

FOOD SOVEREIGNTY: OLD PROTECTIONISM IN SOMEWHAT RECYCLED BOTTLES

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Abstract:

One pillar of the food sovereignty movement is local self-sufficiency achieved through protectionist measures. This protection-based self-sufficiency is examined with regard to the objectives of food sovereignty and its ability to achieve food security. The results suggest that it does little in assisting the achievement of the broader goals of food sovereignty – other policies will be required. Further, it cannot provide meaningful food security in the face of the riskiness of agricultural production. Those interested in achieving food sovereignty need to reassess this pillar of their proposed policies.

Keywords: famine, local, protectionism, security, trade

1. Introduction

The laws concerning corn may everywhere be compared to the laws concerning religion. The people feel themselves so much interested in what relates either to their subsistence in this life, or to their happiness in a life to come, that government must yield to their prejudices, and, in order to preserve the public tranquillity, establish that system which they approve of. It is upon this account, perhaps, that we so seldom find a reasonable system established with regard to either of those two capital objects [emphasis added]. Adam Smith, 1776 [1]

The debates between free traders and protectionists have been going on since the dawn of economic discourse – and likely before they were recorded. One of the major motivations behind Adam Smith's writing of the *Wealth of Nations* was to debunk the protectionist policy of mercantilism. Food policy has often been at the centre of these debates with Britain's protectionist *corn laws* – in Smith's time corn (grain) was synonymous with food as it was virtually the only storable and transportable food product – being a fiercely contested issue in public policy. The repeal of the *corn laws* by Prime Minister Robert Peel in 1846 during the Irish Famine was heralded as a major victory for free traders [2].

Any victory by free traders, however, has always been short lived. Protectionists tend to be resourceful, resilient, able and persistent – after all there is usually a lot at stake. There have been a host of protectionist arguments that have emerged over the last 250 years – infant industry, unequal levels of development, declining terms of trade for commodities, national security, import substitution-based industrialization, etc. Over time, each of these theories has been intellectually debunked, primarily by

the rigorous economic analysis undertaken by well-known economists [3]. The result has been to effectively strip away any association of protectionism with the *general good* and to expose the fact that the beneficiaries of protectionism are those with personal vested interests. Without the *cloak of intellectual legitimacy* it makes much more difficult to persuade politicians to extend protection. Thus, one of the things that protectionists crave is to be able to have their particular vested interest couched in terms of the good of society – *the general good*. Time and again new protectionist ideas emerge which claim to have the welfare of society at their heart.

Over the last twenty years there has been an important change in the composition of those asking for protection. In Adam Smith's [4] time it was clear who was asking for protection:

In every country it always is and must be the interest of the great body of the people to buy whatever they want of those who sell it the cheapest. The proposition is so very manifest, that it seems ridiculous to take any pains to prove it; nor could it ever have been called in question, had not the interested sophistry of merchants and manufacturers confounded the common sense of mankind. Their interest is, in this respect, directly opposite to that of the great body of the people. As it is the interest of the freemen of a corporation to hinder the rest of the inhabitants from employing any workmen but themselves, so it is the interest of the merchants and manufacturers of every country to secure to themselves the monopoly of the home market. Hence ... the extraordinary duties upon almost all goods imported by alien merchants. Hence the high duties and prohibitions upon all those foreign manufacturers which can come into competition with our own [4].

Those asking for protection were producers (of goods and services). This focus on producers as the source of protectionism continued right through to the establishment of the General Agreement on Tariffs and Trade (GATT) in 1947 and subsequently the World Trade Organization (WTO) in 1995. In the economic model that underlies the WTO, producers have a direct interest in asking for protection because it yields them a higher price. Consumers, on the other hand, are never expected to ask for protection because it means they pay higher prices [5]. Even up to the time of the formation of the WTO this was a relatively safe assumption. As a result, the framers of the GATT/WTO made no provisions for other groups in society asking for protection. It came as a great surprise to most trade policy professionals when groups of protestors with a wide range of interests took

to the streets in Seattle in 1999 to protest the WTO meeting that was underway. Groups other than producers, particularly consumers and environmentalists (but also those concerned about ethical issues pertaining to foreign production practices and the influence of multinational corporations) have become active advocates for protection and opponents of trade liberalization [6]. In agriculture, these *new protectionists* have been particularly active in the area of trade in the products of biotechnology [7]. Trade liberalization is generally predicted to be welfare enhancing but it is easy to show that the welfare enhancing result need not arise when groups other than producers have concerns about imports [8].

