

World Food Summit Five Years Later: More Landlessness, Poverty and Hunger

Position paper of the Peasant Movement of the Philippines (Kilusang Magbubukid ng Pilipinas – KMP) prepared for the Asia-Pacific Regional Consultation of NGOs/CSOs on the World Food Summit: Five Years Later. Bangkok, Thailand, 28-29 August 2001

Five years ago, agriculture accounted for 20.3% of Philippine Gross National Product (GNP) and employed 11.6 million people. Now its share of GDP is down to less than 19% and 700,000 jobs have been lost. The official rural poverty rate was 44.4%. The most recent figure is 47.4% and rural poverty is still rising. Overall, 59% of the Filipinos considered themselves poor in 1996. Today, 66% rate their living conditions substandard. As of last year, 2.6 million Filipino families lived below the food threshold, 300,000 more than at the time of the World Food Summit.

Five years after the World Food Summit, the Philippine peasantry's assessment of its achievements is definitely negative. Despite the good intentions uttered by the delegations five years ago, poor farmers were further disempowered and subjected to increasing exploitation. Poverty, hunger and landlessness, the perennial scourges of poor farmers since the time of colonization, have unceasingly worsened.

Up to this day, Third World agrarian economies are backward and still bear the imprints of feudalism. The majority of landless farmers have to endure harsh feudal and semi-feudal exploitation. At the international level, poor countries are disadvantaged by unfair and exploitative trade relations with the capitalist countries like the United States while their own, local entrepreneurs are forced out of the market by the monopoly position of the transnational corporations (TNCs).

The liberalization of agricultural trade, propelled by the World Trade Organization (WTO) and its Agreement on Agriculture, has only worsened these already skewed relations. Ironically, liberalization led to increasing monopolization of the world markets as it favored the strongest trading partners.

The industrialized countries were able to increase their agricultural exports considerably to get rid of their oversupply by dumping it on the Third World. They shamelessly imposed trade liberalization on the poor countries but hardly lowered their own tariffs and low quotas.

At the same time, they are heavily subsidizing their agricultural sectors, nipping any potential competition in the bud. Within the OECD, annual state payments to the agricultural sector exceed Africa's entire GDP. And domestic support in America, Europe and Japan accounts for 80% of the world's total. Assuming that the rich countries would remove their farm subsidies, poor countries would benefit by more than three times the amount of all the overseas development assistance they receive each year.

These skewed trade relations affect the agrarian economies of the Third World in various ways. At the macro level, their competitiveness is largely eroded while they are forced to submit to

increasing TNC control on their whole food chain. At the grassroots level, however, the very lives of millions of farmers are put in the balance.

Drowning in cheap imports

Cheap imports were flooding the markets of the poor countries as soon as they liberalized trade rules, putting their own farmers out of business. For example, all of a sudden, poor corn farmers had to 'compete' with mechanized farms in the US that are receiving yearly subsidies amounting to hundred times their income.

The Philippines, which is ironically a member of the Cairns group, saw its agricultural trade balance turn negative in 1994. Due to liberalization corn imports swelled by about 500 times, beef imports by almost four times, and pork 164 times, from 1993 to 1998. In the first five years after the Agreement on Agriculture came into effect, the country incurred a total agricultural trade deficit of US \$3.5 billion while it posted a total surplus of US \$1.69 billion in the previous five-year period. In 1999, the Philippines exported agricultural products amounting to US \$1.76 billion while importing for not less than US \$2.87 billion.

More production for export

As poor countries are faced with a deluge of imported products, they are often giving priority to the production of export crops in a bid to offset the increasing trade deficit. Many studies show that trade liberalization has led to more land and resources being devoted to export crops and less to domestic food production.

Also in the Philippines the area allocated to export crops is increasing rapidly. The area planted to mango almost doubled between 1994 and 1999: from 65,000 hectares to 113,000 hectares. Asparagus is now grown on 1,400 hectares while banana and pineapple cover 370,000 and 41,000 hectares respectively. Consequently, the arable land allotted to staple food production is decreasing.

Intensifying monopoly control

Landlords and agribusiness TNCs are in the best position to profit immensely from increased imports and export crop production. They are importing cheap agricultural products and are able to expand their market share by aggressive trading practices. They also have the capital to venture into the production of cash crops for export. Consequently, there is not only a tendency toward consolidation of the markets but to the re-concentration of land into the hands of the landed elite as well. In Mexico, for example, there is a dramatic increase in large-scale fruit and vegetable farming, with large farms or firms leasing land.

Eroding food sovereignty

The dependence on imported food, emphasis on export production and increasing monopoly control by TNCs and landlords is putting the food security and sovereignty of the people in peril. For example, from 1995 to 1999, the Philippines exported 8.25 million metric tons of banana, pineapple and mango. In the same 5-year period, however, the Philippines had to import 4.74 million metric tons of rice and 1.18 million metric tons of corn.

