‘Never Let a Good Crisis Go to Waste’: The Covid-19 Pandemic and the Opportunity for Food Sovereignty

By Walden Bello
The Covid-19 pandemic has provoked widespread discussion of what kind of future the world should look forward to after the crisis. One of the areas of economic life around which there is spirited debate is the global food system. This paper focuses on how the pandemic has exposed the fragility of the corporate-dominated global food supply system and shown that it is not, as the Food and Agriculture Organization and its allied agencies see it, part of the solution. The study recommends that while in the short term, it would be important to prevent disruptions of global trade so as not to create hunger and widespread malnourishment, it is important to begin the strategic transformation of the global food production system along lines designed to bring about food self-sufficiency and food sovereignty. Moreover, it urges that this process of transformation be articulated with other progressive alternatives that seek to go beyond the inequality, conflicts, uneven development, and ecological destabilization engendered by global capitalism.

Crisis as Opportunity

In response to the cataclysm occasioned by Covid-19, three lines of thinking are emerging. One is that the emergency necessitates extraordinary measures, but the basic structure of production and consumption is sound and the problem lies in determining the moment when things can return to ‘normal’. One might say that this is the dominant opinion among government and business elites. Representative of this outlook is the infamous Goldman Sachs-sponsored teleconference call in mid-March of this year, involving scores of stock market players who concluded that ‘there is no systemic risk. No one is even talking about that. Governments are intervening in the markets to stabilize them, and the private banking sector is well capitalized. It feels more like 9/11 than it does 2008.’

A second line of thinking is that we are now in the ‘new normal,’ and while the global economic system is basically fine, changes must be made to some of its aspects, redesigning workplaces to accommodate for physical distancing.

A third response is that the pandemic provides an opportunity for transforming a system that is ridden with deep economic and political inequalities and is profoundly ecologically destabilizing. One must not simply talk about accommodating to a ‘new normal,’ but creating a new system. In the global North, the necessary transformation is often bound up with the push for a ‘Green New Deal.’ In the global South, the opportunity offered by the pandemic to tackle deep-seated economic, social, and political inequalities is stressed; representative of this thrust is the ‘Socialist Manifesto for a Post-Covid-19 Philippines’ by the Laban ng Masa people’s coalition which says:

The manner and disorder of these hegemonic players’ responses to the crisis proves beyond a shadow of doubt that the old order can no longer be restored and its ruling classes can no longer administer society in the old way. The chaos, uncertainties, and fears resulting from Covid-19, depressing and dreary though they may be, are also pregnant with opportunities and challenges to develop and offer to the public a new way of organizing and managing society and its attendant political, economic, and social components. As the socialist Albert Einstein pointed out: ‘We cannot solve our problems with the same thinking we used when we created them.’

Along this third line of thinking have been proposals for using the Covid-19 crisis as a springboard for addressing different dimensions of the global food system. In her wonderfully concise and comprehensive account of Covid-19’s enormous damage to the global economy at a webinar organized by the Transnational Institute on April 2, 2020, Jayati Ghosh, the eminent economist from Jawaharlal Nehru University, speculated that the cataclysm ‘could make more people conscious of the need to change how we live, produce, and consume, before it is too late. Some of the less rational aspects of global supply chains, especially in the multinational food industry (which has encouraged produce from one part of the world to be shipped to another part of the world for processing, before coming back to places near its origin to be consumed), will be questioned and could decline in significance.’

One can certainly agree with Prof Ghosh that the global food chain is irrational and that it will be — and has been — questioned. Its irrationality, however, is no guarantee that the powers that prop it up will cease to do so, even in the face of so devastating an event as the Covid-19 pandemic.
‘Disruptions are so far minimal; food supply is adequate, and markets are relatively stable,’ added a World Food Program spokesperson who said that that global cereal stocks were more than sufficient and the outlook for wheat and other staple crops was positive for the rest of 2020. ‘But we may soon expect to see disruptions in food supply chains,’ she warned, saying that if big importers lost confidence in the reliable flow of basic food commodities, panic buying could ensue, driving prices up.  