The WTO has been the focus of heavy and persistent criticism by *new protectionists* for failing to take their views into account in the making of trade policy. The Member States of the WTO have not been willing to deal with the issue of how to incorporate the concerns of *new protectionists* into the rules of trade leaving the WTO bureaucracy with nothing to offer beyond providing increased transparency and opportunities for consultation. Little academic work has been done on how trade institutions might be reformed to incorporate such new interests [9]. The failure of the Members of the WTO to deal with their concerns has been a constant source of frustration among groups in civil society and has, in part, been responsible for their rejection of multilateral institutions and international trade as positive solutions to the problems they perceive [10].

2. Food Sovereignty

Definitions of food sovereignty tend to include a *kitchen sink* of objectives. The movement that proposes food sovereignty as a policy prescription appears to be comprised of elements of traditional producer-based protectionists (farmers) and *new protectionists* including consumers, environmentalists and anti-globalization elements. While the movement rejects the legitimacy of international trade institutions, it is also not nation-based. Nations, of course, are the normal units upon which sovereignty is usually seen to reside. The unit upon which food sovereignty is defined is usually articulated as *local* – although how this is defined is relatively nebulous. Just as it rejects international institutions, it also rejects non-local governments as potential infringers on food sovereignty.

Essentially, the movement is about control of the food system. One does not have food sovereignty if someone else has control of one's access to food. From this perspective there are many demons that threaten sovereignty. These include, among others; market prices that are sometimes so low as to drive farmers off the land threatening local food supplies; multinational corporations that pursue non-local objectives; non-local farmers that grow food that may not be healthy or produced in an environmentally sustainable fashion; foreign governments that lower prices and flood local markets through subsidization; domestic governments that support non-local ownership of farmland, allow questionable and inappropriate technologies to be used or tax agriculture in the name of economic development; globalization that allows diets to diversify away from local agricultural products;

industrial growth that alters the climatic parameters under which local production must take place; the attraction of urban life that removes the young from local agricultural production; multilateral trade institutions whose rules inhibit protection of local markets. Of course, the actual efficacy of each of these demons, and in fact whether some are demons at all, forms the heart of the debate over globalization, but they are generally accepted as important concerns among those that support the food sovereignty movement.

One reaction to these perceived threats has been a belief that the key to their removal relies primarily in local food self-sufficiency. If local areas, however, are not self-sufficient under normal market conditions, the way to foster self-sufficiency is to exclude non-local food from the market. It means putting barriers to market access in place. This is protectionism. The result is higher prices for farmers and increased production. Is it anything new? It is certainly wrapped in a new *general good* argument, but whether that legitimacy is deserved or not, requires further scrutiny.

Protectionism that leads to local self-sufficiency is not a cure-all for all of the concerns that those advocating food sovereignty wish to deal with. It does not deal with, for example, the problem of land not being owned locally. There have been longstanding issues with absentee landlords in agriculture. More recently, there has been considerable acquisition of large tracts of agricultural land, particularly in Africa, by both multinational corporations and foreign parastatal companies. The latter may be particularly threatening to food sovereignty as they may be acquiring secure sources of resources that may be used to produce for their home markets in times of high prices or domestic shortages. Local self-sufficiency bolstered by protectionist measures will not deal with this threat. Land used to provide local self-sufficiency need not be locally owned. Further, barriers to market access cannot prevent land owners from shipping food out of the local area to supply their home markets. Irrespective of protectionist measures, these issues must be dealt with through direct policies relating to land ownership.

Local self-sufficiency does not prevent the use of controversial technologies such as genetic modification. Self-sufficiency can be provided by crops produced using biotechnology. Again, policies to deal directly with the use of technologies are required. This is also true for production methods such as organic that may be desired because of being perceived to be more sustainable. Just because food is grown locally does not ensure that it is produced organically – direct regulation is required, not trade policies.

