THE GLOBAL FOOD CRISIS, THIS TIME

A DOSSIER BY
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Preface

A perfect storm is brewing in the global food system, pushing food prices to record high levels, and expanding hunger. The continuing fallout from the COVID-19 pandemic, the Russia-Ukraine War, climate-related disasters and a breakdown of supply chains have led to widespread protests across the global South triggered by the spiraling food prices and shortages.

As international institutions struggle to respond, some governments have resorted to knee-jerk ‘food nationalism’ by placing export bans to preserve their own food supplies and stabilise prices. While this is an understandable defensive response, the solution lies in a more systemic, transformative approach.

In this dossier, researchers from Focus on the Global South write about various aspects of the current crisis, its causes, and how it is impacting countries in Asia. These include regional analysis, case studies from Sri Lanka, Philippines and India, the role of corporations in fuelling the crisis and the flawed responses of international institutions such as the World Trade Organisation (WTO), the Bretton Woods Institutions and United Nations agencies. We also attempt to present national, regional and global aspects of a progressive and systemic solution as articulated by communities, social movements and researchers at multiple levels.
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IS THE GLOBAL VALUE CHAIN BREAKING UP? THE “PERFECT STORM” AND THE CRISIS OF CAPITALIST AGRICULTURE

BY WALDEN BELLO

Collection of seeds exhibited at the farmer-to-farmer exchange and workshops on agroecology practices at the Community Seed Festival which was conducted on 26th – 27th March 2022 in Battambang Province, Cambodia.

Throughout the global South, protests have been triggered by the uncontrolled rise in food prices. The “perfect storm” of Covid 19, climate change, and the Russian invasion of Ukraine has definitely been a factor. However, more fundamental is the problem created by global food chains that have centralized control of food production, transportation, and distribution by agribusiness giants. Global supply chains have led to the weakening of regional and local food systems, marginalized smallholders and indigenous communities, and made food production and distribution very vulnerable to extreme weather events as well as to geopolitical crises like the Russia-Ukraine conflict.

One cannot understand why global value chains have become so dominant without understanding the dynamics of capitalist industrial agriculture, how the pursuit of profits
through narrow efficiency has led to the promotion of export-oriented agriculture at the expense of local or domestic food production.

Promoting food self-sufficiency is part of the answer to the crisis of food security, but achieving food sovereignty—which includes not just food self-sufficiency but prioritizing production by smallholders and indigenous communities, re-localizing production, making agricultural practices subject to democratic and participatory decision-making, and spreading ecologically sustainable agricultural practices—is the more appropriate strategy.

**Global Food Crisis Triggers Global Protests**

For the second time in 16 years, the world has been hit by a global food crisis.

In 2006-2008, a three-fold rise in the food import basket of less developed countries since 2000 added 75 million people to the ranks of the hungry and an estimated 125 million into extreme poverty.¹ Some thirty countries in the global South witnessed violent protests and other mass actions against the rise of imported foods.²

In 2020-2022, an eerily familiar scenario emerged, though some of the forces driving it were new. Global hunger and the chronic inability to access food skyrocketed in 2021, with 2.3 billion people facing moderate or severe food insecurity around the world, according to the United Nations.³

According to the World Food Program, prior to the Covid-19 pandemic, “135 million people faced acute food insecurity; before Russia’s invasion of Ukraine, that figure reached 276 million people. The estimated figure for 2022, it said, was 335 million people across 82 countries.”⁴

**Food Crisis Triggers Protests in the Global South**

As in 2006-2008, major protests were triggered by the uncontrolled inflation of fuel and food prices. A detailed report from Reuters chronicled these largely spontaneous mass actions:⁵

**Argentina**

Thousands of farmers protested in Buenos Aires on April 23 against President Alberto Fernandez, whose policies to contain food prices to curb rampant inflation have been criticized by the agricultural sector.
**Chile**

Thousands of students marched through the Chilean capital Santiago on March 25 demanding higher food stipends.

**Cyprus**

Cypriot farmers dumped tonnes of milk and lit bales of hay outside the presidential palace in the capital Nicosia on May 18, in protest at high prices and production issues.

**Greece**

Thousands of Greek workers protested in Athens in May Day rallies against surges in energy and food prices. Greece's annual consumer inflation accelerated to 8.9% in March, hitting its highest level in 27 years.

**Guinea**

One person was killed in Guinea’s capital on June 2 during protests over fuel price hikes, in the most serious unrest since a military junta took power last year. Gunfire rang out in Conakry overnight as people barricaded streets and set tyres alight in protest over a 20% increase in the price of gasoline, a Reuters reporter and witnesses said.

**Indonesia**

Indonesian farmers protested in Jakarta on May 17 against the rising cost of palm oil export ban. Smallholder farmers’ group APKASINDO estimates at least 25% of palm oil mills have stopped buying palm fruit from independent farmers since the ban started, sending the price of palm fruit 70% below a floor price set by regional authorities.

**Iran**

Price protests turn political in Iran as rallies spread. The protests began in early May sparked by the government’s subsidy cut decision that caused price hikes in Iran by as much as 300% for a variety of flour-based staples. The government also raised prices of some basic goods such as cooking oil and dairy products.

Pensioners protested in Iran on June 6 in a fresh demonstration against soaring living costs, according to Fars news agency and social media reports, in a further challenge to authorities grappling with weeks of unrest. About 1,000 retirees gathered to protest peacefully and were escorted by the police in the city, Fars wrote.
Kenya
Activists held a demonstration on May 17 in Nairobi, asking the government to lower costs of living, especially on food prices.

Lebanon
Lebanese truck and bus drivers and others blocked roads in January to protest against soaring prices. The protesters accuse politicians of failure to address an ongoing economic crisis since 2019.

Palestine
Palestinian police made a number of arrests on June 6 as protests against soaring prices for food and other necessities spread a day ahead of a planned strike to demand action from the cash-strapped Palestinian Authority. Official figures released by the Palestinian Central Statistics Bureau put the food prices increase at between 15 and 18 percent.

Peru
Peru deployed the army on highways in April in response to road blockades spurred by anger over rising food and fuel prices. Peru is facing its highest inflation rate in a quarter century.

Sudan
In March, a protester was shot and killed in the Sudanese city of Madani, medics said, as demonstrators marched across the country to protest a military coup that has been followed by a steep economic downturn. Sudan's currency has lost more than a third of its value since the military coup in October last year, rapidly driving up prices for fuel, food and other goods.

Tunisia
Tunisia said on May 11 it would raise the prices of some foods including milk, eggs and poultry, following protests by farmers against a jump in animal feed barley prices.
Sri Lanka: Food Crisis and Bankruptcy

The poster boy of the current crisis is Sri Lanka. While onerous debt, Covid-19, and other factors were central in the lead-up to the crisis, it was the shortage of food and other basic commodities that was the tipping point. As one personal account put it:

I have a car, which has now turned into a giant paperweight. Sri Lanka literally ran out of gas, so my kids asked if they could play inside the vehicle. That’s all it is good for. Getting fuel required waiting for days in spirit-crushing queues. I gave up. I got around by bus or bicycle. Most of the economy stopped moving at all. Now fuel has been rationed, but irrationally. Rich people get enough fuel for gas-guzzling S.U.V.s while working taxis don’t get enough and owners of tractors struggle to get anything at all.

The rupee has lost almost half its value since March, and many goods are out of stock. You learn to react at the first sign of trouble: When power cuts started a few months ago, my wife and I bought an expensive rechargeable fan; days later, they were sold out. When fuel cuts became dire, we immediately bought bicycles, and the next day their price went up. Staples like rice, vegetables, fish and chicken have soared in price.

Many Sri Lankans are going on one meal a day; some are starving. Every week brings to my door a new class of people reduced to begging to survive.6

By early July, people had had enough. People marched to the presidential palace and took it over, as they did the home of the Prime Minister, both of whom belonged to the corrupt Rajapaksa dynasty. The brothers fled, with the president Gotayaba Rajapaksa flying to the Maldives.

Genesis and Crisis of the Global Value Chain

During the 2006-2008 crisis, blame was placed on the withdrawal of farmland from food production in the United States and its repurposing for biofuel production and on the way financialization had artificially reduced the supply of goods owing to the conversion of food into assets or derivatives traded in global markets, thus directly affecting the moves of their prices.7

In 2022, the focus of concern was the disruption of the global value chain.

The global value chain was the key institution resulting from the 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 Friedmann 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. The Food and Agriculture Organization (FAO) estimates that global agricultural trade more than tripled in value to around US$1.6 trillion from 2000 to 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 of the world’s food coming from low and middle-income countries.”

More and more local and regional food systems that used to provide most of domestic production and consumption of food have retreated, with “[m]odern 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 imposed strict quality controls on local producers were captured by foreign investors, large food companies and developing country elites. Vertical integration and consolidation at the buyer end of export chains were 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. Especially where large farms and smallholders exist side by side, “smallholders are more likely to be excluded” as suppliers to corporate buyers.

The smallholder, in short, was 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 summed 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.”
Contract farming was a value chain innovation introduced in many countries, such as Thailand. The case of Thailand is instructive. As one report notes, “many of the problems that cropping contracts were intended to solve have been left unresolved. Farmers and companies often reneged on agreed production targets and prices. Over time, many farmers abandoned farming contracts to regain flexibility and independence, including the opportunity to negotiate better prices.”

Thailand is a good case of how value chain institutions like contract farming “usually assist better-off farmers, while poorer and middle income farmers may not benefit or may even experience new risks.”

Foreign investors were 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 carried “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.”

Aside from the erosion of local food systems and its deleterious impact on smallholders, the value chain was also wasteful, with an astonishing 30 per cent of food being wasted! Also, climate hazards impacted all activities along the chain. Extreme weather dried up rivers in Europe in the summer of 2022, posing a massive threat to the transport and delivery of food via the continent’s waterways. According to one report:

Across continental Europe, a sweltering summer heatwave has led to the drying up of crucial waterways, hampering critical trade. One of the most significant passages for agri-food shipments such as grain, the Rhine river, is fast becoming impassable for barge traffic. In Italy, the country’s “king of rivers,” the Po, is reportedly two meters lower than normal, triggering warnings of crop productivity slowing to a trickle...Meanwhile, Serbia, Romania and Bulgaria are dredging deeper channels into the historic Danube, which snakes its way 1,800 miles through central Europe toward the Black Sea...In Bavaria, the Danube reached 25°C earlier this month and could hit 26.5°C by mid-month, meaning its oxygen content could drop below six parts per million – which is fatal for trout...“We need extraordinary measures to ensure supply security,” warns Germany’s economy minister Robert Habeck.

Super-typhoon Rai or Odette, which hit the Philippines in December 2021, destroyed 10 million hectares of crop area, along with 120,000 livestock and poultry, while the cost of damages to fisheries was estimated at over 2 billion pesos (US$39 million). In early
2022, Malaysia put restrictions on exports of its chicken products since hens tended to produce fewer eggs in extremely hot weather. India—the world’s second largest producer—banned grain exports after a heatwave in March and April slashed yields owing to grain’s being sensitive to high temperatures.  

The Philippines: The Making of an Import Dependent Agricultural Economy

Like most other countries, the Philippines saw uncontrolled food price rises in 2021-2022. As of end-May, inflation averaged 4.1 percent, above the government’s 2 to 4 percent target range of manageable price hikes conducive to economic growth. But even before the perfect storm of Covid-19, climate change, and Russia’s invasion of the Ukraine, Philippine agriculture was already in severe trouble.

Among developing countries in Asia, the Philippines is the outlier. In comparison to food surplus countries such as India, Thailand, and Vietnam, the country’s ability to battle food inflation was limited. Indeed, the Philippines “is the most food-insecure country in emerging Asia due to its reliance on imported food to feed its expanding population...”

But the Philippines was not always a trade deficit country. Indeed, as late as 1993, its agricultural trade balance was in surplus. There is no disputing the fact that the decisive event that led the Philippines to become an import-dependent agricultural economy was its joining the World Trade Organization (WTO) in 1995.

Since the Philippines joined the WTO in 1995, its agricultural trade went into deficit, growing from $149 million in 1995 to $960 million in 2005 to a whopping $7.9 billion in 2019.

Twenty-six years after the country joined the WTO, not only has it eliminated all quotas on agricultural products—including the last one, on rice, in 2019; according to the US Department of Agriculture, Philippine tariffs, which replaced quotas, are now “among the lowest in the region and often close to the preferential rates” offered to members of ASEAN. Not surprisingly, import penetration of almost all agricultural commodities is quite high, translating into huge profits for foreign producers and local importers and into a permanent crisis for local producers. The Philippines is, in fact, a classic example of how to turn a highly self-sufficient agricultural economy into a highly import-dependent one.

The reason often given for the reversal of agricultural trade from surplus to deficit is that Filipino farmers are inefficient, that their costs of production are too high, making them uncompetitive with foreign exporters. This is a case of a falsehood repeated often enough that it takes on the status of truth, to paraphrase Joseph Goebbels, Hitler’s propaganda chieftain. The explanation, rather, is that Filipino farmers can’t compete because the Philippines has become a dumping ground for foreign commodities that can be sold at dirt cheap prices because their producers are highly subsidized. This is very clear with respect to the US and the European Union, the two biggest exporters of agricultural products to the Philippines.

In the nearly three decades since the Philippines entered the WTO, the US has become the country’s top supplier of agricultural goods, accounting for 21 percent of imports, followed by the European Union, whose share is 11 per cent. This is no cause for surprise since state subsidies for American and European Union farmers are the highest in the world. In
2020, the US agricultural sector received a record $46.8 billion in subsidies, which translated to the government subsidizing 39 per cent of the average American farmer’s cost of production. In the European Union, total subsidies have totaled over 50 billion euros yearly, translating to the average European Union farmer being subsidized to the tune of 20 percent of the cost of production. With such a huge chunk of their cost of production covered by government subsidies, one can no longer speak about US and European Union agriculture as being run on free market lines but as socialist agriculture.

Socialist agriculture is fine when there is an even playing field. But when the two biggest global producers practice socialist subsidization in a global capitalist trading system where smaller producers like the Philippines engage in the free market, the result is massive dislocation and marginalization for the latter. The reason is that massive subsidization has what experts have described as the “pernicious” effect of promoting overproduction in the US and the European Union, and this leads to dumping of excess produce in world markets, leading to lower world prices for agricultural commodities. Those prices cannot be matched by local farmers, who have to foot the total cost of production themselves since they run on a purely free market system and enjoy little or no subsidies from government that would allow them to be price competitive.

In the case of the Philippines, with the elimination of quotas as decreed by the WTO and the so-called Minimum Access Volumes (MAVs) providing little protection, dumping of massively subsidized products triggered crises in the corn, pig, poultry, and vegetable sectors, leading to the bankruptcy of large numbers of small and medium producers and increased poverty across the board in a country where poverty had already been concentrated in the rural areas. The desperation of Philippine producers was echoed by one of the government’s negotiators at a meeting of the WTO Agricultural Committee in Geneva: “Our agricultural sectors that are strategic to food and livelihood security and rural employment,” he told the body, “have already been destabilized as our small producers are being slaughtered in our own markets, [and] even the most resilient and efficient are in distress.”

The agony of the country’s rice agriculture had been going on for three decades before President Duterte signed the Rice Tariffication Act in 2019 that effectively put an end to its suffering by proclaiming a death sentence.

Under the Agreement of Agriculture (AOA) of the WTO, developing countries were allowed to retain a quota or import restriction on one commodity. In the case of the Philippines, it was rice. The country was required to import rice that amounted to 4 percent of domestic consumption and none beyond that. But, in fact, the government imported amounts far beyond the figure demanded by the agreement, with imports shooting up from 263,000 MT (metric tons) in 1995 to 2.1 million MT in 1998, 836,999 MT in 1999, and 639,000 MT in 2000. High levels of imports continued over the next two decades, the figure being dependent not so much on estimates of domestic consumption but on the lobbying power of domestic rice importers and foreign exporters at the National Food Authority (NFA), making the NFA one of the most corrupt agencies of the government.

The impact on Filipino rice producers was disastrous, since it was near to impossible to compete with super-subsidized Thai rice and Vietnamese rice, which then President-elect Duterte himself in June 2016 correctly identified as the sources of the misery of the country’s rice farmers. For instance, under the Rice Farmer Assistance Program that was in place
from 2011 to 2014, the Thai government paid farmers about $450 a metric ton for their rice. Because that was above the market price for rice, stocks mounted, shooting up to 15 million tons, leading the government to dump rice into the export market for $380 to $390 a metric ton to recoup part of the cost of its subsidies.  

Similarly, in Vietnam, the government subsidizes its farmers to the tune of $236 per metric ton, and the rice purchased in this program has to be exported, that is, dumped at low prices in countries like the Philippines. As in the case of Thailand, dumping rice in global markets is a way to recoup part of the costs of subsidization. And like Thailand, Vietnam was said to be greatly breaching the limits set for subsidies by the WTO, which should come to no more than 10 percent of the value of production.

In 2019, the Duterte administration abolished the quantitative restriction on rice imports, replacing it with a 35 percent import tariff. This was a death sentence for rice agriculture. Even the most pro-tariffication study, one done by the Philippine Institute for Development Studies (PIDS) in February of 2021, could not dispute the fact that “[R]ice tariffication ultimately causes an increase in income poverty, across a variety of measures, geographic categories, and time,” because they would not be able to compete with cheap, subsidized rice.

It is true that Philippine agriculture was not in the best of health when the country entered the WTO in 1995, but the cure, import liberalization—even as the rich countries and the Philippines’ neighbors maintained their highly subsidized trade structures—was a cure far worse than the disease. As the leading agricultural policy think tank, the Washington, D.C.-based International Food Policy Research Institute (IFPRI), warned, “[W]ithout reform of agricultural trade barriers in industrialized countries, import liberalization in the developing world will perpetuate unfair competition.”

The Coming of Covid-19

Warnings about the non-sustainability of the global value chain tended to be ignored until the Covid-19 pandemic blanketed the world in 2020. All key points in the global supply chain suddenly became very vulnerable.

The pandemic exposed the degree to which farming is dependent upon super-exploited migrant workers, with more than 25 per cent of the world’s farm work done by these itinerant laborers. 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 the Schengen Area, comprising 26 European states, banned external visitors for 30 days and closed many borders, putting planting and harvesting at great risk.
Canadian farmers lost an estimated $2.9 billion in earnings due to labor shortages, and 47 per cent of agricultural employers were unable to hire all the workers they needed.\textsuperscript{36} In the US, “Labor is going to be the biggest thing that can break,” warned 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.”\textsuperscript{37} Indeed, belonging to an essential industry, farm workers and workers in the downstream food processing and food retail sectors, are in the frontlines of the struggle to contain Covid-19, but many of them are deprived of the most basic protective gear like facemasks and work in crowded conditions that make a mockery of social distance rules.\textsuperscript{38}

Food processing plants in the United States were hard-hit. One research group estimated 100,000 cases and 466 deaths from COVID-19 among farm and food processing workers in every state between May 2020 and September 2021. Researchers identified almost 2,000 outbreaks at meat processing plants, fruit and vegetable farms, snack food facilities, and seafood trawlers.\textsuperscript{39}

To many observers, if Covid-19 wreaked such damage on production, this was because it was facilitated by the very bad conditions that work laborers found themselves in, including unsafe working conditions and lack of access to decent sanitation and housing.

