement and Bolivia's coca growers and Mexico's radical indigenous agriculturalists have long been insisting on a similar point. It is precisely these small farmers and landless workers who point the way towards a sustainable food system, and one capable of delivering food to all. But it is also this peasantry that has been explicitly targeted by the past four decades of agricultural policy, and whose future is in jeopardy. Their vision for change in the food system is almost completely opposed to that offered by world leaders. They call for 'food sovereignty', a concept with a long and suggestive history (Wikipedia's entry on the topic provides a good overview), is essentially, echoing Hannah Arendt, a call for a right to rights over food. They pushed for democratic control over the food system, a call which resulted in their eviction from the proceedings in Rome.

Being banished from the land, and banished from the debate about it, is hardly new for Via Campesina. Indeed, exclusion from international debate helped to spawn the movement in the first place. In order to displace against their wishes millions of agricultural workers from rural to urban areas, the World Bank required political processes that carried the veneer of legitimacy, but without any serious reference to popular democracy. Thus were 'participation' and 'consultation' deployed in the lexicon of international development. In rural areas, the Bank sought to consult – with all expenses paid – with NGOs purporting to represent peasants, NGOs that were able to endorse the Bank's policies in no small part because they represented few if any of the people who'd be harmed by such policies. In the very countries where such NGOs were being hatched by the Bank's participation budgets, there were of course long-standing peasant leagues, organizations of rural agricultural workers and the like. They were perfectly able to represent themselves. But they had rather different and less accommodating views about Bank policy, and of their own governments' adoption of it.[5] Via Campesina was born in the early 1990s of similar experiences of exclusion by international development institutions and national governments throughout the Global South.

It's worth noting that Via Campesina's policies do not involve a pining for a bucolic never-never land, in which people lived in harmony with nature in some pre-capitalist paradise. This deserves mention because pat dismissals of the peasantry have come not only from supporters of the World Bank, but from writers on the left as well, who have been guilty on too many occasions of urban chauvinism in their treatment of those living in rural areas. For Marx, the peasantry was 'a sack of potatoes'; for Barrington Moore, subaltern knowledge was 'not worth knowing'; for Ranajit Guha, insurgent peasantries past were 'not [possessed of] a liberated consciousness'.[6]

Yet the programmes proposed by Via Campesina are the products of some fairly emancipated thinking, form a vital part of the debate on the future of food, and are advanced by some very well organized, reflective and democratic movements. Perhaps the clearest indication of this lies in the movements' demands for women's rights. The role of women was utterly unspoken in the final Summit Declaration in 2008. Yet the food crisis affects women disproportionately. Of those suffering acute hunger, 60 per cent are women and girls, despite the fact that women grow the majority of food eaten in developing countries. Via Campesina's calls for women's rights separate contemporary peasant thinking both from feudal patriarchy and from a neoliberalism in which women's rights are collapsed into the simple right of private proprietorship over land (a right that has been termed the 'Trojan horse of neoliberalism'). Instead, Via Campesina movements observe that the rights that should accrue to women, foremost the right to food, but also to education, health care, and freedom from violence, ought to trump rather than be exhausted by the provision of the right to private property.

A sophisticated and radical position on gender is just one of the many signs of mature political thinking from the movement. The nine-point programme that Via Campesina presented at the summit included a range of policies that were far too novel for most governments to entertain. The programme included a commitment to the right to food; a demand that agro-ecological farming, fishing and pastoralism be supported; the recognition of the need to nurture soil fertility and encourage carbon sequestration; calling for comprehensive agrarian reform to protect the various means of food production; insisting on an end to agrofuels.[7] The Via Campesina vision for an alternative food system, organized around the principle of food sovereignty, is based on the insights gained through generations of accumulated praxis and struggle. They understand that the fundamental malaise in contemporary agriculture results from the deficit of genuine or actively participatory democracy.

Rather than 'reaffirm' the disastrous status quo as the Rome Summit attempts to do, the alternative proposed by Via Campesina (and like-minded organizations) demands and enacts the direct empowerment of the dispossessed and oppressed. This is the divisive political issue that underlies the struggle for food sovereignty, and that interrupts any facile consensus about the rich countries' 'responsibility to protect' their poor neighbours. The current wave of famine and crisis illustrates a point that is likely to become more and more obvious over time: in the long run, the alternative to the empowerment of the poor promises only social and ecological catastrophe.

Notes

1. Department of Economic and Social Affairs United Nations, *The Inequality Predicament: Report on the World Social Situation 2005*, A/60/117/Rev.1 ST/ESA/299, United Nations, New York, 2005. See also Economist Intelligence Unit, *Haiti: Country Profile 2003*, London, p. 24.
2. The seminal text here remains E.P. Thompson, 'The Moral Economy of the English Crowd in the Eighteenth Century', *Past and Present* 50, 1971, pp. 76–136.
3. George Monbiot, 'Credit Crunch? The Real Crisis is Global Hunger. And If You Care, Eat Less Meat', *Guardian*, 15 April 2008.
4. Walden Bello, 'WTO: Serving the Wealthy, Not the Poor', *The Ecologist*, September 2000.
5. Annette-Aurélie Desmarais, *La Vía Campesina: Globalization and the Power of Peasants*, Pluto Press, London, 2007.
6. See Rajeev Patel, 'International Agrarian Restructuring and the Practical Ethics of Peasant Movement Solidarity', *Journal of Asian and African Studies*, vol. 41, nos 1–2, 2006, pp. 71–93.
7. Via Campesina, *Terra Preta: Forum on the Food Crisis, Climate Change, Agrofuels and Food Sovereignty*, Rome, 16 June 2008, www.viacampesina.org/main_en/index.php?option=com_content&task=view&id=556&Itemid=1.