SPOTLIGHT TEN YEARS AFTER THE WORLD FOOD CRISIS: TAKING UP THE CHALLENGE OF THE RIGHT TO FOOD

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The food price crisis of 2007-2008 was a watershed. Ten years later, despite a number of important initiatives to change aspects of the food system, many of the problems that led to the crisis in the first place persist. There is much to be done.

The heart of the crisis lasted about six months starting late in 2007, during which time the international prices of all major food commodities reached their highest level in nearly 30 years.¹ This pushed the number of people living in hunger to one billion, while compromising the human right to adequate food and nutrition of many more.² In an attempt to compensate for the higher food prices, many people, particularly women, were pressed to take on additional work, often under exploitative and unsafe conditions, with ripple effects in other aspects of life.³ The food price spikes also forced many to reduce both the quantity and quality of the food they consumed.⁴ The crisis had profound effects on people's lives and livelihoods, on their relationships to food, as well as on public health and on the social fabric of communities—effects that are still being felt to this day.

THE GLOBAL FOOD CRISIS: WHAT WAS BEHIND IT

The crisis was a convergence of long- and short-term factors that destabilized international food markets, and, with them, domestic food markets.⁵ Many of the causal factors were long-standing-if largely hidden-problems in food systems. Levels of productivity growth in agricultural output had stagnated; the incidence of drought and flooding, associated with deforestation and climate change, was on the rise; demand in some heavily populated regions for animal sourced foods and fresh fruits and vegetables was also increasing, putting pressure on staple grain acreage at the same time as many poorer countries were increasing their reliance on imports of those staple grains. The decision by several large exporting countries to end or reduce public stockholding meant supplies for the export market were quickly constrained by a few poor harvests, while the financialization of agricultural commodities confused market signals of supply and demand with very short-term speculative interests. Financialization refers to the process that has turned finance from an instrument to facilitate commercial production and exchange (e.g. loans based on land as a collateral) to finance as a way to make money from financial activities themselves (e.g. derivatives based on those loans). The dramatic expansion of financialization was made possible in part by the deregulation of banking and commodity futures markets, primarily in the U.S., which gave speculators significantly more scope to affect agricultural commodity prices. Above all, the public mandates to expand agrofuel production and use in many countries that also are major grain exporters, especially the U.S., created destabilizing expectations on the future use of land and grains. Although actual use of grains for agrofuel at the time was still modest, the public mandates created an expectation of expansion (to some extent borne out over the subsequent years) that drove prices sharply higher, an effect that was further magnified by the sharp rise in oil prices that occurred at the same time as the food price spikes.6

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<u>Photo</u>

Argentinians mobilizing in the capital (Buenos Aires, Argentina, 2016). Photo by Pablo Ernesto Piovano.

- Headey, Derek and Shenggen Fan, "Reflections on the global food crisis. How did it happen? How has it hurt? And how can we prevent the next one?" *IFPRI Research Monograph* 165 (2010). Washington DC: International Food Policy Research Institute.
- 2 De Schutter, Olivier and Kaitlin Y. Cordes. "Accounting for Hunger: An Introduction to the Issues". *In Accounting for Hunger*. The Right to Food in the Era of Globalisation, edited by Olivier De Schutter and Kaitlin Y. Cordes, 1–24. Oxford: Hart Publishing LTD, 2011.
- 3 Patta Scott-Villiers et al., Precarious Lives: Food, Work and Care After the Global Food Crisis. Brighton: IDS, 2016. Available at: opendocs.ids.ac.uk/opendocs/ bitstream/123456789/12190/1/ PrecariousLives_Online.pdf.
- 4 Ibid.
- 5 Wise, Timothy A., and Sophia Murphy. Resolving the Food Crisis. Boston and Minneapolis: Global Development and Environment Institute and Institute for Agriculture and Trade Policy, 2012. p. 38. Available at: www.ase.tufts.edu/gdae/Pubs/rp/ ResolvingFoodCrisis.pdf.
- 6 Headey and Fan, supra note 1.

The mix of factors was viewed by some as a 'silent tsunami'⁷—in other words, a rare but devastating coincidence of events. But others, including many from within the food sovereignty movement, emphasized that the crisis had been long in the making; the events of 2007-2008 were simply bringing the cracks of an unsustainable food system into view. For those who had paid attention, this unsustainability had been evident in the systematic exploitation of farm labor, the persistent pollution of natural resources, the concentration of economic power and wealth that left food producers chronically indebted, and the rising levels of inequality in access to both food and productive resources. Social movements and allies seized the political moment, and the language of crisis, but emphasized that the crisis had been there all along. The human right to adequate food and nutrition had been profoundly neglected; the food price crisis forced policymakers to at least acknowledge how badly food systems had failed.

The food price crisis also forced food and agriculture to the top of the international policy agenda. Perhaps the clearest example of this was the reform of the United Nations (UN) Committee on World Food Security (CFS) in 2009. The CFS had long been considered an ineffectual talk shop: With the reforms, it became the foremost inclusive global food forum, with active civil society participation, particularly among sectors most affected by the crisis.⁸ Yet ten years later, food security is slipping down the priority list. The level of support from international cooperation budgets for food security, for example, has fallen. Grain supplies are again at high levels, and although prices remain unstable, they are on average lower than they were a few years ago. There is a real risk that broken food systems will be left unrepaired, awaiting another tsunami.

