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“Covid-19 Provides an Opportunity for Breaking with the Global Food Supply Chain”

*By Walden Bello**

Food has been very much front and center in the Covid 19 story.

First of all, hunger is following closely on the heels of the pandemic, especially in the global South. The UN's World Food Program says that the pandemic will double the number of people experiencing acute food insecurity, from 130 million in 2019 to 265 million in 2020. This figure is likely to be a gross underestimate, says Vijay Prashad of the Tricontinental Research Center, who claims that over 2.5 billion people might eventually be rendered hungry by the pandemic.

Indeed, one can say that, unlike in East Asia, Europe, and the US, in South Asia, the food calamity preceded the actual invasion by the virus, with relatively few infections registered in India, Pakistan, and Bangladesh as of mid-March of 2020, but with millions already displaced by the lockdowns and other draconian measures taken by the region's governments.

In India, as the renowned writer P. Sainath, founder of the People's Archive of Rural India, put it, “We gave a nation of 1.3 billion human beings four hours to shut down their lives...One of our legendary civil servants, had said, ‘A small infantry brigade being pushed into a major action

is given more than four hours' notice.'" With little money for food and rent, migrant workers were forced to trek hundreds of kilometers home, with scores beaten up by police seeking to quarantine them as they crossed state lines. Estimated at some 9 to 139 million, these internal migrants, largely invisible in normal times, suddenly became visible as they tried to reach their home states, deprived of public transportation owing to the sudden national lockdown. With people dying along the way, a constant refrain in this vast human wave were the desperate words, "If coronavirus doesn't kill us, hunger will!."

The second point I would like to underline and will devote the rest of this presentation to is that the pandemic has shown that the global supply chain, the dominant agri-business model, is fragile and threatened with breakdown, with incalculable consequences, and it is time to do away with it.

The Fragility of the Global Food Supply Chain

This fragility of the global food supply chain was impressed on us a couple of weeks ago by a joint declaration of the World Trade Organization, World Health Organization, and Food and Agriculture Organization. The three institutions warned that, "When acting to protect the health and well-being of their citizens, countries should ensure that any trade-related measures do not disrupt the food supply chain." One particular case appeared to have triggered the agencies' concern: the blockade of food exports in Rosario, Argentina. According to an FAO report,

Rosario in central Argentina is the country's major grain export hub, as well as a major soybean area. is the world's largest exporter of soymeal livestock feed. Recently, dozens of municipal governments near Rosario have blocked grains trucks from entering and exiting their towns to slow the spread of the virus. Many are defying the federal government's order to unblock their roads, citing health concerns. Soybeans are therefore not being transported to crushing plants, affecting the country's export of soybean meal for livestock. Similarly, in Brazil, another key exporter of staple commodities, there are reports of logistical hurdles putting the food supply chains at risk. Internationally, if a major port like Santos in Brazil or Rosario in Argentina shuts down, it would spell disaster for global trade.

The Rosario blockade was carried out by local governments and civil society groups that wanted to protect themselves from what they saw as a global supply chain that had allowed the virus to hitchhike to their communities. But the FAO was not sympathetic to their concerns. What was critical, said Qu Dong Yu, head of the FAO, was for the international community to avoid disruptions of corporate-controlled global food supply chains.

The event that informed the response of the FAO and other international agencies to the Rosario blockade was the food price crisis of 2007-2008, when export restrictions imposed by food exporting countries worried about domestic supplies, contributed to food shortages and skyrocketing prices of food in food importing countries, resulting in 75 million people joining the ranks of the hungry and driving an estimated 125 million people in developing countries into extreme poverty.

Now, the FAO and the WTO are certainly right to be worried that disruptions of global and regional supply chains could contribute to the spread of hunger. But what is really disturbing is the absence of any awareness that global and regional supply chains are themselves the problem when it comes to ensuring global food security. The 2007-2008 food price crisis should have taught these agencies this sobering lesson, but there is the same uncritical endorsement of the corporate food supply chain.

The 2007-2008 crisis was triggered by a number of developments, including financial speculation in commodities as well as the transfer to land to cultivating biofuels. However, these short term triggers would have not led to a global crisis had not a number of structural conditions been created, chief among them the globalization of capitalist industrial agriculture through the of creation of a process of production, the dynamics of which was “the suppression of particularities of time and place in both agriculture and diets,” as Harriet Friedman put it. “More rapidly and deeply than before, transnational agrifood capitals disconnect production from consumption and relink them through buying and selling. They have created an integrated productive sector of the world economy, and peoples of the Third World have been incorporated or marginalized—often both simultaneously—as consumers and producers.”