Rice is not only the Philippines' most important crop, providing a source of income to 3.2 million rice farmers, it is also the staple food, providing 35% of the average Filipino diet.

Yet the Philippines is becoming increasingly dependent on imported rice to feed its population. Rice imports peaked at 2.2 million metric tons in 1998, more than one fourth of local consumption.

Making the Philippines highly dependent on imports of its staple food, the government is putting the people in jeopardy. Because rice makes up such a large share of poor farmers' incomes and poor consumers' expenditures, unstable prices can lead to large and abrupt reductions in purchasing power for these individuals. Such risk and uncertainty contradict the very notion of food security.

Increasing landlessness

The already wealthy, including landlords and TNCs, are reaping most of the benefits at the expense of the poor farmers. They are able to expand the land they own or control because they have the resources to invest in export crop production. Poor farmers, on the other hand, are confronted with low farmgate prices and high cost of farm inputs because of the monopoly position of traders and TNCs, and the low prices on the world markets. Moreover, land reform programs have been aligned to the recommendations of the World Bank, which is advocating deceptive programs that claim to improve "access to land" through land lease and sales instead of redistributive reform. Poor farmers are therefore left with the option to sell the land they own – if any. As a consequence, landlessness is rising and farmers have to sell their labor power as farm workers, pursue odd-jobs in the cities or simply remain unemployed.

Rising unemployment

The disastrous effects of increasing liberalization and imperialist globalization have caused the ranks of the jobless to swell. According to government data, more than one million jobs in Philippine agriculture have been lost since 1994, representing about one tenth of the economically active population in the agricultural sector. Rising rural unemployment has also been observed in other countries. In India, 3 million jobs in the production of edible oil were lost. In Mexico, between 700,000 and 800,000 livelihoods will be lost as maize prices fall. In Sri Lanka 300,000 jobs were lost following the drop in the production of onions and potatoes. Worldwide an estimated 30 million jobs have been lost in Third World countries because of trade liberalization and related factors.

Worsening poverty

It is not hard to imagine how all these factors are resulting in rising rural poverty. A recent study among Philippine sugar workers concluded that 90% of them had to restrict the food consumption in their household because of poverty and rising prices. According to the National Statistical Coordination Board, the number of poor Filipino families has increased with more than 700,000 since 1997. That means that at least 2 million more children are going to sleep hungry in our country alone.

Five years of intensifying attacks on the agricultural economies of the Third World have only globalized hunger, poverty and suffering. Our experience since the 1996 World Food Summit should raise our vigilance in anticipation of the follow-up summit that will be held later this year.

It has become crystal-clear that the World Trade Organization is mainly to blame for this catastrophe as its policies promote the business interests of TNCs resulting in the displacement of domestic food and agricultural sectors. Therefore, it would be inappropriate to call for the institutionalization of consultation mechanisms within the WTO or for the re-negotiation of the Agreement on Agriculture.

To end global hunger, the WTO should be taken out of agriculture immediately but eventually this instrument of global domination and exploitation will have to be dissolved altogether. The tide of unilateral trade liberalization will have to be reversed before countries can start to rebuild their food sovereignty based on a healthy agrarian sector.

As an alternative, we support the call for a World Convention on Food Sovereignty and Trade. Independent from the WTO, the Convention will embody the people's demands including the abrogation of all WTO agreements related to agriculture. It shall likewise have to ensure that trade in food and agricultural products will be subsumed to the realization of food sovereignty for all.

To liberate the peasantry, the control of resources is crucial. As long as land, water, forests and seeds remain under the exclusive control of landlords, capitalists and TNCs, exploitation will persevere and even intensify. The actual transfer of control and ownership to the poor farmers and fisherfolk is the only effective measure to break the exploitative class relations and effect social justice in the countryside. Currently, however, the local elite and their imperialist masters are actively pursuing the monopolization of resources into their own hands.

For example, the Philippine peasantry has grown sick and tired of deceptive programs like the government's Comprehensive Agrarian Reform Program (CARP) and the World Bank's market-assisted land reform. These programs purportedly improve "access to land" but expedite the re-concentration of land instead. That is why genuine land reform, according to the principle of "land to the tiller," is the foremost demand of the Philippine farmers.

The actual control of other resources, especially seed, is equally important for the farmers. Increasingly, however, these are monopolized by corporations through the Trade Related Intellectual Property Rights (TRIPs) among others. Increasing corporate control, however, will certainly enslave and impoverish the farmers even more.

The radical reforms that are needed cannot be brought about by negotiating a social contract with the government and business sectors, even at the international level. As long as multilateral agencies remain subservient to the demands of the US and other imperialist countries, they can not serve the interest of the people at the same time.

Our experience shows that only the people's militant assertion of their rights is an effective strategy to confront repulsively unequal class relations. Therefore, farmers are organizing themselves while they are linking up with the workers and other sectors of society. The people's resistance is inevitably mounting worldwide. The Philippine peasant movement, along with the other progressive sectors, is confident that we will eventually be able to turn the tide.