To strengthen food systems, decision-makers must decide what the real problems are. Clearly there are important opportunities for policy intervention in the production, distribution and the consumption of food. Yet even the questions remain heavily contested. This article explores three of the ongoing debates. First, what kind of agriculture should governments support? Should it be agroecology or the 'new green revolution'? Each requires quite different infrastructure investments, inputs, property rights, and governance structures. Second, concern over food access raises questions over nutritional quality, food sourcing and what kinds of safety nets best support the realization of the right to food and nutrition. Third, how should food prices be stabilized? How should governments manage continuing investments in domestic production, local market development and public food stocks, and how should these be managed in conjunction with international markets?

INVESTING IN AGRICULTURE: CLASHING FOOD SYSTEM PARADIGMS

The food price crisis increased interest in small-scale food providers, whose role had suffered decades of neglect under structural adjustment programs. Policymakers realized just how much of the world's food was provided by small-scale food providers, as well as the paradoxical truth that those same providers (a group that includes farmers, fishers, pastoralists, and agricultural workers) comprised the majority of the world's poor and hungry.⁹ There was also increased awareness that women in particular are disproportionately vulnerable to hunger, despite their critical role in food provisioning.¹⁰ At the same time, agricultural input companies such as Monsanto and Yara used the crisis to argue for a massive expansion of food production to avoid the shortages that had triggered the crisis. The message that

- 7 Interview with Josette Sheeran, then Executive Director of the World Food Program. UN News. 2008. Available at: <u>www.un.org/apps/news/story.</u> <u>asp?NewsID=26412#.WP92SsYZN3k.</u>
- 8 McKeon, Nora. "Are Equity and Sustainability a Likely Outcome When Foxes and Chickens Share the Same Coop? Critiquing the Concept of Multistakeholder Governance of Food Security". *Globalizations* 14(3) (2017): 379–398.
- 9 De Schutter and Cordes, *supra* note 2.
- 10 Asian Development Bank. Gender Equality and Food Security: Women's Empowerment as a Tool Against Hunger.Mandaluyong City, Philippines: Asian Development Bank, 2013. Available at: <u>www.fao.org/wairdocs/ar259e/</u> <u>ar259e.pdf.</u>

emerged from the UN Food and Agriculture Organization (FAO) (and that was taken up by many others) was that the world needed to increase food production by 70% (or more) by 2050, a claim that downplayed the fact that the for the duration of the food price crisis, there was more than enough food to meet global demand, just no way to protect people's access to that supply.¹¹

This argument over whether and how to grow more food generated heated debates over agricultural investment: investment for and by whom, on what terms, and toward what ends? These debates (including debates on 'responsible agricultural investment' in the CFS from 2010 through 2014) get to the heart of competing paradigms around food systems transformation. Food sovereignty activists insist that small-scale food providers are the biggest investors in food production and as such deserve recognition and support.¹² In contrast, the more highly capitalized and politically influential model of investment involves more top-down and centralized approaches, often relying on public-private partnerships (PPPs) and involving large-scale land transfers.¹³ This kind of investment is a driving force in what some have termed land grabbing, in which small-scale food providers find themselves dispossessed of their land by large-scale commercial operations, and/or subsumed into larger operations as plantation laborers or contract growers, often under exploitative conditions.¹⁴ Despite mounting evidence that many of these investments are failing to live up to their promises, and have opened new avenues for human rights abuses, they not only persist ten years in, but are also being consolidated and expanded.¹⁵ An example is the G8's New Alliance for Food Security and Nutrition,¹⁶ launched in 2012, which promotes large-scale agricultural investment in Africa through mechanisms such as the Southern Agricultural Growth Corridor of Tanzania (SAGCOT), covering a third of the country's mainland. These investments are not only made in the name of food security, but increasingly in the name of climate change mitigation, too, through programs such as REDD+, 'climatesmart agriculture' (CSA), and a widening array of 'green and blue carbon' scheme that create financial links between farmland, forests, and fisheries and global carbon markets.

Social movements have offered multi-pronged and multi-scalar responses to the push for industrial agriculture models, from direct confrontations on the frontlines of megaprojects to the occupation of global policy spaces. Food sovereignty organizations command an unprecedented level of visibility in several global governance spaces, most notably the CFS following its reform in 2009. That visibility is the result of years of mobilization from the outside, which long preceded the food price crisis, and is now maintained through finely crafted inside-outside strategies. While power imbalances are an ongoing challenge, movements and their allies have made strategic use of these spaces.¹⁷ A major win in this area was the adoption of the Voluntary Guidelines on the Responsible Tenure of Land, Fisheries and Forests in the Context of National Food Security (hereinafter the Tenure Guidelines) at the CFS in 2012. After tough negotiations involving civil society, the Tenure Guidelines are now being taken up by grassroots actors as a tool in the struggle for resource rights around the globe.¹⁸

