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The Industrialization of African Agriculture: Answer to Hunger or Gateway to Violence?

The corporate rush to industrialize African agriculture is riding the coattails of the global food crisis. With help from big philanthropy and government aid, agribusiness giants are rapidly expanding their market power on the continent. An \$8 million dollar project for soy production in Mozambique and Zambia between Cargill and Gates claims it will raise the income of 37,000 farmers by \$200/year within four years. If the project works, that amounts to about \$0.50/day per farmer or \$7.4 million dollars—\$600,000 less than the money they invested in the project in the first place. The soy will be used for biofuels and livestock feed. Basically a contract farming scheme, the project was launched at the Soy Innovations Africa Conference held at the Westin Grand in Capetown, South Africa.



Two children were shot dead and at least four more people were killed in clashes between police and rioters across Mozambique's capital Maputo in protests over rising prices, police and hospital sources said.

Photo: SignalFire

Meanwhile, Mozambique has been rocked by food riots because people can't afford bread, much less grain-fed meat or processed feed for their livestock. They don't have cars to fill up with biofuels, either...

The Gates-Cargill soy project (like the Gates-Coca Cola fruit drink project and the Gates-Hershey-Kraft-Mars-ADM-Cargill Cocoa project) is just one of many partnerships between big philanthropy, corporate agribusiness, and government aid programs that are riding the food crisis investment trend. Reporting on a recent agricultural investment conference in Durban, *Business Day* of South Africa noted that investment projects in industrial agriculture were at unprecedented levels thanks to a "huge availability of funding for agricultural products through development finance institutions, private equity investments, pension funds and other investment vehicles."¹ This trend will likely continue because agricultural commodity prices are up and according to the FAO will remain high through 2019.² Finessing public funds to feed the poor is big business, and as the Gates Foundation's recent \$23.1 million acquisition of Monsanto stock reveals, for those with money and influence, opportunities abound.³

While the corporate colonization of African agriculture is carefully presented in the standard anti-hunger packaging of the Green Revolution, historically, industrial agriculture has left more poor and hungry people than it "saved." As the Norwegian Development Fund's latest report *A Viable Food Future* points out:

"As the social and environmental externalities of industrialized agriculture are being widely documented, it is increasingly realized that this agricultural model which seemed so promising will not be able to reduce hunger and poverty. In reality, industrial food production is highly damaging to human health, pollutes the soil, the water and the

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The Institute for Food and Development Policy - known as Food First - is a member-supported, nonprofit "peoples' " think tank and education-for-action center. Our work highlights the root causes and value-based solutions to hunger and poverty around the world, with a commitment to establishing food as a fundamental human right.

air, contributes to climate change, kills fauna and flora, and reduces biological diversity and the fertility of soils. In addition, there is a serious concern in the scientific community about this model being the crucible of potentially devastating pandemics. Industrial agriculture also has pushed millions of peasants into poverty and migration, and become the root of conflicts and unrest, while the economic system has failed to provide food for those who cannot afford to buy it or who lack access to resources to be able to produce food.”⁴

The current corporate enclosure of African agriculture, far from ending hunger, may well unleash a continent-wide agrarian conflict with violent repercussions in both rural and urban Africa.

“Food deserts?” or corporate feeding troughs?

With the advent of federal stimulus funding, retail giants Walmart, Kroger and others have now decided they want to feed the hungry. In the “food deserts” of Detroit, Oakland and elsewhere, corporate monopolies are taking advantage of federal, state and even local money to move into neighborhoods that retail chains had long abandoned.

In Oakland, California, FoodsCo, owned by Kroger has finessed \$7,581,000 in Recovery Zone Bonds to open one to three stores in underserved communities. According to Brahm Ahmadi, co-founder of People’s Grocery “the well-meaning initiatives of the Obama administration (e.g. First Lady Michelle Obama’s “Let’s Move” campaign and “Fresh Food Financing”) as well as money from the USDA and the Department of Health and Human Services are attracting corporations to inner cities.” Ahmadi notes that,

“The corporate retail industry that literally two or three years ago wouldn’t even talk to you about [underserved communities], is now almost salivating over the opportunity for the windfalls that will come over free public money... Even though they could easily finance themselves to open stores in inner-city neighborhoods, why should they when the administration is perfectly happy to give them more money to do it?”

Ahmadi sees the Walmart business model—low-wage labor, miserable prices to farmers, destruction of small business, wealth extraction from local economies—as a far cry from the living-wage jobs underserved communities need to boost family earnings and provide meaningful skills. Further, since large-format supermarkets were originally designed for middle-class consumers with disposable income who are able to fill big weekly shopping baskets with a lot of high-value and grab-and-go incidentals, the big-box boys will need to invent profitable, smaller packages for underserved communities. How? By taking government subsidies.