Local production cannot ensure that food is safe. Much is made of *being able to look the local farmer in the eye* when purchasing food. While it is true that local farmers may fear a loss of trust by local consumers, many of the attributes of safe food are credence in nature whereby the consumer cannot tell if the attribute is contained in the food even after consumption (e.g. whether the food is a *host* for *e coli* or was produced using pesticides)

[11]. Some food safety attributes can be discerned by consumers at time of purchase – inspection attributes (e.g. mould on vegetables) – or upon consumption – experience attributes (e.g. meat that has spoiled) – but many cannot. Local farmers may simply not have the skills to produce and handle food in a safe way – so *looking him or her in the eye* – cannot ensure safety. Of course, some local farmers may simply be untrustworthy. Hence, active food safety systems are required to ensure the safety of food even if it is produced locally. Thus, separate measures from trade policy are required to produce the *safe food* element of food sovereignty.

Control of the food system by multinational corporations is another concern of food sovereignty advocates. Local self-sufficiency does not necessarily free the food system from corporate control. Corporate control of supply chains has little to do with whether food is produced and consumed locally. This is where the vague definitions of *local* can lead to imprecise analysis. If *local* means that supply chains are shortened so that all food transactions take place only between farmers and final consumers, then there is no role for middlemen. This is, however, a rather extreme interpretation of *local*. While this may be feasible for fresh produce, milk and eggs which can be consumed in an unprocessed state in season, most food must be processed either so that it can be stored for non-seasonal consumption or so that it is presented to consumers in a desirable form. Even largely self-sufficient communities in medieval Europe had millers, bakers and butchers because the benefits of scale and specialization freed farmers and households from the drudgery of, for example, grinding their own grain and the duplicate investment of household milling equipment. Of course, these specialists are middlemen and were often mistrusted even if they were local. There are many recorded frictions between, for example, millers and their customers (e.g. shorting the weight during milling). In longer local supply chains the middlemen may be multinational corporations which would require separate regulation just as medieval millers did. The point is that self-sufficiency gained through protection does not alone remove the risk of exploitation by middlemen, whatever their origin.

Being self-sufficient does not prevent domestic governments from, for example, taxing local agriculture to pay for economic development projects, which has often been the case in developing countries. To gain this facet of food sovereignty requires local communities to obtain the right to autonomy from their national (or subnational) governments.

Clearly, the attainment of food sovereignty requires a bundle of policies. Local self-sufficiency arising from barriers to market access can provide some of the attributes of food sovereignty; it isolates local markets from international price fluctuations that local farmers can have difficulty coping with and means that local farmers no longer have to compete against food that enters international markets at artificially low prices due to the agricultural subsidies provided by developed countries [12]. One extremely important point is that protection is not a long term solution to the low incomes of farmers. While barriers to market access lead to short term price increases

for farmers, over time the benefit of those higher prices will be eroded by rising land prices. The inevitability of the *capitalization* of policy generated benefits into fixed assets such as farmland is a generally accepted outcome of policy intervention [13]. On the other hand, in countries which depend on imports of food, import restricting policies often push up food prices imposing considerable hardship on the urban poor.

3. A Closer Look and Self-sufficiency

Is self-sufficiency a reasonable food sovereignty objective? While on a simplistic level self-sufficiency would seem to remove control of a local food system from the influence of others, a closer examination suggests a number of *non-sequiturs* in the relationship between food sovereignty and self-sufficiency.

Protection to achieve self-sufficiency will lead to higher prices for food. If self-sufficiency was already achieved it would mean that local producers are competitive with non-local prices. While higher food prices are good for farmers, at least in the short run, they will have a negative impact on consumers – they must pay higher prices for food. It may be that consumers are willing to accept these higher prices as the cost of being locally sovereign. There is a presumption, however, that all local consumers are willing to pay this food sovereignty premium. This is a large assumption, particularly for poor people in developing countries – a great many of whom survive on less than US\$2.00 per day. For them, any price increase can move them from being adequately nourished to being malnourished or undernourished. If not all local consumers are willing accept paying the food price premium associated with local sovereignty then their food system is controlled by the group that imposed the trade barriers. Do non-consenting consumers have food sovereignty?