The continuing food crisis—some call it a multifold food, fuel, finance, and climate crisis—has also served as a springboard for food sovereignty movements to advance alternatives. Chief among these is agroecology. Approached as a science, a set of practices, and a movement for food production that works with nature,¹⁹ agroecology is a pillar of food sovereignty. Standing in stark contrast to industrial

11 Ibid.

- 12 For more information on small-scale food providers, please see the article "The Construction of New Agrifood Systems: Struggles and Challenges" in this issue of the *Right to Food and Nutrition Watch.*
- 13 McMichael, Philip. "The Land Question in the Food Sovereignty Project". *Globalizations* 12(4) (2015): 434–451.
- 14 De Schutter, Olivier. "The Green Rush: The Global Race for Farmland and the Rights of Land Users." *Harvard International Law Journal* 52(2) (2011): 503–559. Available at: <u>www.harvardilj.org/wpcontent/uploads/2011/07/HILJ_52-2_De-Schutter1.pdf</u>.
- 15 Wise, Timothy A. "Land Grab Update: Mozambique, Africa Still in the Crosshairs." Food Tank, October 31, 2016. <u>foodtank.</u> <u>com/news/2016/10/land-grab-update-</u> mozambique-africa-still-in-the-crosshairs.
- 16 For more information on the negative impacts of this program, please see: FIAN International and FIAN Germany. G8 New Alliance for Food Security and Nutrition in Africa: A Critical Analysis from a Human Rights Perspective. Heidelberg: FIAN International, 2014. Available at: www.fian.org/fileadmin/ media/publications_2015/2014_G8New Alliance_screen.pdf; and Pschorn-Strauss, Elfrieda. "African Food Sovereignty: Valuing Women and the Seed They Keep." Right to Food and Nutrition Watch (2016): 49-51. Available at: www.righttofoodandnutrition. org/african-food-sovereignty.
- 17 McKeon, supra note 8.
- 18 For more information on how the Tenure Guidelines are utilized by social movements and indigenous peoples worldwide, please see: Strapazzon, Angel. "Towards an Assessment of the Implementation of the Guidelines on Tenure of Land, Fisheries and Forests: A Tool for Social Movements Struggles", Right to Food and Nutrition Watch (2016): 29-33. Available at: www.righttofoodandnutrition.org/towardsassessment-implementation-guidelinestenureland-fisheries-and-forests; Franco, Jennifer, and Sofía Monsalve Suárez, "Why Wait for the State? Using the CFS Tenure Guidelines to recalibrate the political-legal terrain in struggles for human rights and democratic control of land, fisheries and forests". Forthcoming.
- 19 Food First. Issue Primer: Agroecology. Oakland: Food First, 2011. Available at: foodfirst.org/wpcontent/uploads/2014/04/ FF_primer_Agroecology_Final.pdf.

models of production that require environmentally and economically costly external inputs while generating substantial waste and other social and environmental costs, agroecology now receives an unprecedented level of interest and visibility, including from some governments. This is particularly the case as intensifying climate-induced disruptions have increased the challenges to industrial agriculture. The year 2015 was a landmark year for the promotion of agroecology, with both an international forum on agroecology in Mali organized by social movements and an unprecedented level of engagement on agroecology by the FAO. The FAO organized a series of regional meetings, with active participation of civil society groups between 2015 and 2016 and now maintains an online hub on agroecology, along with other forms of sustained engagement.²⁰

These processes have not been without tensions. Advocates of agroecology are well aware that good ideas mixed with highly unequal political voice can lead to co-optation. This is why food sovereignty activists are wary of terms such as 'climate smart agriculture' (CSA), which they see as intentionally vague, allowing policy makers and private corporations to borrow selectively from the repertoire of agroecology, while leaving the door open for conventional practices couched in green packaging.²¹ Where CSA fails, from the food sovereignty perspective, is in its failure to embrace the more transformative elements of agroecology and food sovereignty, such as justice, which are central to their framing.²² Yet as scholar activist Jahi Chappell points out, "While there is the threat of co-optation, the very fact of this threat is evidence that agroecology has now become something other actors in the food system think has some power, utility, and momentum".²³ Indeed, the most powerful action against co-optation by the movements is their refusal to relinquish the concept. Agroecology schools continue to spring up, especially in Latin America, and elsewhere around the globe, while new examples of agroecology are scaled both outward and upward. New networks for agroecology are emerging from West Africa to North America, while links are being formed between researchers and practitioners, further pushing agroecology's diffusion and uptake.

IMPROVING FOOD ACCESS: SOCIAL PROTECTION, MEDIATED MARKETS AND NUTRITIONALLY ADEQUATE DIETS

In addition to raising the question of how countries should go about growing more food for local markets, the food price crisis forced a conversation about social protection and the structural barriers to food access. As former UN Special Rapporteur on the Right to Food Olivier de Schutter (whose tenure from 2008-2014 largely coincided with the food price spikes and their aftermath), emphasized, hunger is rarely the result of insufficient food production, but rather the result of poverty.²⁴ As self-production and purchases are two main channels through which people realize their right to food and nutrition, this underscores the importance of access to and control over productive resources, fair and stable prices for food producers, and living wages for workers. Food access also raises the importance of social protection for vulnerable populations, and of proper nutrition. The food price crisis encouraged experiments in which local, regional and national governments explored how to use public procurement to strengthen local markets to connect producers and consumers, and to improve the nutritional content of the food provided to school children. A noticeable shift in general to