But the global supply chain was threatened not only by problems at the production and processing ends, but by transportation bottlenecks, especially at key hubs. An FAO report vividly described what happened in the vital port of Rosario, Argentina, 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...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.\textsuperscript{40}

FAO’s comment on the blockades in Rosario is notable for its revealing a blind spot. It painted the protesters as being self-interested. What it did not see or refused to acknowledge was that, like passenger air transport, ships and planes loaded with food
supplies themselves became some of the most effective transmitters of the disease over long distances, so that the actions of the protesters were very understandable. But the even bigger problem is that the FAO and other multilateral agencies could not seem to get it into their heads that the global food supply chain was contributing to magnifying Covid-19’s impact on global food supply, owing its having displaced local and regional food production systems and making countries less self-sufficient in foods, thus making them more vulnerable to hunger triggered by pandemics and other emergencies.

**The Perfect Storm**

In 2021, Covid-19 was joined by extreme weather to cause an increase in fertilizer prices, adding to global inflationary pressures. For instance, average 2021 nominal prices of diammonium phosphate and urea were about 96 per cent higher than their 2019 averages. In turn, increasing fertilizer prices exacerbated global food insecurity, as global food prices in 2021 jumped to their highest level in a decade.41

The war in the Ukraine was the factor that turned the crisis into a perfect storm in 2022. The war impacted on both fuel and food prices, the rise of which are directly correlated to the great dependence on air, sea, and land transport of the global supply chain. One report does a good job of capturing the explosive fusion of geopolitics, pandemic, and climate change:

> The war in Ukraine has disrupted the global food production system. The two countries produce roughly a third of the world's ammonia and potassium exports, essential ingredients in fertilizer. And they are the breadbasket for much of the world, supplying about 30 percent of global exports of wheat and barley, 65 percent of sunflower seed oil, and 15 percent of corn.

Soon after the invasion, prices for fertilizers and several food commodities rose by 20 to 50 percent. For example, wheat futures rose 40 percent from February 1 to April 1. As the exhibit shows, many countries rely heavily on wheat for their national diet, including imports from Russia and Ukraine. These countries are concentrated in Central and Western Asia as well as in the Middle East and North Africa. Syria and Yemen, already struggling with longstanding refugee crises and problems with food security, will likely be affected: both are highly dependent on wheat and thus exposed to higher prices and potential shortages. But all importing nations will be affected, unless they have longer-term fixed-price contracts with suppliers or robust
hedges. The UN’s World Food Programme will also be affected, as Russia and Ukraine contributed close to 20 percent of the total food commodities it procured in 2020.

The challenge will likely be severe. According to the UN’s latest estimates, 30 to 40 percent of the autumn 2022 harvest in Ukraine is at risk, as farmers have been unable to plant. Global fertilizer shortages may also harm production. Governments are pursuing a range of options, including programs to direct more supplies to the most affected countries, levers to boost regional production, subsidies to consumers, and price controls.\textsuperscript{42}

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\textbf{The Bigger Picture: The Crisis of Capitalist Agriculture}

While it is often smaller countries in Africa that are the focus of concerns about the loss of food security owing to the rise of the global value chain, in fact, even the most productive countries that are at the beginning of the value chain are twisted by the logic of the export-led production and, more broadly, the dynamics of capitalist agriculture. Brazil is a good example of how food insecurity can stalk even the richest agricultural producers. Nineteen million people are starving in that country, 25 per cent of whom are children, and 116 million suffer from food insecurity, that is, over half the population. Yet Brazil produces over three kilograms of grain alone, per person, per day. Ladislau Dowbor provides us with a picture of the structural dynamics that creates hunger in this agricultural superpower.

Only two sectors of the economy are dynamic: finance, in its different modalities, and the export of primary goods, which largely constitutes a decapitalization of the country in favor of commodity intermediation groups. The radical explosion of hunger and food insecurity is directly linked to both: the appropriation of resources by financial groups reduces the purchasing capacity of the population, which cannot pay for food, and the export of food by the agroindustry generates a shortage in the market and the uncontrolled rise in prices. Economic policy was disconnected from the interests of the nation. In the era of control of agricultural products by major commodity traders, the logic is one of profit. Their control over economic policy led to a depreciation of the real, which favors exports in relation to the domestic market. In 2010, for example, one dollar of exported product returned 2.5 reais to the exporter. Today, with one dollar of exports, he earns 5.5 reais. The interest in exporting practically doubled. And since 1996...production for export is tax-exempt. “Export is what matters” (exportar é o que importa), is what they proclaimed at the time. In other words, producing food for the country’s population was taxed, but not when it was for export. This tax system further reinforces the deformation generated by the exchange rate. Add to that the weakening of the population’s purchasing capacity, and the rise in prices, and we have a complete crisis.

In Brazil, considering the volumes of food produced and the amount of land available, the process is aberrant, but actively supported by a government determined to favor
\end{boxedminipage}
bankers and traders. Caroline Oliveira, in Brasil de Fato, shows how this is a policy: ‘cattle farming and soy were the activities most financed by the National Program for Strengthening Family Agriculture (Pronaf) in 2020, accounting for 59.9% of resources, followed by production of corn (14.4%). Meanwhile, only 2.53% of Pronaf Custeio Geral resources were allocated to the production of rice and beans.’

The IBGE, the national statistics institute, in the chart below, shows the priorities of Brazilian agriculture. “Soybean is the crop with the highest production value in Brazil, followed by sugarcane, corn and coffee.” Food products like beans and rice are among the “others.”

Dowbor notes that while Brazil is the poster boy of a capitalist industrial agriculture increasingly at odds with real human needs, “the deformation is planetary.” He cites the assessment of the 2021 UN Food Systems Summit (UNFSS):

Industrial food systems, global supply chains and increasing corporate control of food governance are responsible for the inextricably interconnected and existential threats faced by our populations and planet, including the climate crisis, deforestation, loss of biodiversity, land and ocean degradation, air and water pollution, hunger, marginalization, and countless human rights violations. An extractivist development model centered on corporate control of resources, policy debates, and regulatory processes has produced a global food system that has most recently left over two billion people under-nourished and economically destitute. Furthermore, ultra-processed industrial products cause malnutrition, diet-related noncommunicable diseases, and obesity.

Agroecologists Peter Rosset and Miguel Altieri agree, emphasizing the ecological dimension:

It is increasingly evident that agro-capitalism is self-destructive in terms of the ecological conditions of production, by simplifying and over-exploiting ecosystems, eroding soil fertility, contaminating water and spewing greenhouse gases into the atmosphere. Economically, this means that there is a falling rate of profit crisis for capital, i.e., a decrease of profits caused by an increase in production costs. For example, increasingly greater amounts of fertilizers and insecticides must be applied to maintain past yields.

### The Food Security versus Food Self-Sufficiency Debate

The crisis of the global food chains has resulted in what some have called “food nationalism,” where governments of countries that play a key role in export-oriented agriculture place export bans to preserve their own supply of vital commodities. Malaysia, India, and Indonesia have instituted such bans. Malaysia is said to be “forging its own path and fending for itself, ignoring pressures from the Secretary-General of the UN, who advo-
cated for no more restrictions on exports to reduce market pressure and avoid sudden supply shocks.”

While the concerns about the impact of export bans on world hunger are valid, most authorities and experts fail to point out that the central cause of problem are the global food chains that agribusiness has developed, causing the withering away of regional and local supply systems. The so-called “food nationalism” stigmatized by neoliberal technocrats is simply a symptom of the real problem. Given the deep crisis of the global value chain, it is an understandable defensive response on the part of some food producers. However, the export bans declared by India and Malaysia are purely defensive and temporary, and they do not question the underlying paradigm of the global supply chain.

Defenders of the global value chain say that achieving food security can be achieved without promoting food self-sufficiency. This neoliberal mantra repeated ad nauseam by American agribusiness and the US Department of Agriculture is no longer convincing. Under current conditions, pushing for food self-sufficiency makes sense and should not be stigmatized as “food nationalism.” Jennifer Clapp provides a number of reasons why food self-sufficiency makes sense:

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 prudent to carefully consider ways to improve domestic food production.”

2. Countries with volatile export earnings can derive benefits in 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.”

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 coun-
tries, 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.”

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.”

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.”

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.” Food security as a national security issue has obviously passed from the realm of theory to that of reality with the perfect storm of Covid-19, climate change, and the Ukraine invasion in 2020-2022.
From Food Self-Sufficiency to Food Sovereignty

As noted above, there are solid reasons for reversing the trend towards the globalization of food production and moving towards more food self-sufficiency. However, for many advocates for the right to food, the solution must go beyond just ensuring food self-sufficiency to changing the structures of production and consumption within the country. This would mean adopting strategies that foster the values and practices that enhance community, social solidarity, and democracy. Moreover, countries seeking to produce most of their food may nevertheless share their food and engage in trade, but this would take place largely through planning and cooperation and not through the mediation of corporate capitalist giants engaged in global trade. For these reasons, the alternative paradigm promoted by many food rights advocates has come under the rubric of “food sovereignty.”

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, civil society groups, and peoples’ movements who met in the village of Nyéléni in Sélingué, 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, a condition that is subverted by the corporate concept of food security that says that a country can also 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 profit projections of transnational agribusiness.

4. Production should be delinked from the global supply chains within which transnational corporations (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 a major input 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 and they can create a synergy that could also support the emergence of small-scale middle men and retailers.

10. Land grabs must be stopped and 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 com-
munal 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-scale farmers, and cooperatives or state enterprises; 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-scale 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.\textsuperscript{57}

13. Industrial agriculture based on genetic engineering and the original chemical-intensive Green Revolution should be discouraged, because monopoly control over seeds advances the corporate agenda and because industrial agriculture is unsustainable.

14. 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 overthrowing them as obsolete.

15. Food sovereignty is best achieved through agroecology, which is marked by “recycling nutrients and energy on the farm, rather than introducing external inputs; enhancing soil organic matter and soil biological activity; diversifying plant species and genetic resources in agroecosystems over time and space; integrating crops and livestock and optimizing interactions and productivity of the total farming system, rather than the yields of individual species.”\textsuperscript{58}
Food Sovereignty in the Peruvian Highlands

The push for food sovereignty and agroecology is not something that is simply aspirational. In many rural communities in Africa and Latin America, alternative patterns of food production that emphasize community input, technologies that fuse traditional and modern knowledge practices, and diversity are being adapted. How this is taking place in the highlands of Peru is described by Alejandro Argumedo:

I think there's hundreds of alternatives and you know, very rich solutions coming from below from people's visions... So, I can tell you, for instance, how local markets in this region have become stronger, where communities that live in higher elevation, so in the mountain range, exchange different types of food crops, with communities that live in the middle range, and other communities that live in the lower elevation. And if you look more closely [at] these type of exchanges, you will see that the cropping system in the upper side is mostly root crops, which have carbohydrates, in the middle ground you will see grains and other types of crops that have a high protein content, and then in the lower part, in the warmer areas, you will have fruits and crops and medicinal plants, and all those are exchanged between these communities in a way that they all have access to a large portfolio of food sources.

Argumedo goes on to describe the spirit that animates the alternative system:

This system, you know, does not need money, it is not dependent on value chains that are dominated by corporations and the market. Instead, it's embedded in the culture, it's embedded in the spirit, a spiritual relationship that people have with land, with crops, with the whole environment. And they see these types of systems as not just things of the past, but how we can create alternative economies, where you can combine monetary and non-monetary systems in a way that benefits not just people but also the land and all relations. So, this is not just an isolated case. There are many other cases around the region where communities have tight control of their food system and became not just independent, but sovereign in their decisions, as this is, you know, an exercise of the customary rights that they have had for a long time.

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.
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 latter 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 favor of liberation is the great challenge of our times.

**Conclusion**

The perfect storm of Covid-19, climate change, and the Ukraine invasion 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 this crisis has exposed the fragility of the corporate-dominated global value chain and shown that it is not part of the solution, as influential forces at the FAO and its allied agencies see it. The study recommends that while in the short term, it would be 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.

*Some parts of this paper were originally in the author’s “Never Let a Good Crisis Go to Waste: The Covid-19 Pandemic and the Opportunity for Food Sovereignty,” Transnational Institute (TNI), April 2020, https://www.tni.org/files/publication-downloads/web_covid-19.pdf. Thanks to TNI as well as to the Aurea Miclat Teves and the Philippine Development Institute, which provided funding support for this project.*
Endnotes


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60. Saturnino Borras, Jr., Marc Edelman, Tony Weiz, et al.
A food crisis, to define briefly, is a situation where hunger and malnutrition have escalated to alarming levels caused by the scarcity of food. In the wake of the COVID-19 pandemic, global hunger and malnutrition became an even larger threat than the virus itself as global food supply chains collapsed, millions lost their jobs, incomes were drastically reduced, and economies went into depths of recession not seen in over a decade. According to the most recent State of Food Security and Nutrition in the World (SOFI) Report released by the Food and Agriculture Organization (FAO), it was estimated that the number of people affected by hunger has increased by about 150 million since the beginning of the pandemic, with the total estimated to be between 702 million and 828 million. Of this number, 425 million are from Asia, making it the region with the highest number of undernourished people.¹
Indeed, the pandemic served to accelerate the rate at which the world headed towards a food crisis that has been impending for the past decade. The root of the problem lies in the industrial food system itself. This paper will examine some of the structural problems that have been plaguing the global food system (particularly their manifestations in the context of South and Southeast Asia), and how these problems were magnified by the COVID-19 pandemic, the Russo-Ukrainian War, and the economic recovery programs implemented in the wake of these crises.

What this will show is that the system thrives on inequality and is thereby inevitably headed toward worsening hunger and food insecurity. But while the accrued impacts of multiple crises have brought the food crisis to greater heights, they have also revealed more clearly than ever before the unsustainability and irrationality of the industrial food chain. This provides an opportunity for social movements to highlight the importance of food sovereignty as an alternative and to create social pressure on governments and multilateral organizations to steer policies toward this direction. In light of this, the paper will also look at opportunities for harnessing national and cross-regional people-to-people solidarities in advancing food sovereignty.

I. STRUCTURAL ROOTS OF THE FOOD CRISIS

The pandemic foregrounded the systemic weaknesses of the global economy, which resulted from decades of neoliberal reforms and corporate-led globalization. Millions were infected, pushed into the deeper ends of poverty, and unnecessarily died of sickness and/or hunger due to enfeebled and highly privatized social services, particularly in healthcare, food assistance, and social protection.

The International Labor Organization (ILO) estimates that more than 81 million jobs were wiped out in the Asia-Pacific region. When urban economies shut down, there was mass migration back to rural areas, where jobs were already scarce and resource systems in distress.

Apart from the lack of available food supplies, poverty is seen as one of the greatest contributing factors to hunger. In the last two years under the pandemic and with the alarming rise in unemployment, around 4.7 million more people in Asia (from a pre-pandemic baseline of 203 million) have been pushed towards extreme poverty (living below USD 1.90/day), according to data from the Asian Development Bank (ADB).

With the restrictions in social mobility from the lockdowns, families have been forced to cope with unemployment by selling personal properties, borrowing, pawning, and
reducing food consumption in order to survive. In response, governments have resorted to emergency cash transfers or food relief to alleviate hunger and malnutrition and to allow families to allocate dwindling incomes to other needs. But in many cases, the effectiveness of these interventions was undermined by the inefficient, discriminatory, and politicized delivery of aid.

As economies were slowly rebuilding from the pandemic, the public was slapped with new tax policies as well as surging inflation rates. Looking at Cambodia, Philippines, and Thailand in Southeast Asia and India in South Asia, inflation rates have spiked to an alarming 6 to 8 percent from 2021 to 2022. Although daily minimum wages have increased in these four countries, these were still inadequate to cover price surges in basic commodities including food. In India, several policymakers are urging the public to condemn food subsidies, thereby intending to end the Public Distribution System, detrimental to the survival of the poorest sectors. In Indonesia, the government recently imposed cuts on fuel subsidies, thereby increasing fuel prices by about 30 percent—the first hike in eight years—amid soaring inflation. Expected to hurt the most marginalized sectors, the fuel price policy has sparked mass protests involving students, labor unions, farmers, and fishers, among others.

It was against the backdrop of the pandemic and the economic recession that Russia invaded Ukraine at the end of February 2022. Considering Ukraine and Russia’s significant contributions to global agricultural trade, the war has disrupted the supply of crucial foodstuffs and farm inputs. Consequently, millions who are dependent on global food supply chains have been exposed to increasing food prices and severe food insecurity.

However, although Russia's invasion of Ukraine is indeed an important trigger factor in the recent food price hikes, it is not the sole driver. The chart above from Trading Economics shows that since the 2008 global financial crisis, the FAO Food Price Index (FFPI) has not gone down to its pre-crisis levels. There was only a brief dip in 2016 before the FFPI rose again in the same year and shot up in 2020. Various analysts have proclaimed that the global financial crisis in 2008 was in fact the final thrust that brought an end to the era of cheap food.

Similarly, hunger has also been on the rise since 2018, as seen in the chart below from FAO.

![Source](https://www.fao.org/state-of-food-security-nutrition/2021/en/)

The war and the pandemic have become convenient scapegoats by governments to account for the worsening hunger and poverty, but this narrative does not show the entire picture. In reality, these developments can be attributed to a confluence of factors, including the globalization and liberalization of agricultural trade, commodification and financialization of agriculture, the embeddedness of gender inequality across the industrial food chain, the climate crisis, and the systematic harassment and killings of peasants, farmers, workers, artisanal fishers, indigenous peoples, and women who struggle for their rights to land, water, and support for livelihood amid the intensifying push for a neoliberal agenda.
Globalization, liberalization, and commodification of agriculture

Well before the war and the pandemic, the intensive liberalization of agriculture and food trade had uprooted territorial food systems in favor of a more globally integrated one. This was initially introduced through structural adjustment programs (SAP) imposed by the International Monetary Fund (IMF) and the World Bank on developing countries in the early 1980s. Integrated as conditionalities in loans offered to developing countries, SAPs systematically deprived domestic agriculture in Global South countries of state support and promoted agricultural liberalization and privatization.

Agricultural liberalization was then institutionalized in 1995 with the establishment of the World Trade Organization (WTO) and the enforcement of the Agreement on Agriculture (AoA). With the WTO’s susceptibility to the influence of Global North, the trade regime it enshrined has largely favored the interests of wealthy countries and transnational corporations (TNCs). Trade and investment rules have primarily served to pry open South economies through liberalization. This is so that the North and TNCs could simultaneously extract the South’s resources (raw materials, land, labor, etc.) to lower their cost of production, while also allowing them to dump their highly subsidized food and agricultural products in local markets of developing countries.

Such dynamics have resulted in the displacement of territorially embedded food systems in the Global South. By undermining the capacity of various local communities in developing countries to produce their own food, the liberalization of the food and agricultural trade has made millions increasingly dependent on global food supply chains dominated by TNCs, agro-industrial and agritech firms, and food retail giants, among others. Ultimately, keeping developing countries dependent on food imports from the North is a central motive of the latter in sustaining the present trade regime, as it allows them to temporarily mitigate the crisis of overproduction/underconsumption in their own backyard.

