

# Review

## *Stuffed and Starved*

(Raj Patel, Black Inc. 2007)

Reviewed by Leo Zeilig



At the end of the 19th century swathes of the globe were violently incorporated into the world market. Whole regions that had for generations farmed for local consumption were transformed into cash crops. Colonialists in occupied lands introduced crops that had little nutritional use such as ground nuts in Senegal and Nigeria, cocoa in Cote d'Ivoire and cotton and rubber across thousands of kilometres in Central Africa.

When poor weather conditions hit this world market, cash crops failed leaving peasant farmers unable to afford the price of grain, corn or rice.

### 'NEW' GLOBALISATION

*Stuffed and Starved* is the story of the second devastating wave of globalisation on the world food system. The giants of the corporate food system determine who eats, what they eat and who starves. At least 800 000 million people go

hungry everyday across the world including 35.1 million in the US, the world's richest country.

Most of Raj Patel's story takes place from the late 1960s. The tool that was used to carve out the control of global food supply was debt. As the prices of oil rose in the early 1970s, countries in the south needed credit to pay for expensive oil imports. With interest rates at record lows, credit was cheap. Developing countries took out loans that were willingly lent, often by banks where oil exporters invested. This was the era of the petrodollar.

Later in the 1970s the world plunged into recession, commodity prices collapsed and wiped out the major sources of foreign earnings for many governments of the south. Still locked into economic dependency, most African economies relied on the export of one or two primary products. By the mid-1970s, for example, two-thirds of exports from Ghana and Chad were coffee and cotton respectively, while the fall in copper prices meant that by 1977 Zambia, which depended on copper for half its GDP, received no income. Massive areas of the world were thrown into bankruptcy.

This crisis for the economies of the South, was an opportunity for new actors on the world stage. International financial institutions began to control the economies of the South. The most important of these institutions, the World Bank, was founded at the end of the Second World War. It issued loans from the early 1980s to southern governments when few banks

would. These loans came on certain conditions and developed into Structural Adjustment Programmes (SAP).

The World Bank granted loans to repay interest on debts accumulated in the 1970s. The free market conditions of the loans insisted on greater inclusion of national economies into the global market. Tariffs protecting local industries and labour protection were scrapped, and agricultural subsidies were removed.

Global capital reorganised countries of the South to export larger amounts of crops and minerals to earn dollars to repay World Bank loans. As Patel writes, "... the Global North managed to replace the old colonial instruments of command and control with newer, and cheaper, mechanisms of 'self-imposed' market discipline."

In little more than a decade a new food system was built. The global food management that was held together from 1945 by the General Agreement on Tariffs and Trade (GATT) no longer held power. In 1984 GATT members launched the Uruguay round of negotiations. In 1995 the World Trade Organisation (WTO) absorbed what was left of GATT and created new domains – intellectual property, services, textiles and a mechanism for dispute resolution that GATT had not included.

These new agreements were also unfair. Governments in the developed world continued to subsidise agriculture so their goods were cheap on world markets while the South was forced to stop such subsidies making their produce more expensive on world markets.

### FAMINE AND MALNUTRITION

The poor carried the cost of these policies. Areas of the world already exposed to fluctuations in global

commodity prices were hit particularly hard. Chronic malnutrition became a feature of Africa. In 1991 in Zambia, malnutrition which stunted the growth of children between six and 59 months was 39%, while in 2000 the United Nations Development Programme reported that in the southern African region 20% of children under five were underweight.

Economic devastation in the 1990s meant Africans consumed 25% less than they had in the 1960s and spent less on education and social services than at any time since independence.

This hunger was hardwired into the system of debt and structural adjustment. Patel gives many examples. Take Malawi in 2001. Here the International Monetary Fund (IMF) insisted that the government cut its grain reserves from 165 000 to 30 000 metric tons based on a logic of cost cutting. As Malawians started to die of starvation the IMF refused to release a US\$47 million loan to the government accusing it of irregularities in the handling of the famine.

Mass malnutrition and famine were the direct result of the reshaping of the global food industry.

### OWNERSHIP

Patel's book also takes us into the boardrooms of transnational agricultural corporations that lay behind the transformation of the food industry. These corporations saw their share of world food trade grow massively under the new rules. Patel reports, "agricultural corporations control 40 percent of world trade in food, with twenty companies controlling the world coffee trade, six controlling 70 percent of wheat trade, and one

controlling 98 percent of packaged tea."