- 20 For more information, please visit: www.fao.org/agroecology/en/.
- 21 Chappell, M. Jahi. "Looking back from Paris to Senegal: What the FAO Regional Agroecology Meeting had to say on Climate-Smart Agriculture." IATP Blog. December 22, 2015. Available at: <u>www.iatp. org/blog/201512/looking-back-from-paris-tosenegal-what-the-fao-regional-agroecologymeeting-had-to-say-</u>.
- 22 Pimbert, Michel. "Agroecology as an Alternative Vision to Conventional Development and Climate-smart Agriculture". *Development* 58 (2–3) (2015): 286–298; Borras, Saturnino Jr., and Jennifer Franco. "Climate smart land politics in the era of the global land rush? Land redistribution, recognition and restitution for agrarian and climate justice". Forthcoming.
- 23 Chappell, Jahi. E-mail message to authors, April 11, 2017.
- 24 De Schutter and Cordes, *supra* note 2.

address the need to improve nutrition and healthy diets is evident in government policies, albeit with many challenges still unanswered.

On the issue of fair and stable prices for food producers, little has changed in terms of global export markets, where multinational traders dominate and food producers have little to no ability to demand fair prices for what they produce. Fair trade has grown in popularity, but remains a niche with limited ability to achieve structural transformation in the broader food system. On the other hand, some important initiatives in various parts of the world have sought to secure fairer pricing at the domestic and local levels, particularly using direct marketing and public procurement policies, as discussed below. On the question of living wages, labor groups such as the International Union of Food Workers (IUF),²⁵ along with others such as the Special Rapporteur on the Right to Food, have argued for the importance of living wages for the realization of the right to food and nutrition,²⁶ including at the CFS. While living wages remain an aspiration more than a reality, the issue has received growing political attention, including from governments, and has been the subject of a lot of public debate. Included in these debates is the concept of a 'basic income', or an unconditional universal publicly-guaranteed minimum income for citizens, an idea that has been piloted in several countries, including Namibia, Brazil, and India.

The question of a basic income raises the matter of social protection more broadly. Social protection is described by the CFS High Level Panel of Experts (HLPE) as "a menu of policy instruments that addresses poverty and vulnerability, through social assistance, social insurance and efforts at social inclusion".²⁷ The food price crisis tragically demonstrated that even fairly small increases in food prices can have a widespread effect on the hundreds of millions of people who live above, but only just above, the poverty line.²⁸ Just as protracted crises were teaching those responsible for humanitarian interventions that responses needed to be quick and incremental and not wait for catastrophe to strike before getting started, so the food crisis made it clear that even relatively modest safety nets could keep people working and investing in their productive activities if they were not obliged to divert additional income to buying food. The topic of social protection, including direct cash transfers, has gained traction in the years since the food price crisis, and was a major topic of debate at CFS 39, in 2012. Among the lessons of the food price crisis is the importance of a holistic approach to social protection that includes insulation against food price shocks, protection of labor and livelihoods, and "protecting social values around food, and the social arrangements of nourishment",²⁹ crossing over into food sovereignty struggles.

Increased attention to food access has focused not just on food quantity but also on the quality of food available, putting a spotlight on nutrition.³⁰ One of the central effects of the food price crisis was that it forced low-income people to get by with less, which meant reducing the quantity and/or quality of the food they consumed, trends that have continued into the present.³¹ Women are disproportionally affected by such situations, as they often eat less or do not eat when food is scarce, to ensure that the rest of their family members can eat. In tandem with this has been the further penetration of large distribution channels into both urban and rural spaces, making heavily processed corporate-branded food ever more ubiquitous, and sometimes outcompeting locally produced traditional foods in affordability. Supported by massive communication and advertising, such trends are reshaping diets in favor of industrial/global value chain products. In response,

- 25 The full name is International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers'Associations (IUF).
- 26 On the issue of labor and the right to food, please see the report of the first fact-finding mission of the GlobalNetwork for the Right to Food and Nutrition (GNRTFN), conducted in 2015. Available at: <u>www.fian.</u> <u>org/fileadmin/media/publications_2016/ Reports_and_guidelines/FFMReport_June_ 2016.pdf.</u>
- 27 HLPE. Social protection for food security. A report by the High Level Panel of Experts on Food Security andNutrition of the Committee on World Food Security. Rome: CFS HLPE, 2012. p. 11. Available at: <u>www.fao.org/3/</u> <u>ame422e.pdf</u>.
- 28 HLPE. Price volatility food security. A report by the High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security. Rome: CFS HLPE, 2011. <u>Available at: www.fao.org/3/a-mb737e.</u> pdf.
- 29 Scott-Villiers *et al., supra* note 3, p. 52.
- 50 For more information on how corporate-based approaches have led to an artificial separation of nutrition and sustainable food systems, please see 2015's issue of the *Right to Food and Nutrition Watch*, "Peoples' Nutrition Is Not a Business." Available at: www.righttofoodandnutrition. org/peoples-nutrition-not-business.
- 31 Scott-Villiers et al., supra note 3.