The social cost of agricultural liberalization in India

India has been following a route of neoliberal policies in agriculture since the 1990s. The government spending on agriculture and food subsidy has been progressively declining over the years. For 2022-2023, the overall budget for rural India fell further from a measly 5.59 percent to 5.23 percent of the total Union budget. Given the fact that a substantial part of the population in India still relies on agriculture for their livelihoods, the budgetary allocations are disproportionately low.
In addition, land/agrarian reform policies of the Indian state have been almost abandoned in the post-liberalization period since the 1990s. Decreasing public spending in the countryside, the rising costs of cultivation, and the absence of policies that protect the rights of farmers/peasants subjected rural areas to various situations of agrarian distress. The number of farmer suicides has increased at alarming rates, and state forces are being mobilized against people’s movements that defend land, water, forest resources from corporate capture.

This was the cost of propelling an agriculture sector driven by an export-intensive economy, where local production has been programmed towards global trade. Though India is a food-surplus country, it has some of the highest hunger levels in Asia, according to the Global Hunger Index. In spite of this, the present government through the three Farm Laws intended to further liberalize agriculture in 2020. However, due to the historic and massive united protests by the farmers’ organizations, the government was forced to retract these policies.

The unabated desire for greater profits of corporations across the global food value chain has pushed many of them to consolidate horizontally and vertically. Consequently, big industry players “now constitute roughly 30 to 50 percent of the food systems in China, Latin America, and Southeast Asia, and 20 percent of the food systems in Africa and South Asia.” According to activist-scholar Walden Bello, this monopolistic practice has strengthened corporations’ bargaining power, allowed them to control decision-making, and expanded their “capacity to extract rents from the chain to the disadvantage of the small-scale producers” (who are systematically pushed into conditions where they have no other choice but to either depend on meager incomes or be trapped in a vicious cycle of debt to survive).

Overall, the intensification of liberalization as well as the monopolization in agriculture point to the ever-deepening commodification of the sector. This is deeply connected with widespread land grabbing, the conversion of farmlands for non-agricultural use, and the diversion of agriculture from food production to the production of non-food products.

**Institutionalized land grabbing in Cambodia**

The surge in land grabs in Cambodia in recent years has been largely associated with the government’s unabated endowment of Economic Land Concessions (ELCs) to investors and corporations in the name of “economic development.” This is operationalized through the country’s 2001 Land Law, which allows the government to issue ELC leases of up to 99 years under the pretext of economic development.
In response to criticisms, Prime Minister Hun Sen has made several revisions to the country’s ELC policy. In 2012, his government issued a moratorium on ELCs, but this failed to significantly scale back land grabbing. In 2016, the state had reportedly revoked more than 1 million hectares of ELC land, thereby reducing it to around 1.1 million hectares. But the reported gains from this effort were subverted as the government continued granting ELCs. December 2021 data from the Global Forest Watch shows that Cambodia has so far granted 302 concessions encompassing 2.2 million hectares of land, or 12 percent of the country’s total land area. Actual cases could be higher, as not all cases are documented.

Deforestation also remains an alarming problem in Cambodia. Much of this is enabled by large-scale commercial logging and smuggling, often done in collusion with corrupt government officials. Since 2000, the country has lost 26 percent or 2.3 million hectares of its forest cover, including the 63,000 hectares of forest lost in 2019 that made Cambodia the 10th highest in the world that year.

With the odds against smallholders in almost every aspect of the industrial food chain, it is not surprising to see a constant decline in agricultural productivity and more importantly, small-scale food production. In the last two decades, the region has seen rural-to-urban migrations at an alarming rate, where small-scale food producers would rather find employment elsewhere than risk further indebtedness in working their tillages. These trends are illustrated by the graphs below:


Particularly in India, the land available for household operational holdings has been declining rapidly in the past 30 years. From 1991 to 1992, the land area under household operational holdings was 125.10 million hectares, while the total number of holdings was 93.45 million, thus making the average size of each holding 1.34 hectares. In the years 2018 and 2019, the total land available for household operational holding declined
to 84.64 million hectares (or 40.46 million hectares lower than that from 1991 to 1992). However, the total number of holdings also declined to 101.98 million, indicating that during this period, many of the households have given up farming altogether. The average holding size has been reduced to 0.83 hectares.

In a situation where food security is threatened with shortfalls in supply, governments are quick to resort to importation, expanding minimum access volumes and lowering of tariffs, digging a deeper grave for small-scale food producers who are unable to compete with the influx of cheap food in local markets.

In the absence of adequate production support such as post-harvest facilities, farm to market roads, seeds, and other input subsidies—coupled with weak enforcement of land tenure policies and forest and fishing rights—peasants, farmers, fishers, forest dwellers and other people working in rural areas who produce 80 percent of the world’s food needs will not be able to prevent a food crisis from happening.

These developments have been brought about by the neoliberal capitalist logic of the industrial food system itself. In other words, the very logic by which the corporate food system is organized makes it inherently incompatible with food self-sufficiency and food sovereignty and ultimately geared towards creating food insecurity for millions.

**Climate crisis**

In addition to forcibly subsuming South economies to global agricultural trade, the industrial food chain also displaces locally and regionally integrated food systems by aggravating the impacts of the climate crisis. Recent estimates by the FAO indicate that agri-food systems contribute 31 percent of the greenhouse gas (GHG) emissions causing climate change. Of all the components that make up the food system, pre- and post-production processes along food supply chains have had increasingly significant contributions to emissions from 1990 to 2019. These processes include manufacturing of fertilizers, food processing, packaging, transport, retail, household consumption, and food waste disposal. The report also shows that in 2019, corporate-dominated food systems in Asia had the largest contribution to emissions, followed by Africa, South America and Europe, North America, and Oceania.
That the Global North is ironically the lowest contributor in this aspect is explained by the fact that most of the high-emission operations of their food and agriculture TNCs have been offshored to the Global South. Furthermore, land-use change—which is recognized by FAO as one of the three key components in computing GHG emissions of food systems—has become more rampant in the Global South also largely due to the operations of these North-originating TNCs.\textsuperscript{16} In other words, while emissions are mostly generated by TNCs originating from the North, they are attributed to the South, where the operations of these corporations are now based owing to the dynamics of globalization.

In 2021, the UN Intergovernmental Panel on Climate Change (IPCC) warned that the climate crisis has reached “code red for humanity”. This means that many of the drastic and destructive changes it has been causing are becoming irreversible. Now at 1.2°C, the world is fast approaching the internationally agreed threshold of 1.5 degrees above pre-industrial levels needed to avoid the worst impacts of climate change.\textsuperscript{17} Should this happen, the world will inevitably head towards a catastrophic and irreversible state of the climate crisis that will manifest in drastic rise in sea levels, climate variability that will be experienced in the form of extremely volatile weather conditions ranging from severe flooding to equally severe and prolonged periods of drought, and the destruction of forests and watersheds. This will have deleterious impacts on agriculture, water resources, coastal ecosystems, urban infrastructure, human health, and food sovereignty.

Already, these catastrophic changes are being felt in many parts of the world. The latest IPCC report estimates that 3.3 billion to 3.6 billion people or 40 percent of the global population live in places that are highly vulnerable to climate change impacts. Ironically, these communities contribute least to the problem, and they also have limited resources to cushion the blows. Extreme weather conditions have led to the destruction of the livelihoods of poor and vulnerable communities, massive social displacement, and extreme conditions of poverty and hunger. Instead of providing assistance to disaster-stricken communities in their most destitute state, governments in connivance with large corporations have taken advantage of the vulnerability of these communities to usher in big businesses and extractive industries.

**Deadly floods in Pakistan**

In June 2022, a deadly flood ravaged Pakistan due to heavy monsoon rains\textsuperscript{18} following a severe heat wave earlier in the year. The flood claimed the lives of more than 1,400 people, and displaced more than 40 million\textsuperscript{18} in several provinces. According to the Pakistani government, at least one-third of the entire country was submerged in water.\textsuperscript{19}

UN Secretary-General Antonio Guterres lamented that he had “never seen climate carnage
on such scale”, while blaming wealthier nations for contributing to the tragedy.\footnote{20} According to climate experts, the heavy monsoon rains were caused by rapid glacial melting in northern areas of the country and the intense warming of the Indian Ocean. The rainfall during the monsoon was 67 percent higher than its usual rate.

From recent reports, the floods caused an estimated USD30 billion in damages to personal property and public infrastructure, plunging the country deeper into an economic crisis at a time when it has not fully recovered from the impacts of COVID-19. Further, more than 65 percent of the country’s food crops were destroyed by the floods which also claimed around 45 percent of the country’s agricultural land.\footnote{21} Despite the outpouring of humanitarian aid/relief, the Pakistani government will have to rely on imports to prevent the exacerbation of hunger in the long term, but this will worsen the country’s external debt standing. According to various reports, food inflation in Pakistan before the deadly floods has already surged to 26 percent.

The corporate-dominated food system is clearly beleaguered by another inherent contradiction leading to its own demise. While it has proven to be extremely vulnerable in the face of catastrophic climate events, its operations—characterized by interminable expansion of value chains, intensive use of resources, and promotion of environmentally degrading production methods to increase yields—have served as major contributors to climate change. This is threatening small-scale food providers and their ability to feed themselves and others in ways that respect the environment, biodiversity, human and animal health, local traditions, and the rights of producers and consumers themselves. The 2021 IPCC report in fact estimates that another 75 million people could be added to the ranks of the hungry as a result of worsening climate change.\footnote{22}

**Gender inequality and food insecurity**

On top of the destructive impacts of the liberalization and commodification of agriculture as well as the climate crisis, women in particular are being further marginalized and exploited as a result of gender inequalities across the industrial food chain. The non-recognition and undervaluation of women’s contributions to food production and the institutional barriers limiting their access to land and other resources are some of the leading causes of food insecurity globally. As we will see in the cases cited in this section, the deprivation of women’s rights as food providers is inseparable from the operations of the industrial food chain as it is necessary for increasing the profits of big players.

Most official statistics show that men dominate the agriculture sector, but these numbers may not accurately reflect women’s contributions. Women’s agricultural labor is often
considered to be extensions of their household tasks and are not officially documented as work. The lack of recognition of women's contributions in agriculture is rooted in the predominantly masculine conception of the occupation as well as the deeply entrenched patriarchal view that undervalues reproductive work, despite the fact that it provides the foundation for productive work.

But on top of domestic work, women also have equally important contributions in productive work. For instance, in the fisheries sector, they play the role of both fishers and industry workers—catching, raising, cleaning, processing, and marketing seafood. In farming, women play crucial roles in seed saving, land preparation, weeding, pulling of seedlings, transplanting, harvesting, and marketing of crops. Studies have also shown that women often take on the responsibility of managing incomes and household expenses. As such, given that poor women are increasingly pressured by their socioeconomic conditions to take on productive work on top of reproductive work, they tend to be overworked. In the case of Thailand where the standard working hours is 35 hours per week, 44.14 percent of women in agriculture work 40 to 49 hours per week, while 36.95 percent reported to work more than 50 hours weekly.

Despite women's crucial contributions in agriculture, patriarchal traditions normalize the casualization and underpayment or nonpayment of their work, to the benefit of capital.

The feminization and defeminization of agriculture in India

Even during the period that saw the feminization of agriculture in India, women continued to be employed predominantly in underpaid/unpaid and insecure work. One of the main drivers of the feminization of agriculture was the mechanization of work traditionally assigned to men in certain regions, which prompted them to move out of agriculture. Consequently, women's share of labor in agriculture increased as they had to take on farm work that was left unmechanized on top of their care responsibilities, which have remained unevenly distributed.

Women were increasingly mobilized as agricultural laborers as they were “cheaper to hire.” They have often been employed in tasks paid on piece rates, such as picking produce. At the same time, the conventional assignment of household work to women necessitated them to take on flexible working hours. Hence, as more women were hired, greater casualization of agricultural labor also took place.

But in recent years, the further mechanization of agriculture has been reversing the trend of feminization. Since 2009, it has been observed that “the number of tasks done mainly or exclusively by women have shown a decline in labor absorption due to mechanization.” However, agricultural labor that needed expensive machinery or that had completely transitioned to piece rates continued to be done manually, considerably by women.
Indeed, the feminization and defeminization of agriculture in India have both been detrimental to women. At the nexus of both phenomena is capitalist agriculture’s incessant chase for profits, aided in this case by mechanization that has both instrumentalized and displaced women.

One of the consequences of the nonrecognition of women as farmers or agricultural laborers is that they are burdened with an additional structural barrier to accessing land and the resources tied to it. This is evident in the stark difference in land ownership between women and men. In the Philippines, as of December 2020, only 94,874 women held Emancipation Patents (EP) compared to 417,689 men. Meanwhile, only 622,841 women have been awarded with a Certificate of Land Ownership Award (CLOA) compared to almost 1.4 million men.

Although there are a number of national and international legal frameworks in place that aim to protect women’s land rights, the meaningful implementation of these are hampered by discriminatory laws and practices. For instance, land titling or registration programs that often assign ownership to the “head of the household” tend to favor men given that many households across Southeast and South Asia remain patriarchal, where women are usually regarded as secondary farm laborers rather than principal earners.

Women’s limited access to land also largely limits their access to equipment, credit, and extension services. Because they often lack legal titles to their lands, most women have no claim to compensation when their land is taken by an investor, corporation, or the government. This makes them more vulnerable to land grabbing, displacement, and exploitation especially during times of crisis.

All these structural gender inequalities were further compounded by the pandemic and various wars and conflicts. For one, women’s care responsibilities multiplied as workplaces and schools shifted to remote arrangements. Being the ones often tasked with managing household finances, women have also borne much of the stress of finding new sources of income amid the widespread loss of jobs and rising prices of basic necessities. On top of these, conditions created by the pandemic also magnified the risk factors of violence against women (VAW).

The overlapping economic, political, and social crises faced by women made them and their dependents more vulnerable to food insecurity. According to the FAO, the 2021
gender gap in food insecurity reached 4.3 percentage points, with 31.9 percent of women in the world being moderately or severely food insecure compared to 27.6 percent of men. Poverty among women and girls is also expected to rise. It was estimated that, globally, 388 million women and girls will be living in extreme poverty in 2022 (compared to 372 million men and boys). But these are only moderate projections. In a “high-damage” scenario, the numbers could balloon to 446 million women and girls and 427 million men and boys. The forecasts also reveal that of the world’s extremely poor women and girls, 25 percent (or 100 million) would come from Central, Southern, Eastern, and South-eastern Asia.

Authoritarian measures in aid of corporate interests

Many countries in Asia continue to be reported as the worst places for land, environmental, and human rights defenders. According to the most recent Global Witness report, 227 land and environmental defenders were killed worldwide in 2020, making it “the most dangerous year on record for people defending their homes, land, and livelihoods, and ecosystems vital for biodiversity and the climate.” Of the 228 who were killed, 40 came from South and Southeast Asia, with 30 in particular from the Philippines.

In some countries across South and Southeast Asia, the culture of impunity is in part enabled by the sweeping rejection of liberal democracy which has failed to deliver its promises of social justice as it ended up catering to the interest of the elites. With this rejection, many have turned to embrace authoritarian leaders, whose popularity usually derives from their being portrayed as the antithesis of the old and discredited approaches of elite democracy.

Emboldened by their popular mandate, these authoritarian leaders passed draconian laws that are enforced on the pretext of inflated emergencies concerning national security, but are in fact used to indiscriminately silence all critics and dissenters.

Intensification of lawfare in the Philippines

In the Philippines, the previous administration helmed by Rodrigo Duterte saw a dramatic rise in the indiscriminate tagging of government critics, activists, and human and land rights defenders as communist rebels and terrorists. The Duterte administration propagated the alarmist narrative that these individuals and groups were plotting to destabilize the government. Coming from this pretext, it enacted Executive Order (EO) No. 70 creating the National Task Force to End Local Communist Armed Conflict (NTF-ELCAC) as well as the
Anti-Terrorism Act (ATA) of 2020, which hinges on a vague and overly broad definition of terrorism that carries a serious risk of arbitrary application and abuse by authorities. These legal frameworks served to institutionalize the repression, harassment, intimidation, unjust detention, and extended surveillance of those who are labeled as communists or terrorists—often without substantial evidence. Countless individuals included in the government’s list of communists and terrorists have already been captured, tortured, and/or killed. In August 2020, just one month after the ATA was signed into law by Duterte, the first known ATA case was filed against two indigenous Aeta people from Zambales in the Central Luzon region: Japer Gurung and Junior Ramos. But according to Gurung and Ramos, they were only evacuating their homes to avoid being caught in the crossfire between the New People’s Army (NPA) and the military when they were arrested. The two were detained in August 2020 and were only acquitted almost a year later in July 2021 when the court ruled it was a “mistaken identity.” Before this, Gurung and Ramos had to endure a difficult legal battle, where they were caught in the grueling tug-of-war between, on the one hand, the government that created the despotic law, and on the other hand, human rights defenders and lawyers who have been trying to get the ATA repealed for its unconstitutionality.32

Community leaders who are at the helm of struggles are often slapped with baseless criminal and civil lawsuits in multiple courts and government offices. The barrage of cases lodged against movement leaders often becomes an extra burden that diverts energies and limited resources away from the main campaigns and struggles. In India for instance, hundreds of cases were filed against protesting farmers during the course of the farmer’s protests from 2020 to 2021. When the government finally took back the farm laws and the farmers agreed to move from the Delhi borders, the central and state governments had assured that the police cases filed against the farmers will be taken back. However, even after many months, the cases are still to be rescinded.

Cases involving legal harassment, unjust detention, enforced disappearance, torture, and killing have become more widespread in rural areas and indigenous communities, where land conflicts arising from agrarian struggles, development aggression, and state and military occupation of land and territories have become increasingly prevalent. In Cambodia, large-scale and systemic land grabbing have resulted in a human rights crisis of colossal proportions. In a 2014 lawsuit filed in the International Criminal Court (ICC) against Cambodia’s ruling elites for “crimes against humanity,” it was estimated that 770,000 people—or six percent of the entire population—had been forcibly displaced as a result of land conflicts since 2000.33
Enforced disappearance and murder of environmental activist in Thailand

Porlajee ‘Billy’ Rakchongcharoen—ethnic Karen environmental activist—was last seen on April 17, 2014, in the custody of Chaiwat Limlikitaksorn, then-head of Kaeng Krachan National Park in Phetchaburi province, and his staff. Chaiwat claimed that they apprehended Billy for alleged illegal possession of a wild bee honeycomb and six bottles of honey.

At the time of his enforced disappearance, Billy was traveling to meet with ethnic Karen villagers and activists in preparation for an upcoming court hearing on the villagers’ lawsuit against Chaiwat and the National Park, Wildlife, and Plant Conservation Department of the Ministry of Natural Resources and Environment. The villagers claimed in the lawsuit that, in July 2011, park authorities had burned and destroyed the houses and property of more than 20 Karen families in the Bangkloy Bon village. When he was arrested, he was carrying case files and related documents with him. Those files have never been recovered.