What was critical, said Qu Dong Yu, head of the FAO, was to avoid the experience of the 2007-2008 food crisis, when ‘export restrictions put in place by exporting countries to increase food availability domestically...proved extremely damaging, especially for low-income food-deficit countries and to the efforts of humanitarian organizations to procure supplies for the needy and vulnerable. We should all learn from our recent past and not make the same mistakes twice.’  

What the international agencies feared was a repeat of the 2007-2008 food price crisis when disruptions of the global food supply chain triggered by export restrictions by key grain supplying countries like China, Argentina, Vietnam, and Indonesia caused food prices to skyrocket, added 75 million people to the ranks of the hungry and drove an estimated 125 million people in developing countries into extreme poverty.  

Indeed, the threat to the global supply chain is not just a potential one — the chain is already breaking down at one of its most critical links: migrant labour. The pandemic has exposed the degree to which farming is dependent upon migrant workers, with more than 25 percent of the world’s farm work done by these itinerant labourers. In an excellent survey, Jean Shaoul tells us that in Europe some two-thirds of these 800,000 difficult and backbreaking jobs, whose main features are low pay and long hours, are filled in the harvest season by workers from north Africa and central and eastern Europe. But, in the current crisis, Europe’s 26-state Schengen area has banned external visitors for 30 days and closed many borders.  

‘Labor is going to be the biggest thing that can break,’ Karan Girotra, a supply-chain expert at Cornell University told the New York Times. ‘If large numbers of people start getting sick in rural America, all bets are off.’ Indeed, belonging to an essential industry, farm workers and workers in downstream food processing and food retail sectors are on the front lines of the struggle to contain Covid-19. However
many of them are deprived of the most basic protective gear, like face masks, and work in crowded conditions that make a mockery of social distance rules. Rural workers’ extreme vulnerability in the current crisis is not due to ‘underinvestment’ but to the systematic denial of rights: the right to a safe workplace, the right to potable water and decent sanitation and housing, the right to form unions and bargain collectively, the right to health care and social security protection. This denial of rights must be addressed as a core element of responses to the Covid-19 crisis.

But the global supply chain is not only threatened by problems in production and processing, but by transportation bottlenecks, especially at key hubs. An FAO report vividly captures a developing problem in Rosario, Argentina, the world’s largest exporter of soy meal 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... 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 Global Food Supply Chain is Part of the Problem

FAO’s comment on the blockades in Rosario is notable for revealing a blind spot. It paints the protesting municipal governments as self-interested. What it does not see is that, like passenger air transport, ships and planes loaded with food supplies have themselves become some of the most effective transmitters of the disease over long distances, so that the blockades were very understandable. But the even bigger problem is that the FAO and other multilateral agencies can’t seem to get it into their heads that the global food supply chain is contributing to and magnifying the Covid-19 fiasco. Having displaced local and regional food production systems and made countries less self-sufficient in food has made many of them more vulnerable to hunger triggered by pandemics and other emergencies.

The 2007-2008 crisis was triggered by a number of developments, including financial speculation in commodities as well as the transfer to land to biofuel cultivation. However, these short term triggers would not have led to a global crisis had not a number of structural conditions already been created. Chief among these is the globalization of capitalist industrial agriculture through the creation of a process of production built around ‘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 crisis should have triggered serious interrogation of the resiliency of the global food supply chain. Instead, following the crisis, the global supply chain stretched farther and farther and local and regional food systems withered even more. FAO estimates that global agricultural trade more than tripled in value to around US$1.6 trillion between 2000 and 2016. According to Jean Shaoul, ‘Some 20 percent of the calories people eat — such as rice, soya, grains and wheat, cross at least one international border, up by more than 50 percent since 1980, with one third the world’s food coming from low and middle-income countries.’ More and more the local and regional food systems that used to provide most domestic production and consumption of food have retreated, with 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 shows 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. Especially where large farms and smallholders exist side by side, ‘smallholders are more likely to be excluded’ from supplying corporate buyers.
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 benefits 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 agro-exporters 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.’