- 52 Patel, Raj, Rachel Bezner Kerr, Lizzie Shumba and Laifolo Dakishoni. "Cook, eat, man, woman: understanding the New Alliance for Food Security and Nutrition, nutritionism and its alternatives from Malawi". The Journal of Peasant Studies 42(1) (2015): 22.
- **33** Supra note 30.
- 54 For further information on SUN, please see: <u>www.unscn.org/en/sun-scaling-up</u>. See also Schuftan, Claudio and Ted Greiner. "The Scaling Up Nutrition (SUN) Initiative." Right to Food and Nutrition Watch (2013): 22–23. Available at: <u>www.righttofoodandnutrition.</u> <u>org/files/Watch_2013_Full_Watch_ENG.</u> pdf#page=22.
- 35 Schieck Valente, Flavio Luiz. "Towards the Full Realization of the Human Right to Adequate Food and Nutrition". *Development* 57(2) (2014): 155–170.
- 56 Prato, Stefano and Nicola Bullard. "Editorial: Re-embedding Nutrition in Society, Nature and Politics". *Development* 57(2) (2014): 129–134.
- 37 Wittman, Hannah and Jennifer Blesh. "Food Sovereignty and Fome Zero: Connecting Public Food Procurement Programmes to Sustainable Rural Development in Brazil". *Journal of Agrarian Change* 10 (1) (2015): 1–32.
- 38 Sidaner, Emilie, Daniel Balaban, and Luciene Burlandy. "The Brazilian school feeding programme: an example of an integrated programme in support of food and nutrition security." *Public Health Nutrition* 16(6) (2013): 989–994.
- For more information on the situation in Brazil, please see the insight box 1.1 "Brazil: 'Political Malnutrition' and Disrespect of the Right to Food and Nutrition" below.
- 40 Maxwell, Simon. "Food security: a postmodern perspective". Food Policy 21(2) (1996): 155–170.

important bridges have been built within civil society between those working on production and consumption, often across urban-rural divides. Food sovereignty increasingly includes a nutrition focus.

In global policy spaces, as with debates around investment, nutrition remains a contested terrain. While advocates push for adequate nutrition within a broader framework of food system transformation, corporate actors are pushing forward proposals based on 'nutritionism-understood as "a set of ideas and practices that seek to end hunger not by directly addressing poverty but by prioritizing the delivery of individual molecular components of food to those lacking them".³² Biofortification³³ via genetic engineering and other 'nutrition-specific' approaches are among the hallmarks of this paradigm, championed through initiatives such as the corporatebacked Scaling Up Nutrition (SUN)³⁴ and the G8's New Alliance, both of which have come under fire by civil society groups as treating nutrition as both a technical issue and profit-making venture.³⁵ Civil society organizations brought these critiques to the Second International Conference on Nutrition (ICN2) in 2014, launching a powerful declaration that, among other things, called for recognition of the CFS as the critical space where policy coherence for food security and nutrition needs to be established. The HLPE will publish a report on nutrition and food systems in the fall of 2017.³⁶

One of the policy interventions that connects fair prices, living wages, social protection, and nutrition with food access are 'mediated markets', which are designed to use the power of the market to protect social and ecological welfare.³⁷ An example is public procurement policies that support regional economic development, including prioritizing local sourcing for school feeding programs, in a growing number of countries. In 2010, Brazil amended its constitution to include the right to food and passed a decree extending the reach of the 2006 Food Security Law to directly engage with changing agricultural conditions for the family farm sector. Brazil's National School Feeding Program (PNAE) provides a daily meal for 45 million students enrolled in public schools. The standards for these meals prioritize traditional and regionally adapted eating preferences, set a mandatory inclusion of fresh fruits and vegetables, and restrict the use of processed foods. Most significantly, 30% of the PNAE budget is now legally directed for purchase of food from the local family farm sector, with priority given to organic or agroecologicallyproduced foods.³⁸ Amidst the political turbulence facing Brazil at the time of writing, it is hoped that these programs, which have become a global reference, can be preserved.39

STABILIZING FOOD PRICES: INTERNATIONAL MARKET INTEGRATION OR INCREASED DOMESTIC SELF-RELIANCE?

Staple food prices have continued to be volatile and higher than they were before the crisis. People who have experienced food insecurity tend to adjust their behavior to minimize a recurrence of the risk.⁴⁰ High levels of price volatility cause people to divert their income from investments in livelihoods, education and health to protect their access to food. This makes food price stability an important component of food security. The vast majority of countries strive to achieve food price stability through a mix of domestic production and trade, exporting surpluses and importing to make up deficits or to increase consumer choice. The mix of policies varies, with globalization policies encouraging greater integration with international markets

while most governments also remain sensitive to consumer demand for stable food prices, as well as, if to a lesser extent, to producer demands to protect farmgate prices.