On September 3, 2019, the officials of the Justice Ministry’s Department of Investigation (DSI) announced that Billy’s remains had been found in Kaeng Krachan National Park. It was almost three years later, on August 15, 2022, when the Attorney General’s Office formally notified the DSI of its decision to indict four park officials, including Chaiwat, who were accused of abducting and murdering Billy.

The dire situation of human rights and social justice in South and Southeast Asia is expected to remain if not worsen. As we will see in the following section, governments, business elites, and international financial institutions (IFIs) are hellbent on maintaining the neoliberal order, even as multiple crises have exposed its fragility and unsustainability. This would have alarming implications on the state of democracy, which has already been backsliding in many countries in the two subregions over the past years.

By its very premise of prioritizing private profits over public welfare, the neoliberal capitalist system is inherently incompatible with social justice and human rights. For this reason, it also has the potential to ignite popular protests, especially when societies are pushed towards extreme conditions of poverty, hunger, and indebtedness. Now that many parts of the world are heading in this direction owing to the compounded impacts of the pandemic, wars, and the crisis of capitalism, the ruling class is expected to intensify their propaganda and use of violence to maintain the status quo. Authoritarianism becomes an intrinsic facet of the neoliberal agenda, especially where states have been captured by corporate interests.
II. BUSINESS-AS-USUAL RECOVERY PROGRAMS

Despite multiple and interlinked crises making the case for food self-sufficiency and food sovereignty, various governments, multilateral institutions, and IFIs under the influence of TNCs are insistent on maintaining the status quo. This is evident in their concerted efforts to reinforce global value chains, aggressively push for more debts to supposedly finance economic recovery, and give private interests more control over public policies and governance systems. All of these would inevitably further uproot territorially embedded food systems, facilitate more land and resource grabbing, and undermine the agency of small-scale food producers and low-income consumers.

Reinforcing global value chains

Various multilateral agencies and Northern governments have repeatedly cautioned about the importance of keeping the global food supply chains free from disruptions to ward off the food crisis amid the pandemic and Russo-Ukraine conflict. What they fail or perhaps refuse to recognize is that the global value chain itself has both precipitated and amplified the present crisis.

National governments have continued their pursuit of free trade agreements (FTAs) that seek to reinforce global value chains as one of the pathways to recovery. The most notable among such agreements is the Regional Comprehensive Economic Partnership (RCEP), which entered into force in 2022 for the ASEAN countries, China, Japan, South Korea, Australia, and New Zealand. The Philippines, the last country included in the treaty, is still currently deliberating its concurrence.

Amid the ratification of RCEP, civil society and social movements are striving to amplify their calls to reject this mega-trade deal because of its destructive impacts on local, small-scale food production.

Particularly on trade, the RCEP mandates the reduction or removal of tariffs imposed by each member state on various products. Depending on the category of the product, its tariff could either be immediately cut to zero (meaning, on the first day of implementation of the treaty) or gradually decreased through the years until it reaches zero or a level acceptable to the conditions in the agreement. This means that cheap imported products (including those that are highly subsidized) would flood local markets, creating un-
fair competition for unsubsidized local food products. This would lead to massive losses for local small-scale food producers and small businesses that rely on them for resources.

The RCEP also weakens trade remedies that were previously enshrined in the WTO Agreement on Agriculture (AoA). In certain critical situations, trade remedies serve as the only legal recourse to address import surges and other problems engendered by freer trade. However, according to Raul Montemayor of the Federation of Free Farmers (FFF) in the Philippines, under the RCEP:

"Any form of quantitative restriction (QR)—like suspending sanitary and phytosanitary (SPS) import clearances during harvest periods—is strongly discouraged..."

RCEP limits the allowable safeguard duty to the difference between a country’s applied most favored nation (MFN) tariff at any point during RCEP implementation and the RCEP tariff in effect when the safeguard remedy is invoked. For example, if the applied MFN tariff for a product is 35%, and our tariff commitment under RCEP is down to 25% when an import surge occurs, we can only impose a safeguard duty not exceeding 10%. Hence, sensitive products like rice, corn, and some fishery and livestock products—to be exempted from any tariff reduction under RCEP—might ironically be deprived of any safeguard protection, since their tariff at any time during RCEP implementation could already equal their applied MFN tariff.

At the same time, the RCEP is also looking to further liberalize investments. In the interest of incentivizing cross-country investments, the agreement mandates that each government must give investors from other RCEP states the same treatment as domestic investors and allow them to purchase land. This is inconsistent with land laws in most countries that only grant foreigners with leases, permits, or concessions with varying restrictions.

Such incentives would facilitate offshoring, thereby further stretching out the global food supply chain at the expense of food security and food sovereignty. At the same time, direct ownership of land by corporations could drive up land prices and speculation, thereby further pushing small-scale farmers out of agriculture. As seen in the cases cited in previous sections, corporate land grabbing and acquisition is already a huge problem in the region. Hence, fears that RCEP could intensify aggression against rural communities are not unfounded.
Burying the Global South in more debt

Over the last two years of the COVID-19 pandemic, the debt burdens of Global South countries have multiplied. With lenders aggressively pushing more debt as the solution to the multiple crises of public health, economic recession, food insecurity, and climate change, governments from the South ramped up borrowings supposedly to fund their pandemic responses. According to the Asian Peoples’ Movement on Debt and Development (APMDD): “Borrowings of low and middle-income countries in East Asia and the Pacific (EAP) region, and the South Asia (SA) region reached a record-breaking $1.23 trillion by end-2020 or almost their entire export earnings for the year.” Meanwhile, publicly guaranteed private debts have also risen, costing governments in EAP $51.4 million and those in SA $14.6 million in 2020.

Ballooning debt means more public funds will be diverted away from public services and social protection measures and towards debt servicing. In 2020, the World Bank estimated that debt service payments to IFIs and private lenders amounted to USD 115 billion.

Loans from IFIs like the IMF typically come with conditionalities in the form of austerity measures. These entail public spending cuts and privatization of basic services. Such measures undermine efforts to achieve national industrialization and protect social welfare, both of which are necessary for pursuing a fairer economy and addressing inequality. At the same time, austerity measures imposed by IMF loans also push governments to increase regressive consumption taxes and cap wages in the public sector, thereby shifting the burden of debt repayment on the mass of ordinary working people.

Clearly, structural adjustment loans and onerous debt servicing greatly hinder the ability of governments (especially in low- and middle-income countries) to recover from the overlapping impacts of multiple crises. These also undermine efforts to build more just, resilient, and self-sufficient economies. However, despite the widely recognized implications of the debt problem, the IMF and the World Bank are planning to “peddle more loans to crisis-ridden countries with limited options.”

The World Bank announced $170 billion in crisis response financing to be rolled out in 15 months, targeting to commit $50 million within the next three months. Much of this is expected to be loans though, just like the $200-billion COVID-19 crisis response from 2020-2022, of which only $23 billion of the $73 billion that went to IDA [International Development Association] were in the form of grants.
The IMF is also expected to continue embedding deleterious austerity measures in its lending programs as it did in the first year of the pandemic, during which it “promoted austerity in 85 percent of its financing response.” From March 2021 to 2022, “fiscal consolidation became requisite in 87 percent of IMF programs negotiated with developing countries.”

The IMF and World Bank are also insistent on pushing through with debt repayments at a time when public debts of South countries have reached unprecedented levels and public funds are badly needed in welfare programs, social services, and social protection. The farthest these institutions could offer was a deferral of debt payments through the Debt Service Suspension Initiative (DSSI) in 2020. Even then, the total deferrals granted were grossly inadequate: Only USD 12.7 billion worth of debt from 43 countries was deferred. The APMDD reports that this is “a paltry sum compared to at least $3 trillion estimated by the UN to help developing countries.” Furthermore, the DSSI had already ceased in 2021, and so low-income countries that were granted deferrals “now bear the full brunt of debt servicing in 2022.”

Not surprisingly, there was no mention of more far-reaching measures such as massive reductions of outstanding public debts—starting with the cancellation of illegitimate debts—which broad sections of civil society have been demanding for decades. Instead, more destructive loans continue to be contracted under irregular and opaque procedures to finance projects that lead to widespread human rights violations, erosion of local livelihoods and displacement of communities, massive destruction of the environment, and exacerbation of the climate crisis and its consequences.

Bankrupt Sri Lanka ensnared by the IMF

In the case of Sri Lanka, unconditional bailout and cancellation of illegitimate debts is urgently needed to redirect resources towards social protection measures and reviving the economy. The country is currently enmeshed in its worst economic and financial crises yet. Across the island nation, living standards have taken a cliff dive due to severe shortage of fuel, cooking gas, energy, food, and medicines. In August, inflation for food items reached 94 percent on a year-on-year basis, while transportation costs had increased by nearly 150 percent. Meanwhile, Sri Lanka’s debt-to-GDP ratio soared from 49 percent in 2019 to 111 percent in 2022. Borrowings went mostly into infrastructure projects that have gone bust during the pandemic. Up to USD 8.6 million in debt payments are due this year, but the country only has USD 1.82 billion in its reserves as of end-July. The government was also supposed to settle USD 78.2 million as interest payment in April.
Amid the worsening economic and financial situation, the Sri Lankan government has been trying to negotiate a bailout with the IMF. On September 1, the two parties reached a preliminary agreement. Still pending approval from the IMF’s executive board, the deal would extend an emergency loan worth USD 2.9 billion in exchange for an “overhaul” of the country’s economy to reduce its fiscal deficits. The austerity measures that will surely be embedded in these new debts would inevitably result in heftier taxes for the masses and cutbacks in government subsidies.

Corporation capture of policy development

When food becomes profit-oriented, it also becomes a weapon for political control where government food policies are influenced towards the creation of more wealth in the hands of a few rather than addressing deep-seated issues such as poverty and hunger. The commodification of food and agriculture can largely be attributed to the corporate takeover of global food governance. This is facilitated by the consolidation of multistakeholderism as a governance model in the food and agriculture sectors. The multistakeholder approach has been progressively supplanting multilateralism, whose democratic potential as a governance system has consistently been undermined by the Global North.

Under the traditional state-centered multilateral system, governments as duty bearers deliberate and decide on global issues as representatives of their citizens, who are recognized as rights holders. These decisions then translate to obligations and commitments that states and international organizations are mandated to implement. Given that many governments are constitutionally mandated to work for the common good, they can be held accountable by their citizens when their decisions undermine public welfare and human rights.

Under multistakeholderism, the rights-based approach and direct lines of accountability at the core of multilateralism are discarded. This is because governments are no longer treated as the central decision-makers. Instead, so-called “stakeholders” become the main actors, even though there is no agreed-upon definition of a stakeholder and a standard procedure for designating one. Multistakeholderism is underpinned by the assumption that the common good will emerge when the varying (and often clashing) interests of different parties are balanced and negotiated. Theoretically, this means putting together governments, businesses, and civil society in one table to discuss critical global issues. However, as various critics have articulated, the treatment of diverse stakeholders
as equals is problematic as it erases the very real inequalities in power and legitimacy of stakeholders on any given issue.

Hence, the idea of a balancing act is never fully realized in practice. The deeply political processes of identifying stakeholders and making decisions ultimately rest on those who have the most leverage in the space—that is, TNCs. Indeed, with TNCs consolidating their power owing to the institutionalization of neoliberalism and globalization, they were also able to capture various multistakeholder initiatives (MSIs). A mapping initiative of 27 agriculture-related MSIs by feminist activist researcher Mary Ann Manahan reveals that their key leadership positions are dominated by transnational agribusinesses, international/regional NGOs with ties to agribusiness, Northern aid agencies and governments, and interestingly, even food-related UN agencies. The involvement of UN agencies in various MSIs has been widely criticized as being indicative of the increasing influence of corporations within these institutions. Meanwhile, Global South governments, small-scale food providers, and low-income consumers remain grossly underrepresented in various MSIs.

Such dynamics are a great cause for concern given that the outcomes of MSIs would take effect as policies. This is despite the fact that the actors that dominate these spaces and decide on policy outcomes have no direct accountability to the people that will be affected by their decisions. Given the dynamics within MSIs, global food and agriculture policies are becoming more skewed toward corporate interests.

Agribusinesses, big processors and traders, and supermarket chains and retailers have wielded their structural influence over food-related MSIs to shape policies and regulatory frameworks that purportedly promote development and sustainability. But in reality, these agendas are mostly directed toward increasing corporate profitability and control over resources and the global food economy rather than promoting just, democratic, and rights-based approaches to development.

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**The Rice Competitiveness Enhancement Fund**

In the Philippines, the Rice Trade Liberalization Law (RTL) was passed in 2019, removing the Quantitative Restrictions in the importation of Rice. The passage of the RTL was led by a senator hailing from a family that owns one of the biggest corporations in the country. Their wealth amassed primarily from real estate and property development in rural areas.
Various land-based social movements have rejected this law as it threatens the livelihoods of local rice farmers who would be unable to compete with the influx of cheaper imported rice in markets. As a solution, the RTL had a Rice Competitiveness Enhancement Fund (RCEF) amounting to PHP 10 Billion (USD 175 Million) to be raised from tariffs and distributed as support to rice farmers annually.

In the same year it was passed, the Philippines imported 3 Million Metric tons of rice, surpassing China as the world’s largest rice importer. By amending the government’s supervisory functions over the rice industry as well as policy safeguards, the RTL also dissolved the state’s ability to stabilize the market. Ultimately it allowed importers and traders to flourish, and small-scale rice farmers to be pushed to further indebtedness.

Three years later, media reports and investigations claim that the RCEF was poorly disbursed. A huge chunk of its budget (PHP 6 Billion) went to mechanization projects where materials, supplies and equipment were acquired by the government from corporate distributors. Recently, the Philippine Senate began an investigation on alleged corruption in the purchasing of overpriced tractors by Department of Agriculture officials.

Various sustainability standards set by MSIs have been criticized for their inadequacy in addressing environmental and climate issues, heavy reliance on corporate partnerships, corruption, greenwashing, low standards of certification, and overly lenient third-party certifiers, among others. Meanwhile, policy-oriented MSIs have aggressively pushed for measures involving the reallocation of public financing for small-scale agricultural programs to large industrial growers, the privatization and heavily regulated use of waterways and irrigation canals for community farms, stiff penalties for the utilization and exchange of seeds protected by intellectual property, the preservation of “protected areas” delineated for carbon trading often resulting in the forcible eviction of agroforestry communities, and the aggressive push for energy infrastructure (in the name of “sustainability”) resulting in the massive displacement of rural communities. Gaps within policy frameworks designed to advance people’s rights and to protect their claims over land, water, and forest resources are widened further by neoliberal policy “reforms” that favor corporate interest over people-centered development.

In light of the emergence of new technologies, one recent false solution to the food crisis that has been advanced in Northern countries and is gaining ground in the South is the digitalization of agriculture. This was one of the main agendas advanced during the 2021 Food Systems Summit (FSS), an MSI notorious for being organized under the name of the UN but dominated by agribusiness and agri-tech firms. Although it did not create policies and global agreements directly, the FSS sought to define the path that governments will choose to prioritize, promote, and finance in the future, as well as
those that they will reject. The Action Group on Erosion, Technology and Concentration (ETC Group) warns that the push for digitalization of agriculture in MSIs such as the FSS “could rapidly erase traditional knowledge about food production, thereby eliminating food sovereignty, and the independence and agency of farmers, smallholders, fisherfolk, and Indigenous people. This in turn could drive a process of agricultural de-skilling and aggravate rural-urban migration and associated societal woes.”

### III. OPPORTUNITIES FOR SOLIDARITY

Amid the onslaught of multiple crises of public health, conflicts, and economic recessions, millions lost their jobs and livelihoods and were left by the government without sufficient aid. But different communities took it upon themselves to help one another in the true spirit of solidarity.

One of the things that bound people together in these trying times was food. Travel restrictions disrupted the fragile global food supply chain, severing access to food for millions who have been forced by the system to depend on international trade for food security and livelihoods. In response, farmer communities from different provinces initiated or reinvigorated agroecological practices and seed banking and set up local markets to strengthen their collective resilience and food self-sufficiency. Some worked with civil society organizations to facilitate the delivery of their produce directly to low-income urban consumers. Across the region, grassroots-led community kitchens, pantries, and markets became the vanguard in the fight against hunger during the height of the pandemic.

These initiatives—juxtaposed with the dysfunctional food supply chains and the lack of timely support for those severely affected by lockdowns—have highlighted the importance of food sovereignty. Whether they are aware or not about what food sovereignty is, communities from different walks of life took it upon themselves to address hunger and malnutrition even in the simplest expressions, such as backyard and rooftop gardening. In some cases, these expressions have intensified public pressure for governments to enact policies and programs that support local food production.

Years before the pandemic, food sovereignty and related campaigns have been pushed with varying intensity and within various political spaces across South and Southeast Asia. These struggles are forged against the backdrop of unfair trade, absence of support from governments that have left food provision to the whims of the market, deep agrarian conflict, increasing threats to human rights, and other systemic issues. As such, they are often geared towards radical change and systemic transformation. Movements
for food sovereignty have gained traction or waned over time, largely depending on the strength of communities in resisting forces, policies, or entities that undermine them.

Key to building this strength is increasing community awareness on the bundle of rights called for under the food sovereignty framework, along with the need to effectively claim or defend them. For this purpose, agroecology and seed saving play a crucial part in empowering communities to become more cohesive in responding to threats (i.e. cheap agriculture imports, land grabbing, displacement, indebtedness, and the climate crisis). These approaches also encourage solidarity and collective action within communities. By amplifying ecologically sustainable and culturally-appropriate methods in producing food, communities are able to reclaim their autonomy in defining food systems, re-embed food production in local and regional territories, and challenge profit-oriented models of rural development. By their recognition of the injustice of the corporate-dominated food system and the need to transform it, food sovereignty and agroecology as paradigm and practice are thus inherently political.

However, big corporations have for decades been attempting to depoliticize agroecology and appropriate it as a tool to greenwash the industrial food system, which has been under attack for its failure to address global hunger, massive GHG emissions, and rising production costs mainly due to the ecological degradation it causes to productive resources. In the face of such unscrupulous co-optation, grassroots movements must continue reasserting its transformative vision of agroecology and forge people-to-people solidarities across sectors and borders towards this end. Across different countries, similarities and complementarities can be identified in diverse efforts to advance agroecology and food sovereignty.

In Cambodia, various people’s movements are campaigning for agroecology to promote healthy food and preserve ecosystems in the context of increasing hunger in rural areas as well as widespread environmental distress caused by corporate mega infrastructure projects. The reliance on natural soil, seed, and forest resources is promoted to challenge the overdependence on chemical inputs, the prevalence of biotech crops and the dominance of industrial monoculture. Making independent choices on growing and raising livestock are promoted by community-led trainings on integrated farming systems and diversification. The production of natural fertilizers from livestock manure enabled family farms to reallocate more financial resources (e.g. debt repayments from the procurement of external inputs) to other livelihood needs. By relying less on external chemical inputs, small-scale producers also rely less on industrial seed varieties or hybrids that depend
on them. Traditional seeds become more utilized as natural farming methods become more popular, leading to more community initiatives for seed saving. Rural movements in Cambodia have also pushed strongly for the right to build sustainable local markets that cater to community needs first and protected against cheap imports, opportunistic middlemen and consumerism.