The 2007-2008 food crisis and the 2008-2009 global financial crisis should have shown the multilateral agencies the fragility of global supply chains--in the food system in the case of the first and in the industrial system in the case of the second, when the financial crisis led to a global recession that halted production in many factories in China. The two crises should have triggered serious interrogation of the resiliency of the global supply chain.

Instead, in the case of agriculture, the global supply chain stretched farther and farther and local and regional food systems withered even more. The FAO estimates that global agricultural trade more than tripled in value to around US\$1.6 trillion from 2000 to 2016. More and more local and regional food systems that provide most of domestic production and consumption of food have retreated, so that today, as one study reveals, modern food supply chains, dominated by large processing firms and supermarkets, capital-intensive, with relatively low labor intensity of operations, constitute roughly 30%-50% of the food systems in China, Latin America, and Southeast Asia, and 20% of the food systems in Africa and South Asia.

The bulk of the evidence is that the gains from “high-standards” agricultural trade promoted by value chains that impose strict quality controls on local producers are captured by foreign investors, large food companies and developing country elites. Vertical integration and consolidation at the buyer end of export chains are strengthening the bargaining power of large agro-industrial firms and food multinationals, displacing decision-making authority from the farmers to these downstream companies, and expanding the capacity of these companies to extract rents from the chain to the disadvantage of contracted smallholder suppliers in the chains.

The smallholder, in short, is being squeezed out at almost every level, from production to finance to meeting sanitary and phyto-sanitary standards, all of which benefit corporate agriculture, with its big buyers, big suppliers, and big middle men. One well known liberal research institute sums up the smallholders’ plight thus: “Increasingly globalized and liberalized agri-food markets are dominated by supermarkets, distributors, processors, and agroexporters

that are introducing and expanding food safety and quality standards that many smallholders are unable to meet. These developments are further shifting the competitive advantage away from smallholder farmers toward large-scale producers.”

Increasingly, foreign investors are pushing out smallholders even from landownership. Many land acquisitions, notably in Africa, are really landgrabs, says one important report since “The competition for investment, the weak capacity of States, and the complex implications of titling and clarification of property rights are all factors that have impeded the establishment of robust regulatory frameworks to protect local communities from land grabs.”

We said earlier that the FAO and other multilateral agencies continue to endorse the global supply chain despite the many problems associated with it. This goes against the impression of many in the NGO community and government that the FAO and other multilateral agencies have become more sympathetic to the needs of small farmers. This image is erroneous. To take just one example, in Myanmar, which is considered the last frontier of development in Southeast Asia, the FAO teamed up with the Asian Development Bank and the Livelihood and Food Security Trust Fund to draw up an agricultural development plan that, in their own words, focuses on ensuring that “farmers and agro-enterprises are integrated into effective value chains and are competitive in regional and global markets. This is achieved by facilitating the process of transforming the agricultural sector from a situation where a substantial proportion of farming is carried out primarily for subsistence or for local markets into a sector in which most farming is carried out for profitable commercialization and is connected to the local,

national, and international markets.” The FAO continues to promote a business model that would subordinate smallholders to corporate industrial agriculture.

Why Food Self-Sufficiency Makes Sense

The very real drawbacks of integrating local agricultural systems into the global supply chain and eroding food self-sufficiency are commonsensical, but, trapped by neoliberal ideology, the FAO and other multilateral institutions have simply brushed them aside. Agricultural analyst Jennifer Clapp has provided several critical reasons why moving towards greater food self-sufficiency makes very good sense. Let me just cite four:

1/ When a large proportion of a country’s population is at risk of hunger in instances of sudden food shortages due to the vagaries of world markets, as happened in 2007-2008, it is vital to carefully consider ways to improve domestic food production.

2/ Countries with volatile export earnings can assure their unimpeded access to food by reducing reliance on global food markets via greater domestic food production.

3/ In fact, the majority of the world’s countries, Clapp notes, do have the resource capacity to be food self-sufficient. But of those countries that have the resource capacity to be food self-sufficient, a number are net food importers. Many sub-Saharan African countries, for example, were net agricultural exporters in the 1960s–70s, but became net importers of food after the 1980’s. Some of those countries that have become reliant on imported food since the 1980s still have the capacity to produce sufficient foodstuffs domestically, including Guinea, Mali, Sudan, and the Democratic Republic of the Congo.