Michelle Obama wants to see food deserts eradicated in seven years. Ahmadi says, “of course, that coincides with what they expect to be the Obama administration’s time in office. It has taken us a long time structurally to get ourselves into this problem... to [get out] so rapidly can only be done with the partnership of corporate America... When you talk to most policy-makers or community development corporations or various intermediaries around the country, there are not a lot of qualitative criteria around who they are interested in bringing in to operate stores in their food desert neighborhoods. Is that how we’re going to rebuild our local economies? Through these extractive models that extract wealth out of our neighborhoods and send it back to some distant anonymous non-



Maria Aguiar and Eric Holt-Giménez engage food justice activists in a discussion about food sovereignty at the U.S. Social Forum in Detroit. Photo by Leonor Hurtado

descript set of shareholders that have no value or investment in our own communities and the well-being of our communities?”

The U.S. Food Sovereignty Alliance is Born!

Food First, along with dozens of organizations around the country, officially launched the U.S. Food Sovereignty Alliance on October 16, 2010—World Food Day. Until now the National Family Farm Coalition, a member of Via Campesina, along with indigenous communities have been the voice for food sovereignty in the U.S. Now consumers, urban gardeners, environmental organizations, neighborhood food justice groups and anti-hunger organizations are joining them. Together we are working to build the movement for food justice and food sovereignty in the U.S. and connect to the international movement for food sovereignty.

After an inspiring series of events at the U.S. Social Forum in Detroit in June 2010, the U.S. Working Group on the Food Crisis decided to become the U.S. Food Sovereignty Alliance. This change is more than just a change

in name. The Alliance is growing with this shift in focus. Many new organizations got involved with our work in Detroit, with several taking up key leadership positions.

Throughout the past three years, the Food Crisis Group has been in crisis mode, responding to bad news and bad policy, both in the U.S., and internationally. With this switch we

are committing to working for a new positive vision—one where the people have democratic control over adequate and healthy food produced in an ecologically sound manner, by people who have decent working conditions. We are working for an end to poverty here in the U.S. by rebuilding our local food economies.

The Food Commons: Building a National Network of Localized Food Systems

Creating a favorable non-corporate context for eradicating food deserts requires linking and scaling up healthy, sustainable food systems into an integrated, economic development approach that re-establishes the public sphere within our foodsheds. As we change the rules, build the institutions and integrate financing, public space and productive alternatives, we can turn our community food systems into places of local economic resilience, job creation, entrepreneurship, stewardship and accountability. Supporting and linking these democratically-run foodsheds in a national network is the vision of the “The Food Commons.”

According to Jim Cochran and Larry

Yee, Co-leaders of the Food Commons Working Group, the initiative, “does not seek to replace the current global industrial food system, but rather to provide another option—a more localized choice for producing, processing, distributing, marketing and accessing quality food. Thus by adding to its diversity, the overall food system becomes more sustainable.”

The Food Commons identifies three key components of the Food Commons, each of which would be implemented and governed at the regional level, but networked and integrated nationally:

- **Food Commons Trusts** to own farm land and food system infrastructure in perpetual trust for the benefit of all citizens;
- **Food Commons Banks** to provide financial services to food system enterprises, producers and consumers; and
- **Food Commons Hubs** to aggregate and distribute local and regional food, create and coordinate regional markets, and provide services to communities and local food enterprises.

Why can’t initiatives like this receive the public support presently being channeled to the food monopolies? With your help, they can. By building strong food movements (see Food First’s Fall Backgrounder by Anim Steel “Food Justice and Civil Rights”) we can create the political will needed at the local, state and national level to advance strategies for food justice and food sovereignty.

More information about The Food Commons:

http://www.swantonberryfarm.com/Documents/Food%20Commons%208-4.0%20DOC_Final.pdf

NOTES:

1. <http://allafrica.com/stories/201009010190.html>
2. <http://www.agri-outlook.org/dataoecd/13/13/45438527.pdf>
3. http://www.huffingtonpost.com/eric-holt-gimenez/monsanto-in-gates-clothing_b_696182.html
4. <http://www.utviklingsfondet.no/filestore/ViableFuture-web.pdf>

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THANK YOU FOR YOUR GENEROUS SUPPORT

There's never been a better time...

It's time to unite food movements that are springing up all over the country... and in communities all around the world. And yet, amidst so much hope, we (and thousands of worthy organizations) are struggling to make ends meet by cutting salaries and expenses, and accepting more volunteers as we struggle to advance our work aimed at obtaining food sovereignty—the right to grow and eat culturally appropriate, fair and sustainably-produced, healthy food for all.

Food First is not alone in experiencing a drop in individual donations as some of our loyal donors face unemployment, forced early retirement, cuts in hours and home foreclosures. We are shocked by the fact that Oakland—the community we live in—has an official unemployment rate of 17%.

We at Food First are asking you to reflect on what you value and what you want the future to look like. Then, if you have the means, consider a significant gift to Food First. You can support Food First's work with a credit card donation at www.foodfirst.org. Or you can donate stock (instructions at www.foodfirst.org), or simply drop a check in the mail. We appreciate the confidence you place in our work each time you send us a donation.

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