In the Philippines, despite the dominance of agriculture policies that ultimately aim to integrate small-scale food producers to export-driven value chains, the push for policy reforms that place the right to food of communities first are gaining ground. Public pressure to support local agriculture and engaging local governance has become new arenas for advocacies on food sovereignty, in a context where national policies on food and agriculture have recently swayed towards the expansion of free trade as well as greater corporate control of food production and land use. In the face of worsening rural poverty, local movements push for the passage of key legislation, or the enforcement of policies that protect local food systems. The practice of agroecology, compelled by lessons from food inaccessibility during the lockdowns, is slowly becoming a key element sustaining struggles and campaigns (e.g. agrarian reform). This is alongside other community-led campaigns that demand for broader agricultural support services from the government in terms of production, education, and infrastructure, as well as the implementation of programs that safeguard farming communities against hunger and malnutrition.

In India, food sovereignty is an evolving concept that emphasizes roles of small-scale actors in food systems and their importance in increasing food diversity, including farm-workers, artisanal fishers, forest workers, migrant workers, pastoralists, food processors, refugees, and other vulnerable sectors/groups that are often sidelined in rural development discourses. While extreme poverty incessantly hounds the Indian countryside, government policies have continued to facilitate corporate capture of land, forest, water, and even plant genetic resources. Such measures have exacerbated hunger, malnutrition, and indebtedness, which have tragically pushed small-scale food producers towards committing suicide. In this context, food sovereignty has become a platform for empowerment to enliven small actors to push back against threats to livelihoods. Food sovereignty ensures small-scale food providers have effective control and the right to freely utilize all available resources for food production. It decentralizes power to local actors who are able to articulate their rights on decision-making processes of food policies. Various campaigns around food sovereignty have also pushed for policies that expand community rights according to gender, social class (e.g. the Dalits) and ethnicity, as well as to implement programs that enable various forms of redistributive justice. Agroecology has
also taken center stage in rural movements, primarily as an alternative to conventional farming systems that aggravate poverty, but more importantly to rebuild historical, traditional and cultural knowledge in agriculture and food production.

In Thailand, campaigns on food sovereignty are seen as an impetus towards self-reliance in agriculture, where small-scale food providers are able to independently and sustainably manage and utilize resources within local food systems while prioritizing access, availability, and adequacy of healthy and nutritious food of marginalized communities. Movements for food sovereignty also aim at harnessing the collective energies of small-scale food providers through agroecology in restoring lost ecosystems and biodiversity from destructive farming practices (e.g. industrial monoculture) and to push back against land-financialization and corporate mega-infrastructure projects that threaten the survival of communities. Food sovereignty campaigns in Thailand also aim at enhancing autonomy in the management and preservation of other essential resources in food production such as seeds and plant genetics, livestock species, and technologies. This is—alongside influencing local governance and policy directions towards decentralizing food and natural resources management commonly in the hands of rural elites and power holders. More importantly, food sovereignty movements seek to broaden traditional and culture-based knowledge in food production, considered by many communities that needs to be protected and bequeathed to future generations. This trend of reverting to traditional but more sustainable farming practices has also broadened toward northeast of Thailand and are actively being transferred to a younger generation of food producers. These efforts, alongside initiatives to deepen public awareness on the importance of rural communities for food security, create more links between producers and consumers, drumming-up involvement and support.

IV. CONCLUSION

From a human rights perspective, the criteria and indicators adopted by international bodies as well as governments in defining a food crisis remain largely market-oriented (i.e., narrowly grounded on maintaining the steady flow of international trade). They thus fall short in painting the multiple and interrelated crises that are aggravating hunger and poverty at the grassroots level.

As such, the present situation—despite being defined by spikes in food prices not seen since the 2008 food crisis, the displacement of territorially embedded food systems, and the rise in global hunger, malnutrition, and food insecurity—have not raised enough alarm to compel governments to allocate resources and adopt much-needed policy responses towards radical systemic reforms.
The solutions peddled by proponents of neoliberalism have not achieved the development outcomes needed to address severe hunger—not before nor after the pandemic. In contrast to neoliberal capitalist systems that subsume food production and consumption to the dictates of the market, the chief thrust of campaigns on food sovereignty is to ensure that communities can determine what they produce, provide, or consume according to their needs. In responding to the increasing threats posed by liberalization to local food systems, building awareness on the bundle of rights (i.e. land, resources, traditions) under food sovereignty is essential in breaking away from the grip of the food crisis. This is seen as key by various movements across the region in building a broader resistance against corporations, government policies, or even market forces that undermine community rights. In solidarity, peoples’ movements are able to reclaim power, enabling them to generate pressure in governance and exercise influence within policy narratives on food.

The call for systemic change should have the same intensity with the call for solidarity, especially as communities face compounding threats reinforced by neoliberal forces and the erosion of civil and political rights. Beyond the local purview however, a steady effort to engage international platforms and movements is essential as well towards building support networks that aid in strategizing campaigns, amplifying wisdom and experience, in generating public pressure, in exacting accountability, and in responding to violations of rights.

The international movement for food sovereignty plays a pivotal role in synergizing initiatives and campaigns at the local, national, and regional levels to advance different articulations of food sovereignty. Among others, it could:

- Provide support to movements in terms of understanding how the dynamics of the global political economy affects national level policies, which in turn have implications on their lives and livelihoods;

- Document and amplify critical community perspectives on the mainstream development agenda on food that has been propagated by those in power;

- Coordinate and strengthen grassroots-led campaigns that fight systems which undermine food sovereignty and ravage ecosystems as well as the agents that prop up these oppressive systems;

- Popularize interrelated alternative systems (such as food sovereignty, agroecology, deglobalization, degrowth, etc.) at a time when the legitimacy and rele-
vance of mainstream development agendas are being put to question once again and the public is becoming more open to alternatives;

- Organize and mobilize traditionally untapped communities around the principles of these systemic alternatives;

- Facilitate spaces for cross-sectoral, cross-country, cross-regional, and cross-generational exchanges of knowledge on (1) practices of food provision grounded on the principles of food sovereignty, as well as (2) campaign strategies in terms of advancing the right to food, land, water, and other resources;

- Sustain spaces for learning and exchanges, with the recognition that knowledge and experiences constantly evolve in response to changes in contexts;

- Support lobbying for progressive policies that seek to advance and promote food sovereignty at the local, national, and regional levels; and

- Exert all necessary effort and resources to open up spaces for the meaningful participation of social movements and grassroots communities in crucial decision-making processes involving agriculture, food, and interrelated concerns at the international and regional level.

Building solidarities however is a challenging feat that requires transformative actions or exchanges to find common grounds and facilitate openness despite ideological and methodical differences among movements. Food sovereignty is not just a paradigm for a better food system, but also a space for uniting communities and movements, sharing the same struggles despite the diversity of issues in the food discourse. Its framework has no clear-cut method in campaigning, but it provides strategic directions and goals that movements can pursue in asserting peoples’ rights.
Endnotes


11. Based on Annual Survey of Industries from the National Sample Survey Office (NSSO) in India


13. Agri-food systems emissions were estimated by FAOSTAT by adding the emissions from the following activities within the system: (1) farm gate (from crop and livestock production processes including on-farm energy use), (2) land use change due to deforestation and peatland degradation, and (3) pre- and post-production processes (including manufacturing of fertilizers, food processing, packaging, transport, retail, household consumption, and food waste disposal). See: https://essd.copernicus.org/

FAOSTAT data in fact shows that in 2019, emissions from deforestation were the single largest emission component of agri-food systems. See: https://essd.copernicus.org/preprints/essd-2021-389/essd-2021-389.pdf


40. Ibid


42. Asian People’s Movement on Debt and Development, Op. Cit. 1

43. Ibid

45. opment, Op. Cit. Asian People’s Movement on Debt and Development


We are witnessing “terrifying levels” of global hunger according to David Beasley, head of the United Nations World Food Program. Food availability is said to be at risk on account of the Russian aggression on Ukraine, given that Russia and Ukraine provide 25% of world wheat and over 40% of Africa’s wheat supply. 98% of this grain is shipped out from the Black Sea Ports of Odessa. These ports had been blocked by Russia, preventing the grain from being shipped out.

The reasons for food insecurity are intersectional, as local farmers know. Wars, climate change, food prices and distribution, land ownership patterns, weather, soil conditions matter, as do the geopolitics and geoeconomics of food.
The Sanctions Regime: Turkey, Russia, Ukraine and the UN negotiated in June to have the blockade lifted and to monitor the movement of ships. Russian President Vladimir Putin complained that only 2 of the 87 ships that left the freed up ports reached Africa. However, UN reports cite that 25% of the grains from these ports is usually destined for the least developed countries and 25% for the middle income countries; yet much smaller amounts are now reaching them. The sanctions regime imposed by the West may be part of the problem. It is complex, and countries have claimed that it has been manipulated to prioritize the needs of the rich countries. For instance, fertilizers which Russia exports have gone to the European Union, but others face problems in importing them.

Big Agribusiness and Food Prices: There is also the issue of food prices being manipulated by the Big Agribusiness. Food production in Ukraine is now highly monopolized. US corporations like Blackrock, Cargill, Dupont have bought over 30% (17 million acres) of Ukraine’s arable land (the size of Italy). 5% is owned by Chinese companies and much of the rest by Ukrainian and Saudi oligarchs. How did this happen? There used to be a 20 year moratorium in selling agricultural land farmed by cooperatives. This was, however, lifted owing to pressure from the International Monetary Fund, which made a US$17 loan to Ukraine conditional on the lifting of this moratorium. Despite polls showing that many Ukrainians opposed the lifting of the ban, this was done. In other words, even before they are transported, the prices of grain and other food from Ukraine are already partly determined by a few corporations, and these are further pushed upwards by transport problems related to the war and by the sanctions regime.

We point this out not to engage in a blame game—whether it is Russia, Ukraine, the West, or any other that bears responsibility. This is to simply make the point that food insecurity is intricately linked to poverty, climate change, conflicts, wars, inequalities and the relentless search for profits.

The Global Consequences of War: UN Secretary General Antony Guterres has revealed that global hunger has doubled in just 2 years and over half a million people live in famine conditions, which is 500 times more than 2016. (UN, 18 May, 2022). Wars worsen the already critical hunger situation and have global consequences. The Russian aggression on Ukraine, followed by a long war of attrition and blind geopolitics, is no exception as countries and people far beyond the war zone are deeply affected.

The fallout of war, climate change, ecological destruction and unsustainable inequalities are linked to how and who gets food grains, fuel, fertilizers, and at what prices. All these vulnerabilities lead millions into greater misery and fuel new conflicts.
Food prices have been rising since mid 2020, and the rise of crude oil prices since 2020 has exacerbated this trend. Drought in Angola and Horn of Africa, in addition to local conflicts, also contributed to insecurity. Globally, 60 million children are acutely malnourished as of 2022 compared to 47 million before Covid-19. The Sahel and the Horn of Africa and many other places were already being besieged by hunger and malnutrition before the Russian invasion. The invasion and the geopolitical competition with the West that it exacerbated has made things worse.

It is important to emphasize that food insecurity risks democratic breakdowns, civil unrest, protests and riots, communal and inter-state conflicts. Conflict drives hunger and hunger drives conflict. In the first half of 2022 alone, 15 countries in the global South have already experienced food protests. So this war must stop now.

**Need for a Coordinated Response to the Crisis:** The World Food Program has called for an internationally coordinated response to the crisis of food security. Food aid is important but it is not enough. Promoting food security globally will demand a shift to sustainable just transitions to achieve common human security. As Macky Sall, president of Senegal and the African Union recently declared, “We can only face the crises if we work together.” This is no longer idealism but the only way.

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**Endnotes**


India in the present global food crisis: a myopic approach towards public stockholding of foodgrains

By Ranjini Basu

Wheat harvest in central India. Photo taken as part of Development 360 project. India. Photo: Scott Wallace / World Bank

The unfolding effects of the present global food crisis in India seems to be guided by a set of short-sighted approaches adopted by the Indian government which has had spiraling consequences for the country’s crucial food security and its vast masses of poor consumers. However, the larger impacts felt by the already distressed countryside due to three decades of neoliberal policies, cannot be discounted. Recent episodes of climate variations and extreme weather events have raised fears of further aggravation of the situation.
Unfolding of the present crisis

In the midst of the Covid-19 pandemic and the subsequent lockdowns, as streams of migrant workers left the urban centers and went back to their villages, Indian agriculture became the absorbent of the economic shocks. Supported by good monsoons and despite the rising cost of production, supply and labour disruptions created by the pandemic, there was a record acreage put under cultivation of foodgrains in the kharif or monsoon agricultural season of 2020. Record production of foodgrains was achieved mainly due to the tireless efforts of the peasantry, and which ensured that in spite of the ongoing distribution of free foodgrains as part of the government’s Covid-19 response, the public stocks of buffer foodgrains never went below the desired levels.

However, earlier this year, things took a different turn. In March, just before the harvest season for the winter crop was to begin, a heatwave spanning across northern India, including Punjab, Haryana, Uttar Pradesh states which contribute to the majority of the country’s surplus wheat production, left farmers with shriveled grains and huge production losses. The early estimates say that the production loss may have been up to three percent less than previous years. In some wheat producing areas farmers reported a loss of as high as 30 percent of yield.

Meanwhile, the Russian invasion of Ukraine had started and the Indian government was eyeing the opportunity of gaining export markets for its wheat in the midst of global supply disruptions. The central government sent emissaries to look for probable buyers in the developing world, especially countries in South East Asia and Northern Africa. Prime Minister Modi proclaimed that, ‘India was ready to feed the world’. The Ministry reported that India was aiming to export 10 million tonnes of wheat in 2022-23. Even before the war, in 2020-21 India exported a record amount of wheat of 7 million tonnes as food-aid to various countries, largely driven by the Modi government’s attempts at projecting itself as a world leader. The steady rise in exports (see Figure 1) in the last two years is also driven by the government’s agricultural export driven policy, which seeks to diversify India’s export basket.
However, the government’s announcement of wheat exports came without an ear to the ground. With the export policy announced, a depleted production, and an inadequate procurement drive, the prospects of an emerging wheat crisis was in the offing. On the one hand, the Modi government did not make an attempt to raise the Minimum Support Price (MSP) of wheat during the rabi or winter season to cover the losses met to the farmers, while the private traders took this opportunity to offer a higher price and amass stocks to sell in the international market to make windfall profits.

A 4 May, 2022 press bulletin from the Ministry of Food and Public Distribution noted that farmers in many northern states such as Madhya Pradesh, Uttar Pradesh, Rajasthan and Gujarat were selling their wheat harvest to traders and exporters at Rs 21-24/kg, while the MSP was Rs 20.15/kg. Further, the brief noted that there were sections of farmers and traders who were holding onto their stocks to sell later at higher prices, thereby raising concerns of hoarding and inflationary trends. The procurement of wheat in the rabi season, that is in April-May 2022, was one of the lowest in years (see Figure 2). However, even at the lowest levels of procurement, the public stocks still managed to be above the threshold level, although marginally. In April 2022 the opening balance of wheat with the Food Corporation of India (FCI) was 18.99 million tonnes, whereas the buffer norms for the month was 21.04 million tonnes.
Facing a potential food security crisis and escalating prices, the Indian government backtracked from its earlier export plans and announced a wheat export ban on 13 May, 2022. Immediately there was an outcry, especially from the western developed countries, including the Group of Seven (G7) and International Monetary Fund (IMF), against India’s export bans, although India contributes only one percent of total world exports. The Indian government then announced that it will continue to export grains to countries to whom it had already committed, which included Bangladesh and Egypt.

Next, the government had to ban export of wheat flour and other wheat based commodities in August to rein in the spiraling food inflation that was already set in motion due to the earlier flip-flop policies of exports and inadequate public procurement. After the Indian wheat ban, there was a jump in demand for wheat flour in the international market. By August 2022 the domestic retail price of wheat had increased by 22 percent and wheat flour by 17 percent as compared to the previous year.

To counter the depleted public stock of wheat, the government decided to include 5.5 million metric tonnes of rice in the Covid-19 food distribution package of the government. There were reports suggesting a peculiar situation of poor-consumer households whose staple diet includes wheat, selling off the rice received from the Public Distribution System.
System (PDS) to buy costly wheat from the open market. These conditions do not bode well for the already malnourished population, whose consumption is going to deteriorate due to the higher food prices.

The food inflation rates continue to be at worrying levels, above the stipulated levels fixed by the Reserve Bank of India (see Figure 3). This inflationary trend is feared to worsen further due to deficient monsoons in several parts of the country, leading to a shortfall in the paddy sown area during the present monsoon season, especially in the main paddy producing Eastern States. According to latest reports, the area under paddy this season fell by 5.51 percent as against last year, which may result in a deficit rice production of 6 percent. Rice and wheat being highly weighted commodities in the consumer food basket, any rise in prices of these two commodities, would pinch the poor the hardest.

Along with the wheat troubles, India is also on the threshold of a rice crisis. With the decline in the availability of wheat in the world market, exporters have shifted to rice as an alternative foodgrain. As a result, India’s rice export, which is already the biggest in the world, saw an uptick in this current year. This, along with the smaller reserves of rice left in the public stocks and projections of shortfalls of rice production this year due to deficient rainfall, led the Indian government to announce on September 3, 2022, a ban on the export of broken-rice and an export duty of 20% on rice in husk (paddy or rough), husked (brown rice) and semi-milled or wholly-milled rice.

The opening balance of rice and unmilled paddy with the FCI at the beginning of September 2022 was 40.6 million tonnes, whereas the buffer stock norms for October 1 are stipulated at 30.7 million tonnes. The smaller public stock reserves of both rice and wheat also means a weakened position of the FCI to intervene in domestic price control through the Open Market Sale mechanism. Thus, these developments indicate that the unfolding of the present food price crisis in India is yet to take graver proportions in the coming days.
The Public Distribution System: from Famine to Food Security

Amidst the wheat fiasco and rising food prices on account of deficient production and rising global food prices, the policy track of the Indian government is marked by a complete disregard of the Public Distribution System. This view of the government towards food subsidy and the weakening of the Food Corporation of India, however, has been in the offing for a while. Therefore, it becomes necessary to review the historical role of the Public Distribution System in the country’s food security needs, especially in times of crises.
The rationing system in India was set up in 1936 under the British colonial rule as its wartime policy. This system continued till 1954. However, the colonial policies during the Second World War led to the Bengal Famine of 1943, which claimed up to three million lives. Economist Amartya Sen wrote that the Bengal Famine was largely caused by the failure of the British colonial government to distribute adequate food grain, failure of exchange entitlements due to wage depreciation, and absence of market regulations.  

In post-independence India, a permanent rationing system and other related institutions were set up only in the 1960s. The 1940s and 50s were marked by food shortages, which ultimately led to dependence on food aid from the United States. The rise in production of foodgrains, although regionally skewed, which came in the aftermath of the Green Revolution, led to the establishment of the Food Corporation of India and the Commission for Cost and Agricultural Prices (CACP) in 1963. The idea was to procure surplus grains from the farmers at the Minimum Support Price fixed by the CACP and distribute it to deficit states through the Public Distribution System. Therefore, the mechanism was crucial to curtail the dependence on foreign food aid, which was increasingly becoming a threat to the country’s sovereignty, and achieve food security for its hungry masses. From the 1970s onwards, the PDS expanded beyond its role of stabilizing food prices, and started maintaining a buffer stock to distribute grains for welfare programmes on a universal basis. 