In Africa, and developing countries generally, there are large urban conurbations. Many of these are currently supplied with food from international markets. Their populations consist of many thousands, if not millions, of people. Beyond one generation they have little contact with the rural hinterland. Does local food sovereignty mean they should be supplied exclusively from their local hinterlands? In many cases *local* hinterlands would struggle to supply these large non-rural populations no matter what prices could be charged. At the very least, prices for locally produced food would have to rise substantially. Would the urban poor voluntarily accept these price increases to achieve food sovereignty with people with whom, in reality, they have little affinity. If it was imposed on them by those in the hinterland it is unlikely that they would feel individually sovereign.

If local food self-sufficiency is to be the norm, the question has to be asked as to the role of current food surplus producing localities. There are many areas of the world that produce quantities of food far beyond their local requirements – roughly equal in magnitude to those who are not self-sufficient. If food sovereignty means that areas of the world that are not currently self-sufficient are to become so, there will be no markets for

those areas that can produce surpluses. In many parts of the world that are not self-sufficient the agricultural land is already stressed due to the heavy demands of production. Increasing production to achieve self-sufficiency can only lead to further stress on the land, threatening the environment, sustainability and biodiversity. At the same time, productive land in areas easily capable of producing surpluses would lie fallow.

All of this aside, the major problem with local self-sufficiency is that it cannot guarantee food security. Famines are local phenomenon. Famines arise from local food systems failures. While it is possible through protection to achieve self-sufficiency (including some surplus to create carryover stocks) in *normal* times, agricultural production does not always take place under *normal* conditions. Local production cannot be completely isolated from drought, frost, pests, diseases (both crops and livestock), floods, input shortages, war and the myriad of other ills that affect agricultural production. Crops fail, livestock die. Local sovereignty cannot deal with food systems failures. This is why there are local famines reported somewhere in the world almost every year. Africa has been particularly blighted with local food systems failures in recent years, largely as a result of drought or war. The problem has been particularly acute in Africa because its transportation infrastructure is so poor, so that areas of famine are effectively isolated and dependant on local resources. The heartbreaking long lines of emaciated people streaming to refugee camps where food aid is being distributed – effectively abandoning their local place of residence – is harsh evidence of the dangers of being excessively reliant on local resources to provide food. Climate is changing. One consistent prediction is that events such as droughts will become more frequent and more severe [14]. This means local food systems failures will become more common.

Famines, of course, are extreme examples of local food systems failures. A famine is when large numbers of people cannot afford food at local prices – they have no access to food. The rich always have access to food. Local food systems failures, however, can impose hardship on a large proportion of a local population through significant price rises even if a famine does not arise. Significant price increases can, as suggested previously, move those with low incomes from having adequate nutrition into being malnourished or undernourished – a considerable deterioration in their quality of life. Neither famine victims nor those who suffer declines in their nutritional status enjoy food security. Clearly, one can achieve local food sovereignty whereby food policy is determined locally, but fail to enjoy food security.

Trade is the cure for the lack of food security. If there are no protectionist barriers to trade in place, the increase in prices that arise from local food systems failures provide a signal for food to move into the locality where food is in short supply. These increased food supplies arriving from outside the local area have the effect of moderating prices thus making food accessible to those who might otherwise have experienced famine. Lower prices can also remove the threat of nutritional declines. In many

cases, unfortunately, a trade response cannot take place due to government restrictions or poor transportation infrastructure and there is no food security.

Of course, there is a dynamic element to markets. In times of famine, the poor may in the short run exhaust all of their resources in the scramble to acquire food and, thus, not be able to purchase food once it arrives from elsewhere. This, for example, was the case in the Irish famine of the 1840s – the *an Gorta Mór* – which required the distribution of free food through soup kitchens [15]. In today's terms this means governments providing income supplements to the poor, or if this is not proffered or feasible, food aid [16]. Of course, food aid is subsidized trade.