Open markets usefully balance supply and demand in a more reactive fashion than fixed prices can, which helps to avoid the larger and less predictable adjustments that government-controlled prices are prone to (as well as the liquidation of stocks on international markets, which can disrupt prices for producers and consumers in other countries). However, without regulation, open markets are not possible: market power tends to concentrate and prices stop reacting as cleanly to supply and demand. Moreover, agricultural production is uneven over the year, and much of it is still unpredictable (reliant on rain, subject to pest infestations, etc.). Thus the forces acting on open markets will periodically result in fast, sharp price changes that have devastating consequences for low-income consumers' ability to access food if they are not mitigated by public interventions. Integration into international markets tends to make such shocks less frequent but also more dramatic. In general, domestic production (especially in low-income countries) varies significantly from year to year, which generates both price volatility and periodic (sometimes chronic) supply shortfalls, which are associated with high food prices. Few countries produce enough sufficiently varied food to consistently supply no more (or less) than their domestic population requires.⁴¹ Yet the food price crisis was a stark reminder that price instability can come from international markets, too, and that aspects of globalization (such as the increased presence of international finance in all aspects of food commodity production) have added new sources of instability.

International markets have grown in importance in supplying staple foods to poorer countries: the Global South moved from net agricultural exporter to importer around 1990 and least developed countries' (LDC) dependence has grown especially fast.⁴² Yet the regulations governing international markets are more stringent for importers than they are for exporters. Many governments of large food exporting countries chose to tax or limit exports for domestic political objectives during the crisis, worsening the effects of the crisis for importing countries and damaging their confidence in international markets.⁴³ Despite the evidence provided during the food price crisis that export taxes and bans need to be regulated—and despite a recommendation from the G-20 that the issue should be addressed—the asymmetry persists.

Governments at the World Trade Organization (WTO) have also clashed over the governance of public food stocks. A number of governments reintroduced public stock policies in the wake of food price crisis.⁴⁴ A group of developing countries, led by the Philippines and Indonesia,⁴⁵ proposed a clarification of WTO rules concerning public stocks, wanting to increase the policy space available to them to develop and implement food stocks policies. India, one of the group, then made its own, stronger proposal, eventually successfully holding up wider trade negotiations at a ministerial conference in Bali in 2013 in a bid to get further concessions on the public food stock issue. For now, a standoff persists, as negotiators have failed to agree upon a permanent solution. As a result, several developing countries have domestic support programs that are at or near their WTO-sanctioned spending limits because the WTO rules rely on price benchmarks set in the 1980s, and because many countries in the Global South have experienced significant inflation in the last 20 years.⁴⁶

- 41 For more information, please see: Minot, Nicholas. "Food price volatility in Africa: Has it really increased?" *IFPRI Discussion Paper* (2012). Available at: <u>www.ifpri.org/</u> <u>publication/food-price-volatility-africa-</u> <u>has-it-really-increased</u>; Clapp, Jennifer. "Food self-sufficiency: Making sense of it, and when it makes sense". *Food Policy* 66 (2017): 88–96.
- 42 Clapp, Jennifer. Trade Liberalization and Food Security. Geneva: Quaker United Nations Office, 2014. Available at: <u>quno.org/sites/</u> <u>default/files/resources/QUNO_Food%20</u> <u>Security_Clapp.pdf.</u>
- 43 Sharma, Ramesh. "Food Export Restrictions: Review of the 2007-2010 Experience and Considerations for Disciplining Restrictive Measures". FAO Commodity and Trade Policy Research Working Paper No. 32. Rome: FAO, 2011. Available at: www.fao.org/fileadmin/ templates/est/PUBLICATIONS/Comm_ Working_Papers/EST-WP32.pdf.
- 44 For more information on the public stockholding of food grains for national food security purposes, please see: Patnaik, Biraj. "Inequity Unlimited: Food on the WTO Table". Right to Food and Nutrition Watch (2015): 45–51. Available at: www.righttofoodandnutrition.org/node/40.
- 45 For more information on the situation in Indonesia, please see insight box 8.1 "An Experience From Indonesia: Trade Agreement Preys on Peasants and Food Sovereignty" in this issue of the *Right to Food and Nutrition Watch.*
- 46 Galtier, Franck. Identifying, estimating and correcting the biases in WTO rules on public stocks: a proposal for the post-Bali food security agenda. University Works, 2015. Available at: hal.archives-ouvertes.fr/hal-01295403/.

One policy initiative set in motion by the food price crisis was the decision by the G20 in 2011 to create the Agricultural Marketing Information System (AMIS). In addition to the G20 countries,⁴⁷ AMIS includes Spain, Egypt, Nigeria, Kazakhstan, Ukraine, Thailand, Vietnam, and the Philippines. AMIS tracks the supplies of wheat, maize, rice and soybeans in these countries (which among them account for over 80% of the world's production and consumption of these four commodities). AMIS includes a Rapid Response Forum, which is intended to provide a peer check on governments that might otherwise resort to export bans or taxes without first considering the effect on their trade partners. In 2011–2012, such bans were largely avoided despite a renewed period of price volatility. AMIS cannot control many of the factors that cause price volatility, nor can it monitor private stocks (such as those held by grain traders). It does not enjoy regulatory powers. But AMIS does embody a practical step by governments to make commodity markets more transparent and creates a forum for peer-to-peer learning among the largest producer and consuming countries.