4/ Countries facing the threat of trade disruptions as a result of war, political tensions, or other emergencies may also benefit from greater levels of food self-sufficiency. Most countries, consider the ability to ensure food supplies in times of crisis to be a national security issue, and depending on the risk that imports will be cut off due to conflict or political tensions or emergencies, countries may want to invest in their domestic agricultural capacity. This imperative is especially relevant now, during the Covid 19 pandemic. But it is one that not many countries can effectively address immediately because they have lost the capacity to be self-sufficient owing to neoliberal prescriptions and corporate power.

The Covid Crisis and the Opportunity for Food Sovereignty

The Covid 19 pandemic is a crisis that can translate into an opportunity to move food production away from the fragile corporate-controlled globalized food supply chain based on narrow considerations such as the reduction of unit cost to more sustainable smallholder-based localized systems. While, in the short term, global supply chains must be kept running to ensure people do not starve, the strategic goal must be to replace them, and some measures can already be taken even as the pandemic is at its height. For instance, in many cities under lockdown, produce from the countryside is available even as the global supply chain stops functioning, but the produce rots and peasants lose money because lockdowns prevent food from entering the city. Or peasants and fishers cannot do productive work even if they observe precautions such as the two meter social distance rule because of emergency directives that are not appropriate to the local situation. If, under appropriate emergency rules, the combined force of peasants and fishers can be unleashed — in a safe and cautious manner — much of the

current problem of the supply chain for cities can be significantly reduced. In addition, it can help prevent/ mitigate any possible future food supply shortages, where poor peasants and the landless rural poor are themselves among the first to suffer and to starve.

These are measures for the short term. When talking about strategic transformation, there are solid reasons for reversing the trend towards the globalization of food production and moving towards more food self-sufficiency. However, the rationale goes beyond just ensuring food self-sufficiency to achieve food security to fostering values and practices that enhance community, social solidarity, and democracy.

This paradigm shift was the “road not taken” after the food price crisis of 2007-2008 as the transnational agri-food interests and their ideologues asserted their power to preserve and expand the system. There were, however, representatives of the peasantry and civil society groups, who met in Nyeleni, Mali, shortly before the crisis broke out to articulate a different vision and different path from the agribusiness road, one that has become popularly known as “food sovereignty.” The resulting Nyeleni Declaration proclaimed that the aim of food sovereignty was “a world where ...all peoples, nations and states are able to determine their own food producing systems and policies that provide every one of us with good quality, adequate, affordable, healthy and culturally appropriate food.”

Led by peasants and smallholders, who still produce some 70 percent of the world’s food, this movement proposes an alternative food system the cornerstone principles of which include the following:

- Local food production must be delinked from corporate-dominated global supply chains, and each country should strive for food self-sufficiency. That means the country's farmers should produce most of the food consumed domestically. This is not, it should be stressed, the corporate concept of "food security" that says that a country can also meet a great part of its food needs through imports.
- The people should have the right to determine their patterns of food production and consumption, taking into consideration "rural and productive diversity," and not allow these to be subordinated to unregulated international trade.
- Localization of food production is good for the climate, since the carbon emissions of localized production on a global scale are much less than that of agriculture based on global supply chains.
- Traditional peasant and indigenous agricultural technologies contain a great deal of wisdom and represent the evolution of a largely benign balance between the human community and the biosphere. Thus the evolution of agrotechnology to meet social needs must take traditional practices as a starting point rather than regarding them as obsolete.
- A technology supportive of food sovereignty is agroecology, which is marked by recycling nutrients and energy on the farm, rather than introducing external inputs and diversifying plant species and genetic resources over time and space.

To be sure, there are many questions related to the economics, politics, and technology of food sovereignty that remain unanswered or to which its proponents give varying and sometimes contradictory answers. But a new paradigm is not born perfect. What gives it its momentum are

the irreversible crisis of the old paradigm and the conviction of a critical mass of people that it is the only way of surmounting the problems of the old system and opening up new possibilities for the fulfillment of values that people hold dear.

As with any new form of organizing social relationships, the unanswered questions can only be answered, and the ambiguities and contradictions can only be ironed out, through practice, since practice has always been the mother of possibilities.

It has been said that one should never let a good crisis go to waste. The silver lining of the COVID-19 crisis is the opportunity it spells for food sovereignty.

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