Foreign investors are often in the vanguard of the food supply chain ‘revolution’ touted by neoliberals (with some of their investments really being ill-disguised land grabs). But, as the same research agency highlights in the case of Africa, their operations carry ‘potential risks, including irreversible natural resource degradation; displacement of smallholder farmers by large, capital-intensive farms; and increasing domestic food insecurity due to rising food exports.’

Bringing Myanmar into the Global Food Supply Chain

While there are claims that over the last few years, FAO has become more sympathetic to the interests of small farmers, there is evidence to the contrary. For instance, the Agriculture Development Strategy (ADS) that FAO formulated together with the Asian Development Bank and the Livelihood and Food Security Trust Fund, for the development of Myanmar’s economy during the transition from total military rule since 2011, 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.’

While there is a nod to small farmers, the key institutions of this pillar are plantations — euphemistically termed ‘producer companies’ — and other agribusiness actors in the so-called ‘value chain’: ‘storage operators, logistic companies, agro-processors, importers and exporters of agricultural and food products, distributors, traders, and agricultural service providers (including financial service providers, insurance providers, business service providers).’ A favourite World Bank mechanism makes its appearance here as a key actor in this pillar: the public-private partnership, which is described as ‘blending…private sector and farmers’ energy and innovation with the facilitation of the government to ensure positive public outcomes...’

Making Myanmar agriculture efficient will require the participation of foreign agribusiness. Thus in a document that is supposedly mainly concerned with reinvigorating local agriculture, the ADS pushes for an item of particular interest to foreign transnationals:

The ADS will protect intellectual property rights for the agricultural and food sector. Key measures include the Plant Variety Protection Law consistent with the International Union for the Protection of New Varieties of Plants (UPOV); the Trademark Law and implementing regulations to enable protection got geographical indicators (GI) and trademarks for agricultural/food products; and IPR protection against counterfeit agricultural inputs, especially for pesticides, including stronger border control measures to reduce the import of counterfeit products.

Stripped of its avowed concern for smallholders and poverty-reduction language, the ADS and its associated investment plan emerge as ‘good examples of a cutting-edge, neo-institutional approach on how to harness the development of capitalist relations of production in farming and agriculture,’ as one analyst puts it. As already noted, one of the central links of this approach is the so-called ‘partnership’ between smallholders and agribusiness. But even the ADS’ authors themselves appear to have doubts about this partnership’s ability to secure the interest of farmers, as is evident in the following passage:
Value chains are organized systems of linkages aimed at increasing value and competitiveness. Smallholder farmers can benefit from value chain by engaging into productive partnerships with agro-enterprises. These partnerships usually require effective farmer organizations able to mobilize large numbers of farmers and protect their interest. Farmers and their leaders will need to build their capacity in organizing, planning, accounting, negotiating, and marketing. In order to gain competitiveness in agrifood value chain, farmers, private sector, and government have to form strategic alliances aimed at integrating the efforts towards the solution of bottlenecks at different stages in the value chain.27

The ADS seeks to made smallholders junior partners with big domestic capital and transnational capital in a fierce competition for global markets. The dynamics of global capitalism have always favoured those with huge investment resources in this market warfare where ruthless cost-cutting is the norm. It is extremely doubtful that playing by the rules of the global market, the farmer organizations that the ADS pays lip service to would be able to protect the interests of smallholders. What is more likely to happen is that, with their integration into the commodity value chain dominated by big capital, the gains that have already been made by smallholders—for instance, in the production and export of pulses—would be lost to transnational capital. In this system, the future that awaits a large number of current smallholders is their likely conversion into landless labourers—already the status of 30-50 per cent of the country’s agricultural work force—working in domestic and foreign owned plantations, mines, and industrial enterprises.

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, FAO and other multilateral institutions have simply brushed them aside. Jennifer Clapp has provided six critical reasons why moving towards greater food self-sufficiency makes very good sense.