However, since the 1990s, in congruence with the structural adjustment policies adopted by the Indian government, there was a shift towards curbing the spending on food subsidy and making the PDS into a targeted programme. From 1997 to 2013, beneficiaries of the PDS were chosen on the basis of a poverty line, thereby limiting the scope of the welfare programme. 

It was only in 2013 and due to the constant campaigning and advocacy of the Right to Food movement, and other progressive economists and political sections, that the National Food Security Act was passed, which brought 75 percent of the rural population and 50 percent of the urban population under the Public Distribution System. The Act also extended the purview of food security to include the school meal programmes and supplementary food schemes for pregnant and lactating women. 

The role of the PDS proved to be crucial in cushioning the effects of the previous global food price crisis that followed the financial crisis in 2007-08. The wheat and rice prices did rise, but they were nothing in comparison to the international prices. The wheat prices in the period between 2005-2008 rose by only 21 percent in India as compared to 170 percent globally. In the same period the rice price in India grew by only 16 percent in sharp contrast to 230 percent internationally.
Some of the measures taken during the previous food crisis can be useful lessons for the current crisis too. These measures to restrict the spiraling effects of the global price rise of 2007-08 included the increased allocation of foodgrains under the Targeted Public Distribution System to protect the most vulnerable sections from food inflation. Over the years one of the functions of the PDS has been to stabilize domestic foodgrain prices, by releasing surplus grains through the Open Market Sale Scheme, which was also implemented during the past food price crisis. Further, there were efforts made to ensure that adequate stocks of foodgrains were available across the country and a zero duty private trade was opened up to import the deficit quantities of foodgrains. The Minimum Support Prices for wheat, rice were raised to encourage farmers to increase their production and higher public procurement in 2006-07 after a year of deficient production and market arrival.16

Despite the demonstrated role of the PDS in managing food crises and food security of the country, there have been increasing attacks on food subsidy and procurement since the present BJP government came to power in 2014. There was a fall in the share of procurement of foodgrains by the Food Corporation of India in the period between 2014-2019 (see Figure 4). It was only in 2020-21 and 2021-22 that there was an increase in the procurement levels owing to the Covid-19 pandemic.

Figure 4: Share of FCI Procurement of Wheat Production in Various Years

The three contentious Farm Laws brought by the central government in 2020 further spelt out its policy orientation towards the PDS. One of the major aims of the historic farmers’
movement was to point out the intentions of the farm laws to ultimately strangle the PDS by disbanding the public procurement system through weakening the government run agricultural markets in favour of big agri-businesses. The movement emphasized that the farm laws would be a threat to both farmers’ incomes as well as the country’s food security and detrimental for the majority of the hunger prone poor population.

Further, there has been a drastic cut in the food subsidy bill in this year’s budget, despite the fact that the effects of the Covid-19 pandemic have been accentuated by the global recessionary trends. Additionally there has also been a reduction in the expenditure for procurement of foodgrains, which negates the opportunity for providing relief to farmers who have been suffering from rising cost of cultivation and crop losses, and creating any incentives to raise production.

The most recent controversy raked up by the government has been the touting of several welfare oriented schemes, including the food transfers under the PDS as ‘freebies’. This formulation obliterates the fundamental right to food which has been enshrined in the Indian Constitution through a protracted peoples’ movement, and the contribution of PDS in averting hunger, enhancing human development and country’s growth.

Need for a Holistic Approach towards Food and Livelihood

It needs to be recognised that behind the present inflationary trend in food prices experienced in India, which have been an outcome of global prices, supply and weather shocks, there also lies a continuing condition of lack of adequate incomes and stunted consumption, especially in the countryside. The food price inflation is also more bitingly felt by the rural population due to the greater share of food in their consumption basket.

Therefore any meaningful approach towards tackling the food crisis also has to seek an adequate income for its farmers and factor their increasing losses accrued to climatic variabilities. Farmer organisations in the wake of the current wheat crisis, crop losses due to climatic variations and increased fertilizer and input costs leading to rise in cost of production had demanded a bonus of INR 500 per quintal of procurement. However, the government failed to raise the Minimum Support Prices by any effective measure. The coalition of farmers’ organisations, Samyukt Kisan Morcha (United Farmers’ Movement), which spearheaded the farmers’ movement against the Farm Laws continue to demand for expansion of procurement and a legal right to remunerative prices and MSP.

Taking lessons from the previous food price crisis in 2007-08, it was emphasized espe-
cially for the developing countries that in order to avoid similar crises in the future, public funding for agriculture has to increase, support to small-scale farmers have to be raised for production of staple food crops, build national/regional food reserves and control over resources and services have to be ensured. The present crisis too as discussed above reflects on the importance of public stockholding and farmers’ support for controlling widespread hunger and devastation.

However, this would need challenging the World Trade Organisation (WTO) and its Agreement on Agriculture (AoA), which has continued to evade any permanent solution for the issue of Public Stock Holding, Special Safeguard Mechanism and Special and Differential Treatment, matters of great concern for the food security and livelihood of small-holder farmers in developing countries.

But before taking on the battle abroad, the Indian government has to be answerable for the domestic policies it has been undertaking, which undermine the PDS and public support for its huge population of small and marginal farmers. It has to first get rid of its duplicity at home. Food security and self-sufficiency must be recentred in India’s agricultural policy.
Endnotes


20. Economists such as Abhijit Sen (2016) have pointed to the increasing need to ‘devise safety nets to cope with risks whether from markets or climate’. “Some Reflections on Agrarian Prospects”, Economic and Political Weekly, vol 51, no 8


The numbers are staggering: “828 million people go to bed hungry every night, 345 million food insecure. A total of 50 million people in 45 countries teetering on the edge of famine”.

The World Food Programme attributes the “seismic hunger crisis to a ‘deadly combination’ of four factors: conflict including the war in Ukraine, climate shocks, covid 19 pandemic, and the rising food costs. While these factors characterize the present dimensions of the crisis, focusing on these factors alone belie the systemic issues underpinning the global food system that make it vulnerable to perennial shocks and crises.”
The International Panel of Experts on the Sustainable Food Systems for instance pointed to how the COVID-19 pandemic has exposed the vulnerabilities of the global food system on three fronts.

Firstly, industrial agriculture is driving habitat loss and creating the conditions for viruses to emerge and spread. The risks of pandemics are intensified by industrial agriculture through intensive livestock production and increased human-wildlife interaction exacerbated by habitat destruction due to commercial agriculture, unchecked urbanization, and land and resource grabs.

Secondly, a range of disruptions are testing the resilience of food supply chains and revealing underlying vulnerabilities. Food chains—both long and short—are proving vulnerable to various logistical bottlenecks brought about by travel restrictions, transport interruptions and export restrictions. The report also pointed out the precarious situation of food and farm workers who continued to do their work even in the face of major health risks and often without the benefit of hazard pay. The situation of workers underscore the precarity of the global food supply.

Thirdly, hundreds of millions of people are living permanently on the cusp of hunger, malnutrition, and extreme poverty, and are therefore highly vulnerable to the effects of a global recession. Globally, women and girls are more vulnerable to economic shocks and bear the brunt of hunger in poor families. The report stressed that these risks come on top of the generally poor conditions and low pay faced by food system workers. Farmers are also highly vulnerable to economic disruptions with more than 50% of farmers and rural workers in several countries in the global south living below the poverty line.

The transition to a new more resilient food system in the wake of the multiple crises has now become a contested battleground. As the world struggles to respond to the current food crisis, the third in a span of 15 years (2007-2008; and 2010-2011), powerful agribusiness corporations enabled and supported by multilateral institutions are advancing market based solutions to the crisis that ignore these systemic issues and vulnerabilities, strengthen the stranglehold of the old system of industrial agriculture, and could further entrench corporate control of the global food system.
Transformation of the Food System in Whose Interest?

The recent United Nations Food Systems Summit (UNFSS), provided a big boost to further advance the Big Food agenda. In the name of multistakeholderism a global consensus was pushed around the idea of transformation of the global food system.

Led by the Private Sector Guiding Group (PSGG, convened to represent the private sector at the 2021 UN Food Systems Summit a Business Declaration on Food Systems Transformation was drawn up outlining private sector ambition to scale investments, enhance collaborations and ensure that business is part of the solution.

The declaration underscored the plan of business leaders to lead the food system transformation by implementing, actions in their companies, value chains and sectors on among others pushing to scale up science-based solutions (adoption of regenerative and climate-smart technologies and practices); investments in research and innovation (access to digital technologies and innovations); contribute to improved livelihoods and wellbeing across food value chains; incentivize consumers as agents of change; and create transparency by integrating environmental and social risks and impacts in governance, through the principles of true value of food to provide greater clarity to capital markets.

Business leaders also called on governments to exercise leadership towards more policy coherence and support, policy reforms to accelerate food system transformation, and co-design policies and redirection of subsidies supporting regenerative and nutritious agricultural practices, healthier consumption and reduced food loss and waste.

The UNFSS was widely criticized as a space dominated and captured by corporate interests. Over 300 civil society organizations and social movements signed the declaration People’s Autonomous Response to the UN Food Systems Summit asserted that: “Corporate food systems, and the increasing influence of corporate actors in political decision-making on food and nutrition at the local, national, regional and global levels, pose a universe of threats and harm to human rights and the rights of workers, women, peasants, indigenous peoples, fisherfolk, pastoralists, migrants, consumers and the urban poor.”
Questions were also raised on the seriousness (and sincerity) of Business in addressing the crisis in the food system particularly those related to climate issues and how the declaration falls short of making significant strides on three key objectives vital for transforming the food sector over the next decade: (1) meaningful commitments which enable accountability for business; (2) clear action plans for improvement which align with existing international standards, and reflect what companies can do to drive change; and (3) good corporate governance which eschews undue influence over public institutions and allows them to play their role in food systems transformation.

Financing Market-Based Solutions

The mainstream view of the crisis and the recommendations advanced by business however seemed to have resonated among international financial institutions.


Six priority goals were drawn up and commitment expressed to “step up, surge, and scale their work across the goals to support vulnerable peoples through the (1) provision of emergency relief; (2) promotion of open trade to combat food protectionism; (3) mitigation of fertilizer shortages through financing through investments in fertilizer production; (4) supporting food production finance to increase supplies of seeds and fertilizer; (5) investing in climate-resilient agriculture for the future: IFIs must increase green investments in agricultural capacity, adaptation, smallholder farmers, food systems and climate-smart technologies to boost client/partner countries' food production and resilience in the longer-term; and (6) coordinating for maximum impact: While focusing on their areas of expertise, IFIs will coordinate closely to strengthen the collective response for maximum impact.

On the goal to support open trade to combat protectionism, IFIs pledged to ramp up financing for the purchase of food and agricultural inputs, and encourage partner countries to maintain open trade policies and avoid export restrictions. They also pledged to invest in logistics and rural infrastructure.
Among the projects to be financed by the Asian Development Bank (ADB) for example are those aimed at supporting government efforts to promote investments in agribusiness like the Greater Mekong Sub-region (GMS) Climate-Friendly Agribusiness Value Chains Sector Projects ($130 million), Lao PDR Climate-Friendly Agribusiness Value Chains Sector Project ($40.5 million), Cambodia Agricultural Value Chain Competitiveness and Safety Enhancement Project ($103 million), and Philippines Mindanao Agro-Enterprise Development Project ($100.4 million).

**Innovation and Techno-fixes**

The transformation through innovation agenda will be supported under the goals of increasing production as well as push for wider adoption of climate-smart technologies. The ADB for example has expressed its commitment to explore digital transformation initiatives that can be applied to agricultural production and value chains including blockchain, internet of things, and satellite imagery to create a more transparent and efficient agriculture value chain.

The utilization and adoption of innovative technologies has been a consistent agenda of big businesses engaged in food and agriculture and the food crisis is seen as an opportunity to push this agenda forward.

From genetic engineering technology that produced the first generation genetically modified organisms (GMOs) commercialized in the late 1990’s to new gene editing technologies like CRISPR-Cas9 technology behind gene drive organisms (GDOs), the adoption of technologies has been advanced as game changers in agricultural production helping to address the increasing demand for food. Despite criticism that the vast majority of GMO crop production does not go towards direct food consumption but rather for the production of animal feed and ethanol, the United Nations Food Systems Summit's Scientific Group has recognized gene editing as a key tool that can help transform global food systems to end hunger by 2030.

These technologies are often in the hands and control of corporations.

There is also a strong push for investment opportunities in the so-called Internet of Things (IoT), and its potential for more efficient use of automation and optimization of overall farming practices. IoT seems to be gaining ground in Asia with increasing demand for so-called smart farming technologies like new agricultural equipment (auto-guided tractors, combines, tillers, robotic sprayers and weeding robots) to automate and optimize their activities.
Smallholder farmers however have not been too keen to embrace these digital technology solutions. Al Jazeera reported on a study by Grow Asia, a partnership platform established by the World Economic Forum and the Association of Southeast Asian Nations (ASEAN) Secretariat, that found that out of the 60 proposed digital technology solutions just 2.5 percent are used by the 71 million smallholder farmers in Southeast Asia.

**Resilience to Risks and Food Philanthropy**

On the goal of addressing the emergency relief for the most vulnerable, corporations support and advance this in the name of building resilience to risks. Cargill for example has developed what it calls Holistic Agriculture Risk Management Project, a three-year pilot initiative in Songyuan, Jilin province of China undertaken in partnership with the UN World Food Programme that aims to reduce and mitigate the risks and enhance resilience of corn farmers.

As Pilar Cruz, “Chief Sustainability Officer” at Cargill and a member of the World Food Program USA Board of Directors, pointed out “Cargill has a crucial role to play, addressing emergency hunger issues as well as long-term food security through our work across supply chains and through our corporate giving efforts. We know we can have more impact when we partner with organizations, like WFP, who are working to feed people around the globe every single day. This $10 million contribution reinforces Cargill’s commitment to continuing our 20-year partnership with WFP.”

In 2021 the private sector donated funds to the World Food Programme amounting to over 200 billion dollars. According to the WFP, private sector partnerships facilitate corporate support for the programme not just in terms of financial resources but also technical expertise and use of technology.

**Crisis of Industrial agriculture**

These solutions ignore the long standing issues levied against industrial agriculture that continue to undermine long term sustainability of the food system. Among these are the increasing use of pesticides and water pollution, and the negative impact these have on the health of people and the environment.

A 2019 study estimates that approximately 2 million tonnes of pesticides are utilized annually worldwide, where China is the major contributing country, followed by the US and Argentina, and that the global pesticide usage is projected to increase up to 3.5 million tonnes in 2020,
The report further noted the rapid increase in pesticide use in developing countries, especially in Southeast Asia. An annual increase in import of pesticides is reported as 61% for Cambodia, 55% for Laos and 10% for Vietnam.

The corporate-driven solutions also ignore what the international panel of experts call the underlying vulnerabilities and rigidities in terms of food production patterns and import dependencies. In their special report *Another Perfect Storm*, IPES-Food pointed to a number of these structural weaknesses which were already identified following the 2007-2008 food price crisis, but were essentially left unaddressed. These include: food import dependencies, path dependencies in production systems, opaque, dysfunctional, and speculation-prone grain markets; and vicious cycles of conflict, climate change, poverty, and food insecurity.

The ascendance of industrial agriculture and fisheries has also come at the expense of peasant agriculture and subsistence fisheries. Small-scale food providers were systematically eased out through “get big or get out” policies pushed by multilateral institutions and adopted by governments.

The irony as the *People’s Autonomous response* pointed out is that those who contribute most to world food security, the smallholder producers, are the most threatened and affected by corporate concentration of land, seeds, markets, natural and financial resources, and the related privatization of commons and public goods.

**Conclusion**

The current food crisis driven by the perfect storm of conflict, Covid, climate, and rising costs has provided new impetus to the calls for the transformation of the global food system to one that is more resilient to shocks and one that addresses the existential issue of hunger. There are, however, diametrically opposed approaches. Agribusiness proposes solutions that would intensify the application of genetic engineering, chemical-intensive production, and advanced digital technology that critics feel would only intensify food insecurity since its primary objective is to enhance corporate profitability. The opposite approach relies on the adoption of sustainable agricultural practices such as agroecology, by small farmers and small farming communities that provide some 70 per cent of the world’s food. Achieving genuine food security while contributing to the mitigation of multiple environmental crises is the goal of the latter.

On this struggle between the two paradigms rests the fate of billions of people and the planet.
2022 has been a tumultuous year for Sri Lanka; a full blown economic, food, debt, energy and humanitarian crisis, resulting in a spectacular popular movement in March 2022 that succeeded in overthrowing an authoritarian and inept regime in a matter of months. But after the initial euphoria of a new dawn, the island nation saw a bizarre, tragic return to status quo with a new Government led by a compromise candidate – veteran politician and former Prime Minister Ranil Wickremesinghe who assumed power from July 2022.

Since then, President Wickremesinghe, who is close to the previous discredited Rajapaksa regime, has deflected attention from urgent systemic reforms and instead targeted protestors and used the controversial Prevention of Terrorism Act to detain protest lead-
ers without charges. In an interview with the *Economist Magazine* in August 2022, Wickremesinghe laid out his economic roadmap to surmount the current crisis:

“My idea is to do a deep cut and make a legislative framework for a highly competitive export-oriented economy…. we are looking now at disposing of some state assets, which will give us about $2bn-3bn. You can sell Sri Lanka insurance, there’s telecoms… In South Asia itself I can’t see very much regional integration, so we will look at closer relations with ASEAN [Association of South-East Asian Nations] and RCEP [Regional Comprehensive Economic Partnership Agreement, an Asian trade pact].

Predictably with this sort of approach, little has changed in the past six months since the protests began; Sri Lanka continues to be on a powder keg with rampant inflation that hit 70% in September 2022 (see figure below), a continuing livelihood crisis and an expected December 2022 bailout package from the International Monetary Fund (IMF) with neoliberal conditionalities such as cuts on public spending, privatisation and other austerity measures that will likely spark a further round of protests.

![Graph showing inflation](https://example.com/graph.png)

Context to the 2022 crisis

Sri Lanka is no stranger to crises and protests, though the current one surpasses anything the country has seen since its independence from British rule in 1948. Longstanding tensions between the Tamil minority in the northeast region and the Sinhala majority led to a protracted civil war that began in 1983 between separatist militant Tamil groups and the Sri Lankan state. The civil war reached a bloody end in 2009 resulting in the ruling Rajapaksa clan further cementing their dominance over national politics. Widespread concern and international condemnation, including from the United Nations (UN), on tens of thousands of civilian deaths and human rights abuses in the Northern and Eastern provinces where the Tamil population is significant was ignored. From 2009 onwards, President Mahinda Rajapaksa ruled with an iron fist; his formula for economic growth was a toxic mix of trade and financial liberalisation, privatisation and promotion of large infrastructure projects financed by international loans. Rajapaksa only further entrenched the trend of neoliberal policies that the country’s leaders embraced over three decades earlier, albeit with his unique imprint of authoritarianism and crony capitalism that immensely benefited his extended family and close associates.