Another legislative change that was important for food commodity markets, although its impetus lay in the wider financial crisis of 2008, was the U.S. *Dodd-Frank Wall Street Reform and Consumer Protection Act* (2010). The legislation reflected the widely shared political concern that the deregulation of the U.S. financial sector in prior decades had gone too far. The Dodd-Frank legislation was massive in scope and hotly contested: Wall Street banks and grain trading companies' financial subsidiaries all lobbied hard to limit its impact.⁴⁸ Imperfect and unfinished, the legislation nonetheless embodied a public recognition that financial deregulation needed to be curbed.

Consumers suffer but food producers gain when agricultural prices rise, creating potential contradictions for food security policies. It bears noting, however, that smallscale providers are generally net food consumers, meaning they buy food in markets.⁴⁹ This means high and unpredictable prices threaten their food security. Many LDCs are net agriculture exporters (though fewer are net food exporters—agriculture includes non-comestible crops such as cotton). This implies that their national income benefits from higher commodity prices, and indeed many African countries did enjoy higher export income in the wake of the food price crisis. Farm income, too, improved, with some benefits reaching farm workers.⁵⁰ From a right to food and nutrition perspective, the best approach to these contradictions is to support a diversity of strategies. Although imports of food staples are important in many low-income countries with unpredictable domestic production, they make up a relatively small share of the total food supply (around 10%) and they are unlikely to grow much bigger because of the relatively weak purchasing power of the poorest countries. More important for most small-scale producers and low-income consumers is the growth in local and regional markets; urbanization has not just created 'mega-cities' but also thousands of new urban centers across the Global South.⁵¹ As international trade grows in importance, markets more generally, most of them domestic, are growing, too. This growth offers the possibility of creating more direct linkages between rural and urban populations, which can support more reliable income for local food processors, farmers and farm workers, while increasing access to nutritional foods. Governments need to protect this space from the volatility of international markets. For this to happen, rural voicesespecially those most often marginalized, including women, small-scale producers, and landless workers—need to be heard in the policy-making process, and commercial activity, both domestic and foreign, needs to be regulated with the interests of the most vulnerable in view.

- 47 The G20 membership comprises: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russian Federation, Saudi Arabia, South Africa, Republic of Korea, Turkey, United Kingdom, United States of America, the European Union, Spain, Egypt, Nigeria, Kazakhstan, Ukraine, Thailand, Vietnam, and Philippines.
- 48 Murphy, Sophia, David Burch, and Jennifer Clapp. Cereal Secrets. Oxford: Oxfam, 2012. Available at: <u>www.oxfam.org/sites/www.oxfam.org/files/rr-cereal-secrets-graintraders-agriculture-30082012-en.pdf.</u>
- 49 de Janvry, Alain, and Elisabeth Sadoulet. "The Global Food Crisis and Guatemala: What Crisis and for Whom?". World Development 38(9) (2010): 1328–1339.
- 50 For one example on farm income, please see: Wiggins, Steve, and Sharada Keats. Rural Wages in Asia. London: Overseas Development Institute, 2014.
- 51 Between 2016 and 2030, the number of cities with 500,000 inhabitants or more is expected to grow by 80% in Africa and by 30% in Asia. For more information, please see: United Nations. The World's Cities in 2016 Data Booklet. United Nations Economic and Social Affairs, 2016. Available at: www.un.org/en/development/desa/population/ publications/pd/urbanization/the_worlds_ cities_in_2016_data_booklet.pdf.

BUILDING STRONGER FOOD SYSTEMS? ACTING NOW TO AVERT FURTHER CRISIS

The food price crisis of 2007–2008 catalyzed a dynamic series of developments over the ensuing decade, some representing a deepening of the very trends that led us into the crisis and others marking an important break.

For members of civil society concerned about the right to food and nutrition, several tasks are clear. First, we must maintain the momentum for change, continuing to bring these issues into policy spaces with the level of urgency they require, demanding support from governments at the same time as we work to scale outward and upward the alternatives that are being built on the ground. We must defend and deepen the progressive political gains that have been made, from the Tenure Guidelines in the CFS to right to food policies in Brazil and elsewhere. And at the same time, we must push for more, despite the increasingly challenging political climate and a marked loss of interest in food security from government leaders. Now exposed, the cracks in the food system will only widen. The list of challenges is long and complex, from climate change, to biodiversity loss, freshwater pollution, soil exhaustion, and price volatility.

Second, we must work simultaneously on multiple tracks, for immediate and longer-term solutions. The 2007–2008 crisis exposed the vulnerability of the global food system to food price volatility—and the lack of protective mechanisms at the national and local levels to protect people, particularly the most vulnerable. The effects are still being felt. As Scott-Villiers *et al.* emphasize, "When food prices eventually stabilized between 2012 and 2014—in most countries at a higher level adjustments to eating, care and work did not go back to the status quo ante, even though people might have originally seen the changes they made as temporary measures".⁵² Note, lower food prices are not in and of themselves an objective. Lower prices do not automatically translate over into increased food access. Moreover, decades of low prices prior to the food price crisis are in part to blame for driving so many food providers into poverty, leaving them vulnerable to the price spikes when they came. Rather than simply lower prices for poor consumers, the objective should be *stable and fair prices*, with protective mechanisms for both producers and consumers.