1. ‘When a large proportion of a country’s population is at risk of hunger in case of sudden food shortages due to the vagaries of world markets, as happened in 2007-2008, ‘it is prudent to carefully consider ways to improve domestic food production’.28

2. ‘Countries with volatile export earnings can derive benefits from reducing reliance on global food markets. Countries that are experiencing declining terms of trade for their exports, or which are reliant on just one or two commodity exports for the bulk of their foreign exchange, are more vulnerable to sudden drops in income than countries with more diversified export sectors’.29

3. ‘Countries that have the potential to be food self-sufficient in terms of their natural resource base but are currently net food importers ‘can benefit from increasing domestic food production…([Over] 60 countries at present do not have the resource capacity to produce the food they consume, but by the same token the majority of the world’s countries do have the resource capacity to produce the food that they consume. Of those countries that have the resource capacity to be food self-sufficient, a number of them 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. Other net-food importing countries, such as Colombia and Venezuela in South America, also have the capacity to be self-sufficient in food yet rely on global markets for a significant proportion of their food consumption in
these situations could reduce the risks associated with volatile export earnings and volatile food prices by increasing domestic food production.30

4 Countries whose main dietary staples are controlled by a small handful of suppliers may also benefit from greater food self-sufficiency. Rice, for example, is a thinly traded crop, meaning that there are relatively few suppliers and only a small percentage of global production is traded. Disruptions in supply can result in price spikes for thinly traded crops, as was the case with rice in the 2007–08 food crisis. Although critics of food self-sufficiency argue that there should be deeper trading in all crops to avoid such problems, for some staple crops, including rice, there are few countries that can supply it to global markets in large quantities.31

5 Countries with a large population can also benefit from reducing their dependence on world markets for food supplies. If the amount of food commodities purchased on world markets by large countries fluctuates year-to-year, their purchases can influence global food prices in ways that might lead to higher food prices, and reduced access, not only in the country that is purchasing food on world markets, but also in other countries that import the same staple commodities. A self-sufficiency ratio close to 100% for such countries could contribute to more stable domestic as well as international food prices.32

6 Countries facing the threat of trade disruptions as a result of war or political tensions 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, countries may want to invest in their domestic agricultural capacity.33

To this list, one can now add that pandemics pose a severe challenge to global supply lines, and that the supply lines themselves can become efficient carriers of viruses, making it imperative for countries to begin to develop a greater degree of self-sufficiency.

Probably the most important measure proposed by this study is 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 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.34

From the Global Food Supply Chain to Food Sovereignty

As we noted above, there are solid reasons for reversing the trend towards the globalization of food production and moving instead towards more food self-sufficiency. However, the goal must go beyond just ensuring food self-sufficiency 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. Representatives of the peasantry and civil society groups, however, met in Nyéléni, Mali, shortly before the crisis broke out, to articulate a different vision and different path, one that has become popularly known as ‘food sovereignty.’ The resulting Nyéléni Declaration was a statement on behalf of those who produce an estimated 70 per cent of the world’s food that not
only could their interests not be ignored but that their way — the ‘peasant way’ or ‘Via Campesina,’ as one of the organizational proponents of food sovereignty names itself — was the best path for the world. What ‘we are fighting for,’ the participants at the historic meeting declared, 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.’

The following principles, articulated by its proponents in a variety of writings and interventions, might be taken as the cornerstones of the food sovereignty paradigm:

1. A country should strive for food self-sufficiency, meaning the country’s farmers should produce most of the food consumed domestically. This condition that is subverted by the corporate concept of food security, which says that a country can meet a great part of its food needs through imports.

2. 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.

3. Production and consumption of food should be guided by the welfare and genuine interest of farmers and consumers, not the profits of transnational agribusiness.

4. Production should be delinked from the global supply chains within which TNCs have subordinated local production in the interest of greater profitability.

5. Food sovereignty necessarily involves the localization of agricultural production, and this 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.

6. There must be democratic control over national trade policy, with peasants and farmers making major inputs into the process.

7. National food systems must produce healthy, good quality, and culturally appropriate food for the domestic market and avoid internationally standardized or ‘junk’ food.