Much of this concentration is recent and has led directly to higher prices for consumers. In the US alone 24 of 33 sectors have seen higher prices in recent years.

Though the giants of agribusiness compete against one another they are happy to join other players in the food game in the distribution, pesticide and processing chain. So food giant Cargill has partnered with Monsanto which specialises in pesticides and seeds, and shares its logistical and processing expertise.

### RESISTANCE

*Stuffed and Starved* would be a gloomy read if there wasn't another side to the story. Patel tells of the despair that the refigured food system has wrought on peasant farmers and rural communities around the world. Suicide rates, for example, in one area of rural southern India was 58 per 100 000 for men and 148 per 100 000 for women. But he also speaks of resistance. The greatest of these struggles has been organised by the Brazilian MST – the Landless Rural Workers Movement.

Over the last 30 years small farmers in Brazil saw the massive expropriation of their land as a result of the restructuring of global food production. Militants in the MST have reoccupied land, farmed it, set up 'settlements' and brought legal action against state governments and multinationals, becoming what Noam Chomsky has labelled "the world's most important social movement".

From this resistance they have been transformed themselves and established democratic forms of self-rule.

### POST SUB-PRIME BUBBLE

Since Patel's book was published

the changes he describes have accelerated.

The UN recently reported that 121 countries have “crisis level hunger” that has come from the rapid increase in food prices. The media explains that these price

the huge profits of the multinationals and the global food crisis Patel does not simply advocate consumer activism. The challenges posed by the transnational control of the food industry are too great.

combine local initiatives with the re-establishing of control of food production. This was the project of the Black Panthers. Their community action made sense by understanding the need for control of food production as part of the transformation of society – the socialisation of all production and the *suppression* of the market.

Patel’s book only hints at transforming a small corner of our globe. The Brazilian MST settlements find it is “easier to continue and reproduce themselves when the call of the cities is faint.” The best settlements have been those further away from towns and cities, but “it is not possible... to seal off a community from influences of the modern world”. When these alternatives become too challenging, governments, armies and multinationals will attempt to break them.

Practical solutions need bigger politics. Local campaign settlements and projects that Patel celebrates demand a political alternative that sees the suppression of the market in food production.

Part of the political answer lies in the extraordinary protests that have broken out around the world in response to increases in food prices and basic commodities. These are often called ‘food riots’ but are in fact well organised protests, bringing in many organisations and strike movements that challenge governments. These movements have the potential to reverse the control of the food system by market billionaires, transnationals and governments. LB

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risers are caused by the expansion of bio-fuels which use food crops, and the finite supply of oil. This is largely nonsense. Speculators and investors have moved huge amounts of capital, tens of trillions of dollars, in the US from the sub-prime (bonds to borrowers who don’t qualify for mainstream loans) cash cow that recently collapsed to other commodities, principally food and oil. This has driven up prices. Speculators have invested in Futures/Derivatives in Chicago, New York and London where the price of wheat, rice, corn and cooking-oil are set every day.

Many of those involved are familiar. Stock market investor Warren Buffett, the world’s richest man, and Bill Gates and Richard Branson who have bought huge parts of the global food industry often from food giants such as Cargill and ADM. Though there is competition between the billionaires, there is also collaboration that furthers their combined interests. *Stuffed and Starved* helps to explain how we have arrived here.

## RESISTING THE MARKET

What can we do? In response to

Patel points to other alternatives. The book describes important local initiatives that directly confront the power of the food industry.

The MST in Brazil is one, another is the People’s Grocery in West Oakland, San Francisco. It is inspired by the community activism of the Black Panthers of the 1960s. The People’s Grocery seeks to provide cheap, locally produced fruit and vegetables from community gardens and a grassroots support base.

Other initiatives include Community Supported Agriculture (CSA) that involves weekly deliveries of organic and seasonal food from producers to consumers across the US. These projects, though small in comparison to the domination of supermarkets, have expanded in recent years. But are these enough?

The alternatives in *Stuffed and Starved* don’t go far enough. Patel is clear that “social movements ... none wants to do away with markets, or innovation and dynamism. They merely want to put the markets under their control.”

The examples he lists are vital struggles by communities to control the local food system. But practical solutions to the food crisis must