Of course, the challenges of realizing the right to food and nutrition go far beyond prices to questions of sustainability and justice. To have the wherewithal to feed ourselves into the future, we urgently need to build up resilient local and regional food systems and address the extreme concentrations of power in national and international markets. In doing so, the central role and rights of small-scale providers and of women must be guaranteed. The food price crisis of 2007- 2008 was an awakening. A decade on, with some powerful examples of food system transformation already at work, as well as some gains on various policy levels, there are still old habits to confront and many obstacles to overcome. The food sovereignty movement is ready for the challenge.

52 Scott-Villiers et al., supra note 3, p. 43.

INSIGHT 1.1 Brazil: 'Political Malnutrition' and Disrespect of the Right to Food and Nutrition Séraio Sauer⁵³

During the past 13 years, Brazil was moving forward in the recognition and consolidation of the human right to adequate food and nutrition. From the re constitution of the National Food and Nutrition Security Council (CONSEA) and the inclusion of the right to food in the Federal Constitution, to the organization of the National System for Food and Nutrition Security (SISAN), governmental initiatives to combat hunger and malnutrition were becoming institutionalized and improved.

Despite all the difficulties, problems and criticisms, the right to food and nutrition became a reality for the poorest part of the population, mainly due to the implementation of the *Bolsa Família* (a cash transfer program) and other associated programs. There was (and still is) much that needs to be done in addition to combating hunger, especially in terms of strengthening and guaranteeing other rights such as access to land and health (rights that are often neglected), amongst others. However, there was a sense that the basic difficulties were 'a thing of the past', a hope that now disappears into thin air.

The recent 'judicialization' process of Brazilian politics (with the role of the Brazilian Judiciary transitioning from being arbitrator of litigation, to the final arena, where political issues are decided) is transforming corruption into a tool for exercising power. This causes 'political malnutrition' (understood as being the lack of energy and substance necessary for life), which will lead to the destruction of policies and the death of ethics. Figures of speech aside, the 2016 'legislative-judicial-media coup' placed neoliberal political groups and people in power who totally opposed the implementation of social policies because they ignore the importance, including economic, of governmental social welfare programs.

Resorting to narratives of economic crisis and the consequent need to cut and/or improve the quality of public expenditure, the government of Michel Temer announced—whilst the impeachment process of President Dilma Rousseff was still underway—an amendment to the decree that regulates the rules of access to and permanence of the *Bolsa Família*.⁵⁴ According to the mainstream press, a sector of the media that clearly favors the government, the objective was to increase the supervision of this benefit. However, these measures aim, in practice, to make it difficult to access the *Bolsa Família*. The use of stricter rules and supervision shows the lack of willingness to tolerate programs of this type, serving as mechanisms to reduce spending in the name of a supposed 'fight against corruption'.

Currently, approximately 50 million people $(13.9 \text{ million families})^{55}$ are covered by the *Bolsa Família*, with this program being their main source of income and the only guarantee they have of access to minimum food requirements. In November 2016, the first changes (greater supervision and revision of access rules) resulted in the suppression or interruption of the payment of benefits to about 1.1 million families. Of this total, 654,000 saw their benefits interrupted until they submitted proof of the need to continue to be covered by the program and another 469,000 left the program as they had incomes of R\$ 440 (US \$132) per capita. This represented an 8% cut in the number of families enrolled in the *Bolsa Família*.⁵⁶ These numbers are far higher than the cases of subversion of the program's aims found in previous inspections, revealing that increased control is actually an increase in intolerance.

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- 54 Decree no. 8794, June 29, 2016. Available at: <u>www.planalto.gov.br/ccivil_03/_ato2015-</u> <u>2018/2016/decreto/D8794.htm</u>.
- 55 For more information on the official data on Bolsa Família, please see: <u>aplicacoes.mds.gov.</u> <u>br/sagi/RIv3/geral/index.php?relatorio=</u> <u>153&file=entrada#</u>.
- 56 "Temer corta Bolsa Família de 1,1 milhão, atingindo quem vive com R\$ 440 per capita". GGN, November 7, 2016. Available in Portuguese at: <u>jornalgan.com.br/noticia/</u> <u>temer-corta-bolsa-familia-de-11-</u> <u>milhao-atingindoquem-vive-com-r-440-</u> <u>per-capita.</u>

Although the mainstream media—fully aligned with the current neo-liberal practices —argue that the main changes are related to readjustments in amounts and to the extension of the benefit to those who obtain formal employment, the exclusion of thousands of families is actually an expression of the 'malnutrition' of the *Bolsa Família* itself. The government announced that these measures would encourage people to work and therefore reduce the number of families assisted by the program.

In conclusion, alleged incentives to work (in a recessionary economy) and greater rigidity in the supervision (based on the 'anti-corruption' argument) increase the risks of the exhaustion of the constitutional right to food. Recognized as a fundamental human right in Article 6 of the Constitution of the Republic of Brazil since 2009,⁵⁷ there is a risk that a constitutional right, like many others including the right to land, will be 'malnourished' in its effectiveness.

⁵⁷ Chamber of Deputies of Brazil. Constitution of the Federative Republic of Brazil (1988). Available at: <u>english.tse.jus.br/arquivos/</u> <u>federal-constitution.</u>