8. A new balance must be achieved between agriculture and industry, the countryside and the city, to reverse the subordination of agriculture and the countryside to industry and urban elites, which has resulted in a blighted countryside and massive urban slums of rural refugees.

9. Small scale urban agriculture, which now feeds an estimated 800 million people globally, must be seen as complementary to small-scale rural agriculture. Together they can create a synergy that could also support the (re)emergence of small scale middle men and retailers.

10. Land grabs must be stopped, the consolidation of land by landlords and transnational corporations must be reversed and equity in land distribution must be promoted through land reform. Reform should also include provisions for communal and collective forms of ownership and production that promote a sense of ecological stewardship.

11. Agricultural production should be carried out mainly by indigenous communities, small farmers, and cooperatives or state enterprises, and transnational corporations must be phased out from food production.

12. The distribution and consumption of food should be governed by fair pricing schemes that take into consideration the rights and welfare of both farmers and consumers. Among other things, this means an end to dumping by transnational firms of subsidized agricultural commodities, which has artificially brought down prices, resulting in the destruction of small farmers. It would also mean, according to scholar-activist Peter Rosset, ‘a return to protection of the national food production of nations … rebuilding grain reserves … public sector budgets, floor prices, credit and other forms of support that stimulate the recovery of [countries’] food production capacity.’
To be sure, as Jun Borras, Jr., and his associates point out, there are many questions related to the economics, politics, and technology of food sovereignty that remain unanswered or to which its proponents give diverse and sometimes contradictory answers. But a new paradigm is not born perfect. What gives it its momentum are the irreversible crises of the old paradigm and the conviction of a critical mass of people that it is the only way to surmount the problems of the old system and open up new possibilities for the fulfilment 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.

The food sovereignty paradigm, it must be noted in conclusion, is one of several alternative ways of organizing economic life that emerged as capitalism lurched from one crisis to another over the last few decades. In addition to the Green New Deal, these alternatives include Deglobalization, Degrowth, Ecofeminism, Emancipatory Marxism, and ‘Buen Vivir,’ or living well. While these perspectives have emphasized different dimensions of people’s relationship with one another and with the planet, their shared elements are striking. To put it in the words of the great Hungarian thinker Karl Polanyi, all of them are all about creating the conditions whereby instead of having the dis-embedded market or capitalist economy drive society, the market must be re-embedded in society. Harnessing and fusing the insights of these approaches, the articulation of which has already involved a great deal of thinking and practice, and having them embodied in and pushed by a critical mass that tips the scale in favour of liberation, is the great challenge of our times.

Conclusion

The Covid-19 pandemic is very much tied up with the provisioning of food, in terms of its origins, its impact, and the lessons it offers for a restructuring of the global food system. This paper has focused on the way the pandemic has exposed the fragility of the corporate-dominated global food supply system and shown that it is not part of the solution. The study recommends that while in the short term, it is important to prevent disruptions so as not to create hunger and widespread malnourishment, it is important to begin the strategic transformation of the global food production system along lines designed to bring about food self-sufficiency and food sovereignty. Moreover, it urges that this process of transformation be articulated with other progressive alternatives that seek to go beyond the inequality, conflicts, uneven development, and ecological destabilization engendered by global capitalism.

It has been said that ‘one must never let a good crisis go to waste.’ The 2007-2008 food price crisis was a crisis that was wasted in terms of transforming the global system of food production and consumption in a direction that could better serve the needs of the planet. The Covid-19 pandemic is a crisis that cannot be allowed to go the same way.
Endnotes


12 Ibid.


14 Harriet Friedmann, quoted in Mara Bavier and Walden Bello.


16 Jean Shaoul, ibid.


21 Fan et al., p. 10.


23 Ibid.

24 Ibid.


27 ADS, p. 74.


29 Ibid.

30 Ibid.

31 Ibid.

32 Ibid.

33 Ibid.

34 Via Campesina, Video on Coronavirus Pandemic, 687640984-464A9120108, April 20, 2020.

35 ‘Nyélénë Declaration on Food Sovereignty


38 Saturnino Borras, Jr., Marc Edelman, Tony Weis et al.


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