Sri Lanka has long been the poster boy of neoliberalism in the region; it was the first South Asian country to embrace open market policies way back in the late 1970s. This was after a short-lived dalliance in the 1950s and 1960s when regimes led by the socialist Sri Lanka Freedom Party (SLFP) implemented a set of heterodox economic policies including nationalisation of key sectors such as insurance, banking, petroleum and import substitution industrialisation (ISI). Subsequent governments starting from the J.R. Jayewardene-led United National Party (UNP) regime, at the advice of the Bretton Woods Institutions, reversed much of these and undertook open market reforms, reduced government spending and furthered trade and financial liberalisation by revoking the earlier ISI policies. The researcher Balasingham Skanthakumar from the Social Scientists’ Association (SSA) and Committee for the Abolition of Illegitimate Debt (CADTM) documents that:

‘Neo-liberal policy reforms contributed to loss of employment in certain sectors through the cheaper price of certain imported products as compared to their locally manufactured equivalents. For example, the liberalisation of textile imports post-1977, caused the collapse of the domestic handloom sector, in which women predominated, comprising cottage industries and state-owned mills. By 1986 it is estimated that over 120,000 jobs had been lost as a result. Likewise, there
A debt crisis years in the making

While much has been written about the causes of the present crisis, the dominant narrative within Sri Lankan policy and government circles is that a combination of the 2019 Easter Sunday bombings in which more than 260 people died (leading to a crash in tourism revenues) and external shocks such as the onset of the COVID-19 pandemic and the 2022 Ukraine War were the main triggers that resulted in a collapse of the economy and the debt crisis. The truth is less dramatic; a more sober historical perspective shows that these factors only served to hasten an imminent crisis in a country where successive governments failed to diversify the economy, invest in domestic agriculture and instead embraced a highly vulnerable export-import dependent development model financed by international aid and finance. Sri Lanka has the dubious distinction of having gone to the International Monetary Fund (IMF) for assistance 16 times since 1965. In addition during this period, Sri Lanka also borrowed some US$3.49 billion from the World Bank and US$8.64 billion from the Asian Development Bank (ADB) for projects ranging from infrastructure, human development and financial innovation.

All of this financial assistance from the Bretton Woods Institutions and the ADB, egged on by domestic votaries of the free market, deepened privatisation, trade and financial liberalisation, reduced government welfare, opened up sectors for Foreign Direct Investment (FDI) and the rupee was put on free float. In addition, from 2009 onwards, armed with a new constitutional amendment that gave him sweeping powers for a new generation of neoliberal economic reforms, President Rajapaksa embarked on an infrastructure building spree (roads, airports, ports, special economic zones, and hotels) with additional finance from bilateral donors such as China, Japan, India and private investors. Financialisation resulted in money being pumped into real estate development, the stock market and tourism in the expectation of future windfall profits.

Nothing of the sort happened. The much-vaunted FDI averaged only around US$1 billion a year from 2000-2020. Contrast this with migrant remittances, mainly from women domestic workers in the Gulf countries, which exceeded US$7 billion a year in the decade prior to the pandemic. Migrant remittances were more instrumental at propping up the economy than foreign investment but at the peak of the pandemic in 2021, they dropped
to their lowest in a decade at **US$ 5.49 billion** (the corresponding FDI figures in 2021 was at **US$ 600 million**) as the trade deficit widened and imports spiked.

Another legacy of neoliberalism is the lack of industrialisation. Sri Lanka was stuck in low value-added ready-made garments with much of the raw materials such as thread, dyes and cloth being imported. It imports virtually everything else from expensive intermediate equipment to finished manufactured goods such as factory machinery, automobiles, household appliances, heavy vehicles and construction equipment. As the table below from the Central Bank of Sri Lanka (CBSL) shows, imports have consistently been double the export bill.


In such a scenario of declining exports coupled with the rupee in a free fall, the total stock of debt kept mounting as the country kept borrowing just to service its existing debt. Many of Rajapaksa’s marquee projects such as the **Hambantota port**, **Colombo port city**
and the Mattala Rajapaksa International Airport that together cost US$19 billion turned into proverbial white elephants in a stagnant economy. In 2022, Sri Lanka had to pay US$7 billion just to service its external debt, but as it ran out of foreign exchange services it has declared that it will default on external debt payments amounting to some US$ 51 billion.

As Sri Lanka’s national debt reached an all-time high of US$ 86.8 billion in December 2021, many mainstream media outlets blamed China for leading it into ‘debt trap diplomacy’. This view gained credence because of the widespread belief that in 2017, when Sri Lanka was unable to pay back part of its debt, China supposedly seized control of the Hambantota port. Commentators from Sri Lanka have clarified that there was no such default. Rather, as the port was underperforming, based on advice from SNC Lavalin – a Canadian engineering firm, the Sri Lankan Government leased out operations to a Chinese firm called China Merchants Port (CM Port) Holdings. The 99-year lease was worth US$1.12 billion and was used to bolster Sri Lanka’s dwindling foreign reserves, not pay off China’s debt. The lease did not result in any change in ownership; The Sri Lankan Government owns the port while commercial operations of the port are handled jointly by CM Port (70% stake) and Sri Lanka Ports Authority (30%).

While it is a fact that China is involved in many infrastructure projects such as Hambantota in terms of both implementation and providing finance, data from the Department of External Resources showed that out of the total foreign debt (see figure below) owed by Sri Lanka, China’s share stands at around 10%. Rather, nearly 80% of the country’s foreign debt was owned by institutions in and controlled by the US, EU and Japan. Under the heading of market borrowings, which are mostly international sovereign bonds (ISBs), the main holders of Sri Lanka’s debt are BlackRock (US), HSBC (UK), JPMorgan Chase (US) and Prudential (US).
Agrarian crisis and food insecurity

The crisis of Sri Lankan agriculture is also intertwined with its colonial British legacy and its tryst with neoliberalism from the 1970s. The British introduced plantation crops such as rubber, tea and coffee which then became the mainstay of the country’s export basket for several decades after its independence. The focus on plantations and the subsequent shift to an open economy model crippled peasant agriculture from which it has never recovered.

The late Sarath Fernando of the Movement for Land and Agrarian Reform (MONLAR), in a 2007 article, asserted that under the guidance of the World Bank, land reforms were stalled in the 1970s and government support services and protections given to small-scale farming and domestic food production were withdrawn. This led to a near complete breakdown in the livelihoods of peasant farmers. On the other hand, despite contributing to a prominent and vibrant sector of the economy, plantation workers, who are mostly of Tamil origin, were underpaid and remain amongst the most impoverished sections of the working class.

Sri Lanka then gets locked in a vice grip where there is little economic diversification and much of its working population continues to be dependent on a crisis-ridden agriculture sector. In 2020 while it contributed only 7% to GDP, more than 23% of the population was employed in agriculture and related activities. With chronic under-investment in domestic agriculture and withdrawal of state support for credit and extension services, the country turned to imports of basic food such as wheat flour, rice, sugar, fruits, fish, milk and milk products. It is estimated that imported calories contribute some 22% of the caloric consumption of an average Sri Lankan household. Further, data shows that food poor and urban families eat more imported calories as they are more cost-efficient.

In 2020, with the onset of the pandemic, Sri Lanka’s debt crisis deepened as its key export sectors were hit. With lockdowns imposed across the world, tourism took a body blow and remittances reduced as many Sri Lankans lost jobs abroad. Faced with a foreign exchange crisis and mounting debt payments, the Government scrambled for a way to reduce its import bill. In a now much critiqued knee-jerk reaction, President Gotabaya Rajapaksa announced in April 2021 that all agrochemical imports were banned from May and Sri Lankan agriculture would turn organic. Despite warnings from agricultural scientists and farmers groups that this would be an unmitigated disaster, the Government went ahead, relieved that it had saved up to US$400 million in foreign exchange. As
predicted by experts, paddy productivity dropped 45%, maize output plummeted from 415,00 MT in 2020-2021 to just 60 MT in 2021-2022. Tea production also dropped by 20% in the corresponding period. Prices skyrocketed and the Government withdrew the policy within six months but much damage was already done.

The way forward

Governments of various shades embraced neoliberalism at the advice of the Bretton Woods Institutions and the ADB in the name of rapid economic growth, reducing inequality and indebtedness. Over four decades of neoliberalism in Sri Lanka have seen growth plummet, inflation skyrocket, a sovereign debt default, job losses, rising hunger and inequality. Ironically, as the working classes in Sri Lanka struggle to survive amidst these multiple crises, these same institutions are back in the game and, together with the country’s discredited political elite, are calling for more of the same policies that got them in this mess in the first place.

Social movements leading the protests recognise that the current conjuncture in Sri Lanka is not about a singular debt crisis, or a food and energy crisis or just a crisis of the regime. It is multiple interlinked political, economic, social and environmental crises of an entire paradigm of neoliberal development. The whole structure of a militarised, authoritarian undemocratic state needs to be dismantled.

In terms of addressing the food and agrarian crisis, progressive economists have argued that the earlier attempt at land reform should be urgently revived. The parliament could consider an emergency programme to distribute land, especially to marginalised sections of society so they can sustain themselves. Promotion of cooperatives, aligning them with rural producers’ needs and other social institutions with adequate financial and technical support from the state can help address the current food crisis and lead to food self-sufficiency.

As we write this, the World Bank and the IMF are concluding their annual meetings (10-16 October 2022) in Washington, D.C. The meeting is being held in a fraught global environment in which economists are predicting a coming storm of debt distress in other countries in the developing world similar to what is happening in Sri Lanka. Global civil society including Focus on the Global South have issued an urgent call to the meeting. Our demands include: immediate debt cancellation by all lenders for countries to enable people to deal with the multiple crises; and reparations for the damages caused to countries due to the contracting, use and payment of unsustainable and illegitimate debt and conditions imposed to guarantee their collection.
After four decades of crisis ridden politics, Sri Lanka deserves better. The inspirational Janatha Aragalaya (Peoples struggle) movement has the potential to unite all progressive forces in the society on an agenda that meets the demands for social justice, economic alternatives and democratisation of the state.

While the youth were the most visible section of the movement, the Aragalaya comprises a wide range of groups cutting across ethnic, class and religious divides. This includes farmers unions, women’s groups, student associations, labour unions, civil society activists, professionals, artists, musicians, sportspersons, teachers, doctors, nurses and religious groups. This sort of alliance is unprecedented in Sri Lanka and, with the active participation of Tamil groups, is in some ways helping heal the wounds of the civil war. The times ahead are bound to be tumultuous and uncertain but the Aragalaya has ignited hope for a better future.
PRO-CORPORATE MULTILATERALISM AND FOOD INSECURITY

BY SHALMALI GUTTAL

The world is in the grips of the third global food crisis in the past 50 years and like previous ones, it promises to be a multi-year crisis that will greatly increase hunger, under-nourishment, and food and economic insecurity for hundreds of millions of people around the world. Occurring less than 15 years after the 2007-2012 food crisis, the current crisis foregrounds the importance of critically assessing measures taken by states and multilateral and international institutions to ensure that economic, financial, climate and environmental shocks do not precipitate recurring, overlapping crises, and undermine the rights and resilience of people and societies.
The recently released State of Food Insecurity and Nutrition in the World 2022 (SOFI 2022) report presents a sobering picture of the failure of global efforts to end hunger, malnutrition and food insecurity. Moderate and severe food insecurity has been rising since 2014. In 2020, between 720-811 million people faced hunger, and the estimated increase in 2020 of almost 320 million hungry people was equal to that of the previous five years combined. In a single year (2019-2020), nearly one in three people in a world of 2.37 billion did not have access to adequate food. In 2021, around 2.3 billion people were moderately or severely food insecure, and between 702 and 828 million people were affected by hunger. The number of people unable to afford a healthy diet rose by 112 million to almost 3.1 billion, though this number could be greater factoring in income losses in 2020.

This grim reality of increasing world hunger, malnutrition and food insecurity is largely attributed to the COVID-19 pandemic, accelerating climate change, continuing wars-conflicts, economic downturns, poverty and inequality. The COVID-19 pandemic has certainly had a large hand in the alarming increase in hunger, food insecurity, poverty and inequality. But as SOFI 21 shows, even before the Covid-19 pandemic struck in 2020, world hunger levels were abysmally high. The lockdowns, job and income losses, and economic crisis in the wake of the pandemic, increased frequency of extreme weather events, and the war in Ukraine have made the current crisis even more complex.

Diminished access to food has been aggravated by the ongoing Russian war on Ukraine that disrupted grain exports and supply chains from the Black Sea region, resulting in soaring prices for grain, energy, fertilizer and other products sourced from Ukraine and Russia. Supply disruptions coupled with export restrictions imposed by numerous countries triggered temporary shortages and panic buying, resulting in sharp spikes in food prices that are worsening hunger in the world’s poorest and most vulnerable regions.

Country level responses to stave off hunger and food insecurity have varied depending on the strengths and weaknesses of national food stocks, production capacities and currencies, debt levels, and purchasing power. Low-income food importing countries in particular face multiple challenges of high indebtedness, depreciating currencies, and insufficient resources and infrastructure to boost the availability of locally produced native foods. As the war situation continues, more countries have started restricting their exports to cater to domestic needs, which though understandable, have further contributed to global inflationary trends in agricultural commodities. Poorer countries facing high risks of food and economic insecurity have focused on short term solutions, which although necessary, would bind them even more firmly to the rigid, inflexible and unreliable global industrial food system.
Ignoring Structural Causes

“It is true that the Russian invasion against Ukraine disrupted global markets, and that prices are skyrocketing. But that also tells us that markets are part of the problem. Markets are amplifying shocks and not absorbing them... food prices are soaring not because of a problem with supply and demand as such; it is because of price speculation in commodity futures markets.”

Michael Fakhri, Special Rapporteur on the Right to Food, 2022.

Governments, multilateral and international agencies are by and large apportioning the lion’s share of blame for the current world food crisis to global supply shortages arising from the war on Ukraine, ignoring the persisting impacts in low- and middle-income countries of “the market forces of concentration and speculation, of globally determined macroeconomic processes, and the collapse of livelihood opportunities affecting these countries in the post-Covid world.”

Central to recurring food price volatility, food crises and the entrenchment of hunger and food insecurity are market structures, regulations, and trade and finance arrangements that bolster a global corporate dominated industrial food system, and enable market concentration and financial speculation in commodity markets. Although wheat futures prices shot up dramatically after the Russian invasion of Ukraine in February 2022, food price volatility was already rampant well before that with food prices reaching record levels. Analysis by the International Panel of Experts on Sustainable Food Systems (IPES-Food) indicates that the kind of “excessive speculation” seen in 2007-2008 that triggered food price spikes may be back.

Multilevel market concentration and financial speculation on commodity markets have played pivotal roles in past and the present food crises and present grave threats to the realization of the Right to Food. A historical examination of food crises over the past 50 years by Jennifer Clapp shows that the global industrial food system has been rendered more prone to price volatility and more susceptible to crises because of three interrelated manifestations of corporate concentration:

“First, the global industrial food system relies on a small number of staple grains produced using highly industrialized farming methods, making the system susceptible to events that affect just a handful of crops and to rising costs of industrial farm inputs. Second, a small number of countries specialize in the production of staple grains for export, on which many other countries depend, including many of the poorest and
most food insecure countries. And third, the global grain trade is dominated by a small number of firms in highly financialized commodity markets that are prone to volatility (IPES-Food 2022; FAO 2022; OECD and FAO 2020).”

Jennifer Clapp, 2022.\(^{15}\)

Concentration occurs, explains Clapp, “from farm fields to national distribution of production to global agricultural markets.”\(^{16}\) A small number of corporations exercise a high degree of influence over the global industrial food system, powered by mergers and acquisitions of one another to form giant mega-corporations, which enable further concentration horizontally and vertically, as well as influence over policy making and governance nationally and globally. Four grain trading corporations-- Archer-Daniels Midland, Bunge, Cargill and Dreyfus, called the ‘ABCD--control 70-90 % of the grain trade. As “cross sectoral value chain managers” these grain trading giants are able to compile large amounts of market data, but are under no obligation to disclose this information and can hold stocks until prices have peaked.\(^{17}\) And in each of the three global food crises studied, financial speculation has caused steep increases in prices, making food inaccessible to hundreds of millions of people.

Over the past decades financial actors have become increasingly involved in agri-food supply and value chains through complex financial instruments. Finance corporations have invested in commodity production, processing, retailing, agrochemicals digital technology, logistics (transportation and storage) and large-scale land deals, and are increasingly the hidden faces behind land, water and resource grabbing and dispossession of the peasantry.\(^{16}\) The scale at which asset management firms are increasing horizontal and vertical shareholdings in food related sectors is resulting in “interlocking oligopolies operating all along agri-food supply chains‘ with anti-competitive impacts in seeds, supermarkets and more.”\(^{19}\)

Investors involved in the food and agribusiness sectors have seen their collective wealth increase by US$382bn (45%) over the past two years, with 62 new food billionaires created in the sector since the outbreak of the COVID-19 pandemic.\(^{20}\) The profits of major grain trading agribusinesses showed dramatic increases in January-March 2022: taking cover behind assumptions of war driven supply shortages, they were able to raise their prices without being challenged.\(^{21}\)
Multilateral Ineffectuality

Multilateral responses to the unfolding food crisis have by and large prioritized the smooth functioning of global supply chains for agricultural commodities and production inputs (especially fertilizers) by untangling commodity supply knots, keeping supply routes open, removing export bans and restrictions, and supporting further trade and investment liberalization. While multilateral institutions recognize in their discourse the systemic nature of the crisis, the financial constraints faced by low- and middle-Income countries (LMICs) in meeting immediate needs, and their resource and infrastructure challenges in building bulwarks against future crises, none propose measures to rectify the structural flaws of the global food system that render it vulnerable to market volatility and shocks, nor to deconcentrate international agri-food markets and liberate them from corporate domination.

This is hardly surprising given the increasing sway of (corporate) private sector in global food systems governance, spurred by the 2019 strategic partnership between the World Economic Forum (WEF) and the United Nations (UN) and the 2021 UN Food Systems Summit (UNFSS), both with the ostensible aims of advancing the 2030 agenda, addressing hunger and malnutrition, and tackling climate change. The appointment of the President of the Alliance for a Green Revolution in Africa (AGRA) as the Special Envoy for the UNFSS, and the involvement of business alliances and philanthropies closely linked to the WEF such as AGRA, the World Business Council on Sustainable Development (WBCSD), Food and Land Use Coalition (FOLU) and the Bill and Melinda Gates Foundation (BMGF), were clear indications of UN alignment with market-oriented, high technology driven approaches and the shift from multilateralism to multistakeholderism.