In the absence of price arbitrage between local markets and non-local markets, the price spikes associated with local food systems failures tend to be exacerbated by hoarding and speculation. Hoarding removes additional food from the market as individuals attempt to ensure that they have food at a later time. Speculators remove food from the market betting that the food can be sold later at a higher price. The short run effect is to drive up current prices. Of course, hoarders and speculators are often pariahs to local residents and politicians. The most effective means to discourage hoarding and speculation is the threat of the arrival of non-local food supplies – why hoard if supplies of food will be plentiful in the future and who would speculate when future prices are expected to fall.

A policy of protection-based local self-sufficiency means that there is no need for trade in normal times. As a result, the infrastructure and institutions to facilitate trade may not develop [17]. As a result, if there is a local food systems failure, it may be much more difficult to obtain food supplies from outside the local area – leading to deteriorating nutritional status or famine. Having good infrastructure for moving goods between localities is one of the reasons consumers in developed countries never experience famines or sustained local food price increases. Local food systems failures happen all the time in developed countries – local producers suffer droughts, floods, grasshopper infestations, frost and hail just as in developing countries. The difference is that, for consumers, alternative food supplies become available seamlessly [18].

Local food sovereignty may also mean that a nearby local community may not wish to share its food supplies with a neighbouring local community that has suffered a food systems failure. Trade would mean that prices would rise in the supplying community – something sovereign local consumers may well resist. Allowing trade would allow the pain of a local food systems failure to be shared. Of course, the larger the trading area, the smaller the effect on price, thus dispersing the pain of a local food systems failure more widely. In the recent global food price increases that have arisen from a series of similarly timed food systems failures in different parts of the world combined with the significant diversion of food to biofuels in the US and EU and rising incomes in China and India, some countries have cur-

tailed exports in the name of keeping prices low for their consumers. These export embargoes increased international prices further, imposing greater hardship on the world's poor. Export restrictions are the bane of the WTO but its disciplines on these practices are weak and likely impossible to enforce. It is one of the major weaknesses of the international trading system. There is no reason to believe that local communities that have food sovereignty would behave any differently.

Food sovereignty is often portrayed as food security-plus. If food sovereignty has as a central element protection-based local food self-sufficiency, then it is unlikely to be able to deliver food security. In other words, food sovereignty will be food security-minus. Thus, this pillar of food sovereignty needs re-examination.

4. Conclusion

Local food sovereignty is sometimes billed as the *New Protectionism* with an implied undertone that protectionism justified in this way is legitimate. The discussion in this paper suggests two things: (1) protection-based self-sufficiency does not contribute to many of the aims of food sovereignty (e.g. removal of the influence of multinational corporations) and; (2) it cannot deliver food security. Stripped of these trappings of legitimacy, it looks suspiciously like old protectionism – it does not contribute to the *general good* and instead benefits particular vested interests. It benefits farmers through higher prices. Consumers pay higher prices but receive little in return, and in particular do not receive food security. To be sovereign but not secure is a false sovereignty. It is an attempt to again repackage old protectionism in largely recycled bottles.

Premising local food sovereignty on a pillar of protection-based self-sufficiency is naïve – it does not take account the inherent variability of agricultural production. Local food systems failures are a fact of life and, if not mitigated by inflows of non-local food, can impose considerable hardship on local populations and, in the worst cases, famine. Food security requires access to food. Highly diversified trade is the best way to ensure that access.

Food sovereignty is a laudable goal – no one's access to food should be controlled by others. Achieving food sovereignty will not be easy. In particular, proposed solutions should be carefully examined to ensure that they are not too simplistic. Beyond a failure to achieve their stated goals, simplistic solutions may lead to dangerous consequences. Protection-based local self-sufficiency is a case in point.

It is also important that those with legitimate interests in achieving food sovereignty not be co-opted by those with a vested interest in protectionism. It has long been understood that protectionists seek to cloak themselves in legitimacy. Returning one more time to Adam Smith, in his discussion of *balance of trade* arguments for a restrictive trade policy he observed:

That it was the spirit of monopoly which originally both invented and propagated this doctrine, cannot be doubted; and they who first taught it were by no means such fools as they who believed it. (p. 527) [19].

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