The UNFSS was criticized and opposed by over 550 civil society organizations and social movements, and numerous academics for the corporate, big agri-food, big nutrition, big data, and big finance influences that shaped its premise and outcomes, and for providing multilateral legitimacy to a WEF inspired “corporatocracy of sorts with corporations governing alongside States, the UN, and powerful NGOs.” The multistakeholder governance model of the UNFSS has undermined existing multilateral and rights-based food governance spaces such as the United Nations Committee on World Food Security (CFS)\textsuperscript{23, 24} A “game changing solution” that emerged from the UNFSS is the Zero Hunger Private Sector Pledge that exhorts corporations and investment funds to pledge money in “high impact intervention areas” to fill financing gaps that governments face in addressing food insecurity and climate change challenges.\textsuperscript{25} While this may direct some financial resources towards cash strapped governments, it also provides corporations and private financiers greater say in domestic food and climate policies.
The Global Crisis Response Group on Food, Energy and Finance (GCRG) was established by the United Nations Secretary General (UNSG) Antonio Guterres in March 2022 to coordinate the global response to the impacts of the war on Ukraine on global food, energy, and finance systems. Its first brief presents the global inter-connectedness of the war’s effects on global commodity and financial markets that affect food, energy and finance conditions, especially in a post pandemic, climate change ridden context. Its recommendations emphasize keeping markets and supply chains open and removing trade barriers and export restrictions, but do not advocate debt cancellation, changing the terms of trade and finance for developing countries, and regulating commodity and financial markets. The second policy brief delves into debt and financial constraints that many developing countries are facing, and argues for the importance of short-term mitigation to be accompanied by building long-term national capacities to break the vicious cycles fuelling the crises, but stops short of recommendations to make necessary changes in global financial architecture and the global industrial food system.

A significant achievement of the GCRG is the Black Sea Grain Initiative: an agreement with Russia on allowing food, sunflower oil, fertilizers and raw materials to produce fertilizers (including Ammonia) from Ukraine and Russia to travel out of Black Sea ports in exchange for easing sanctions against similar products originating in Russia. However, signs that the Initiative may fall apart because of Russian claims that the deal is not being implemented to facilitate Russia’s grain and fertiliser exports, have manifested. On 29 October, Russia withdrew from the grain deal citing drone attacks on Russian ships in Crimea. While getting food and fertilizers at affordable prices to low-income, import dependent countries is an important short-term measure, the GCRG approach remains within a market-led, industrial agriculture, productivist logic and is thin on the human rights dimensions of food. Ironically, millions of peasant producers in the world are striving to move away from industrial agriculture and the use of agrochemicals because of damage to soil, environmental, animal and human health as well as family finances.

Following the lead of the GCRG, the G-7 launched the Global Alliance for Food Security with the World Bank in June 2022, pledging a total of over US$ 14 billion towards global food security. The G-7 statement calls for keeping food and agricultural markets open, avoiding “unjustified trade measures that increase market volatility” and even commits to fight against any speculative behaviour that endangers food security, or access to nutritious food for vulnerable countries or populations. But no actual measures are proposed to regulate commodity and financial markets to end speculation. It mentions the right to adequate food, long-term resilience, sustainability and support for smallholder farmers, but alongside support for a strategic investment plan to accelerate development of value chains in Africa and proposals by IFIs to increase productivity.
A joint statement by the Food and Agricultural Organization (FAO), International Monetary Fund (IMF), World Bank Group (WBG), World Food Programme (WFP), and World Trade Organization (WTO) calling for urgent action to address the global food crisis advocates increased productivity, keeping global trade free of restrictions, trade facilitation, agricultural research, deeper integration of markets and increasing food system efficiencies.\textsuperscript{33} This again is true to form: the Bretton Wood Institutions have been the institutional henchmen of the global expansion of capitalist agriculture, creating the neoliberal rules and legal framework for pro-corporate global trade.

The Declaration on the Emergency Response to Food Insecurity from the WTO's 12th Ministerial Conference offers nothing by way of tackling the structural and systemic causes of hunger and malnutrition; instead, it commits members to further liberalisation of trade in food and agriculture products through global markets and adherence to WTO disciplines. The Declaration's preamble expresses “concern” about the impacts of excessive price volatility for food and agricultural products, fiscal constraints and deteriorating terms of trade on food security, and then goes on to express “determination” to make progress towards a fair and market-oriented agricultural system. But as noted by Focus on the Global South, “A market-oriented agricultural trading system can hardly be fair when producers in wealthy and poor countries live in vastly unequal conditions, and when the terms of trade are skewed against small-scale food producers in developing countries by WTO rules that curtail their access to essential public infrastructure, support and services.”\textsuperscript{34}

A reprehensibly low point in multilateral responses to the food crisis is the failure of the UN Committee on World Food Security (CFS) to establish a mechanism to coordinate international responses to the global food crisis in its 50th session in October 2022. Failure to reach agreement on such a mechanism already seemed imminent in the opening plenary, with many countries unequivocally stating their positions with or against Russia. Subsequent sessions on the food crisis degenerated into geopolitical wrangling over language on sanctions and responsibility for the food crisis. Appeals by civil society participants and the Special Rapporteur on the Right to Food reminding CFS member states of the mandate of the CFS -- realizing the right to food and advancing food security and nutrition -- met with no success, and the CFS was unable to conclude its final plenary.\textsuperscript{35} In the words of civil society participant Alberta Guerra, "It's alarming that the only pending decision is on the CFS's core mandate, which is to coordinate response during global crisis to fulfil the right to food for all."\textsuperscript{36}
Courting Corporations

Among the UN agencies, the FAO is possibly the most enthusiastic advocate of global markets, global supply and value chains, private investment and pro-corporate trade as the panacea for persisting food insecurity and malnutrition. By virtue of its mandate as the central UN agency for addressing food security, FAO has significant influence over policy making in developing countries but has tended to toe the Bretton Woods line rather than support developing countries to build robust, resilient food systems anchored in human rights and responsive to diverse national realities. At the start of the COVID pandemic, FAO joined the WTO and World Health Organization (WHO) in issuing a call to governments to refrain from imposing trade related measures and other restrictions that could disrupt global food supply chains and global trade.

The FAO’s response to the current crisis are proposals for a Food Import Financing Facility (FIFF) for low-middle income countries with large food importing needs; social protection measures for food security and nutrition; and investment for the reconstruction of Ukraine’s agricultural sector. While these are important immediate-intermediate responses, they are firmly in the paradigm of meeting food and nutrition needs through global markets, free trade, industrial agriculture and cash transfers, with no indication for a longer-term shift towards food self-sufficiency, local food systems and agroecology.

Despite recognition of the importance of small-scale food provision and the urgency of ecological sustainability, FAO has long been a supporter of agribusiness corporations, and a proponent of high technology driven industrial agriculture, including the much-criticized Green Revolution for Africa and the use of digital technologies to integrate smallholder agriculture into regional-global markets. FAO’s relationship with small-scale food producers and civil society has tended to favour organizations that are amenable to its market and private investment oriented mission.

In 2008, FAO, along with the International Fund for Agricultural Development (IFAD) and WFP, signed a Memorandum of Understanding (MoU) with AGRA to “boost food production in Africa’s breadbasket regions.” FAO has been a strategic partner in the Africa Green Revolution Forum (AGRF), an annual multistakeholder forum that brings together government decision makers with corporate investors and financiers to advance green revolution agriculture in the African continent. In 2020, FAO and AGRA convened a Round Table hosted by the AGRF to discuss how to address bottlenecks arising from COVID-19 that impede regional-global trade and highlight the role (and business opportunities) for the private sector in keeping food value chains functioning through the pandemic.
FAO also has collaborative relationships with the BMGF and Rockefeller Foundation, the creators and main financiers of AGRA. FAO is a grantee of the BMGF and secured a US$ 11 million grant for its Monitoring and Analysing Food and Agricultural Policies program in Africa that aims to scale up investment, achieve more transparent markets and trade, and achieve inclusive rural transformation.\textsuperscript{46} \textsuperscript{47} FAO and The Rockefeller Foundation signed a partnership agreement in 2016 to support food loss and waste reduction, value addition, processing, market linkages and impact measurement in sub-Saharan Africa.\textsuperscript{48}

The breadth of the food and agriculture sector has provided FAO with numerous opportunities to build partnerships with private investors, financiers, philanthropies, agri-businesses and industry groups. The FAO’s private sector engagement strategy names a range of actors as potential partners, from farmers’ and producer’ organizations, cooperatives and micro-, small and medium-sized enterprises (MSMEs) to large national and multinational companies, financial institutions, industry, trade associations, private sector consortia and philanthropic foundations.\textsuperscript{49} However a study on the FAO strategy notes that “large, including multinational, firms and private sector associations, account for a large majority of all private sector engagements in the FAO,” including corporations and trade associations “whose consortia and membership have a far (often global) reach and therefore extensive impact on communities protected by the UN instruments.” The study points to several problematic aspects of FAO’s private sector engagement: lack of transparency in funding from private sources and the nature of partnerships; weakening of due diligence from a “risk adverse” to “risk conscious” approach; and absence of mechanisms for addressing conflicts of interest and ensuring corporate accountability.\textsuperscript{50}

A prominent FAO partner is the International Feed Industry Federation, whose members represent over 80 % of the compound animal feed production worldwide.\textsuperscript{51} FAO and IFIF signed an MoU in 2005 and have collaborated on numerous activities related to animal feed chains, the livestock industry and standard setting.\textsuperscript{52} Another long-standing prominent FAO partner is the International Fertilizer Association (IFA), with more than 400 members in 70 countries. The FAO-IFA MoU was renewed in December 2021 and includes expanding the use of different kind of chemical fertilizers and developing codes of conduct for fertilizer use.\textsuperscript{53} In March 2022, FAO signed an MoU with the International Chamber of Commerce (ICC) to increase public-private collaboration. The ICC, the world’s largest business organization network, was founded in 1919 and claims that it is the “institutional representative of more than 45 million companies in over 100 countries.”\textsuperscript{54}

Particularly contentious is the budding partnership between FAO and Crop Life International (CLI) that was set into motion with signing of a Letter of Intent in October 2020.\textsuperscript{55} CLI’s members include some of the largest agrochemical, pesticide and seed companies
including BASF, Bayer Crop Science, Corteva Agriscience, FMC and Syngenta, and over one-third of CLI members’ sales are in Highly Hazardous Pesticides (HHPs) that pose the highest levels of risk to health, the environment and biodiversity.\textsuperscript{56}

This shocking alliance has been widely condemned by small scale food producers, workers, indigenous peoples, civil society organizations and scientists. In November 2020, 352 civil society and Indigenous Peoples’ organizations from 63 countries, sent a letter to FAO Director General Dongyu Qu urging FAO to abandon its partnership plans with the pesticide industry.\textsuperscript{57} Similar letters were sent by more than 250 scientists, academics, and researchers, and 47 foundations and funder networks.\textsuperscript{58-59} In December 2021, over 187,300 individuals from more than 107 countries submitted a global petition demanding an immediate end to the toxic alliance between FAO and CLI, followed by a letter to the FAO Council in June 2022.\textsuperscript{60} To date, the FAO has given no indication that it will withdraw from the partnership agreement with CLI.

FAO’s close links with corporations, trade and industry associations, and corporate consortia call into question the impartiality and credibility of FAO’s policy advice to governments and multilateral fora to effectively address hunger and malnutrition and strengthen food security. In regional and international fora, FAO has sided with corporate and industry positions over those of small-scale food producers, workers and civil society organizations campaigning for the Right to Food and food sovereignty. Further, its corporate partnerships and subservience to the Bretton Woods Institutions continue to undermine its own commitments as a UN agency to uphold human rights.

**The Urgency of Global Paradigm Shift**

“Public policies set the framework for how the resources of a country/province/state are to be used, and how critical issues are to be addressed, and crises confronted. They also pave the way for regulations that ensure and protect public interest. Good public policies ensure that short-term solutions can become building blocks for long-term transitions.”

Civil Society and Indigenous Peoples Mechanism, 2022.\textsuperscript{61}

“Ultimately, we need to break up the monopolies that have a stranglehold on the food chain. A handful of companies control global seed and fertiliser markets, animal genetics, the global grain trade, and food retail. They are making huge profits at the cost of farmers, consumers and the environment.”

Olivier De Schutter, Special Rapporteur on Extreme Poverty and Human Rights, 2022.\textsuperscript{62}
There is an abundance of evidence to show that policy responses to past food crises have enabled the rise of a financialized global industrial food system that functions through complex value chains, corporate dominated global trade, and unregulated commodity futures markets. Rooted in neoliberal ideology and claiming goals of efficiency, productivity and sustainability, these responses have promoted corporate expansion in virtually every aspect of food provision and governance, from production, processing, transportation, and retail to shaping legal frameworks for trade, investment, accountability and market concentration. And they have undermined the rights, health and agency of majority of the world’s people. Those who are already most deeply affected by these responses and policies and face heightened risks of future negative impacts are people and communities who produce most of the world’s food through small-scale family production and as workers in the industrial food production systems, and those who produce the goods and provide the services that ease our lives. Other articles in this collection have already presented in considerable detail the impacts of the current and past food crises, as well as the mechanisms by which public systems critical to the lives of majority of the people in the world have been dismantled.

Unless this destructive global food system and deeply biased food governance system are radically transformed, the world will never be free from the dangers of recurring, overlapping food, ecological, health and economic crises, which will become more frequent and intense, and undermine further the capacities of people, communities and nations to rebuild livelihoods and resilience to shocks. The current conjuncture underscores the urgency and presents opportunities for a global paradigm shift to peoples’ food sovereignty, agroecology, territorially embedded food systems and markets, and deglobalized public interest economies--based on values of equality, justice, human rights, social protection, grassroots feminism, and respect for nature. The elements of these approaches have been articulated by numerous organizations and movements of peasants, fisherfolk, pastoralists, workers, indigenous peoples, and women, and many are presented in other articles in this collection. They show how the power of corporate concentrated industrial monocultures and global markets can (and must) be countered by the diversity, local-regional vitality, adaptability, innovations, participatory governance, and agency embodied in these approaches.

A troubling barrier to the urgently needed paradigm shift is lack of decisive leadership in international and multilateral decision-making fora with the courage to propose actions that can set transformation in motion. Earlier notions of multilateralism where states make decisions on behalf of and are accountable to their citizens and regulate the econ-
omy and private sector in the public interest, are being set aside in favour of ‘networked multilateralism,’ a multistakeholder model of global governance promoted by the UN Secretary General that gives corporate and industry bodies seats at regional and global decision making tables. In his report to the UN General Assembly on the right to food and the COVID-19 pandemic, Michael Fakhri, Special Rapporteur on the right to food notes that the world continues to be mired in food crises is not only because of the pandemic but equally, “because many governments and international institutions have failed to listen to the most vulnerable communities and respond to their demands. They have refused to cooperate and coordinate, and have decided instead to enable agrifood businesses and financial speculation.”

But the moribund nature of multilateralism also presents an opportunity for the world’s people—rights holders, the people of the United Nations—to amplify their demands at regional and international fora for paradigm change, for reclaiming and revitalizing the sphere of the public, and for radical transformation of the global food system and its governance. Proposals for such a transformation have been elaborated by the CSIPM in a recently released report and are presented in the following box. Campaigns and struggles for halting the privatization of our food and life systems must also include stopping the privatization of multilateral governance.

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**Voices from the ground 2: transformative solutions to the global systemic food crises.**

**Popular consultation on grassroots impacts of covid-19, conflicts, and crises on the right to food and food sovereignty**

In 2020, the CSIPM conducted consultations with all its 11 constituencies across all regions, on the impacts of the COVID-19 pandemic on food security and nutrition. The consultations revealed that neoliberalism was the most critical pre-existing systemic condition in determining the pandemic’s impacts and deepening persisting conditions of inequality, poverty and food insecurity. Neoliberal policies have dismantled life-essential public policies and regulation, and privileged corporate dominated, global food markets over small-scale food production and territorially embedded food systems.

Follow-up consultations in 2022 at an even larger scale by the CSIPM about the current global food crisis pointed again to the crucial role of entrenched economic, social, ethnic and gender inequalities and asymmetries in access to food, healthcare, social protection and life sustaining goods and services in deepening and widening hunger and food insecurity. Extreme weather catastrophes have become more frequent, with droughts, heatwaves, wildfires, floods and cyclones wreaking havoc on small scale food provision. Countries and populations least responsible for greenhouse gas emissions continue to experience the impacts of climate chaos most acutely, leading to the loss of livelihoods of indigenous peoples and small-scale food producers. Continuing conflicts, wars and state violence are leading to dispossession, displacement, distress migration, poverty and hunger, and food is being used as a geopolitical weapon.
The consultations show that prices of all essential goods were already increasing over the past three years, and that increased costs of production inputs, energy and transportation have caused the incomes of small-scale food producers to plummet, while food processors and retailers have been able to increase prices and make profits. Many urban poor communities are engaged in informal employment, and are particularly vulnerable to price fluctuations and wage losses. In rural and urban areas alike, low-income populations face increasing income and wage losses, disruption of local markets, precarious working conditions, unemployment, loss of education opportunities, land-grabbing, increased family indebtedness and lack of access to medical care and health services. These conditions are compounded by deteriorating human rights conditions across much of the global South where there is a dire lack of protection for human rights, and attacks on leaders of social movements and human rights defenders go unpunished.

Because of persisting gender inequality and patriarchal prejudices, women, girls and non-binary people are particularly at risk in times of crises and scarcity, and face heightened discrimination in access to food, health, education and employment. In poor and low-income families, the burden of family care significantly increases for women, and they are compelled to adopt extreme coping strategies including reducing their own consumption and migrating to find wage work. Young people in food-producing and working-class families (both urban and rural) face multiple obstacles to education, skills development, employment and social cohesion.

The report presents short- and long-term measures to immediately address the crisis and transform the global food system in a coherent, complementary manner. Immediate measures include the provision of humanitarian aid in conflict zones that strengthen local food systems and community solidarity initiatives; ensuring that food aid programmes distribute healthy agroecological food that is locally sourced and supported through state financing, not corporate dumping; market and financial regulation to end speculation in food commodities; cancelling private and public debts in developing countries so that they have the fiscal resources to invest in food sovereignty; taxes on profits and wealth to fund social policies, and; ensuring small-scale food producers have the resources and inputs needed for the coming agricultural season, privileging native seeds, bio-fertilizers and domestic resources.

Long term measures include breaking food import dependency and building domestic food provisioning; transforming food systems through agroecology; implementing food sovereignty; disciplining and limiting corporate power; reorienting trade and investment to serve public interest rather than corporations; dismantling WTO agreements and halting Free-Trade Agreements, and; ensuring human rights and democratic multilateralism.

At the heart of all these measures are human and collective rights (with special attention to women, and non-cis heteronormative persons); democratic control over food systems, policies and governance; accountability of corporations and governments to people, and; the removal of corporations and capital from food governance. Agroecology and agrarian reform will revitalise the environment and biodiversity and secure peoples’ access to territories. Food sovereignty will build the agency of local producers, workers and organisations, strengthen public procurement from local-regional producers, and shorten commercial circuits through territorial markets.

For information about the Civil Society and Indigenous Peoples’ Mechanism, please see https://www.csm4cfs.org
Endnotes


12. Ibid


23. Ibid

24. A compilation of critiques, statements, press articles and research materials by civil society organizations and academics on the UNFSS is available at https://www.foodsystems4people.org


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