

“Would free trade in agriculture harm or improve global food security?”

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This essay will be addressing the argument of whether free trade in agriculture poses harm to global food security or improves it. Supporters of free trade stand behind the argument that international trade contributes to the sustainable food agenda. The two ways this can be achieved is through the trade-ification of agriculture which leads to net efficiency gains and trade liberalization protecting nations from the threat of climate change. This essay will also present objections to the claim that free trade improves global food security. Critiques propose that free trade exacerbates the deep-lying struggles of developing nations, resulting in unintended consequences. Another objection to trade liberalization is that it incentivises the exploitation of developing countries (ethically and economically) and undermines national food sovereignty. In order to fully address the question, the essay will also be examining the historical landscape of the agricultural industry such as the colonial legacy of many developing states. In addition, this essay will be analysing the political economy of trade through a case study which details the European Union’s chicken dumping practice across Africa and some parts of Asia. Whilst there are strong claims put forward in support of free trade, this essay will conclude on the notion that free trade as a sole factor does not conclusively harm or improve global food security. This position has been positively influenced by the words of Pascal Lamy, “no matter how sophisticated our trade policies are, if domestic policies do not themselves incentivise agriculture, and internalize negative social and environmental externalities, we will not be satisfied with our agricultural systems” (Lamy 2011).

In this essay food security can be defined as “when all people at all times have physical and economic access to safe and nutritious food that meets their dietary needs and food preferences for an active healthy life (FAO 1996). As such, one reason how free trade in agriculture harms global food security is by exacerbating the deep-lying struggles of developing nations thus resulting in unintended consequences. For instance, the Doha Development Agenda brought about reforms to agriculture in pursuit of trade liberalization, but what it didn’t account for was the impact on domestic farmers across

the globe. Lee Kyung Hae was a South Korean farmer who committed suicide in 2003 in protest to the DDA reforms, his 'martyrdom'(coined by NGOs) sent ripple waves into the farming community, injecting an added level of resentment and tension between farmers and import-export businesses. A potential knock-on effect is farmers rallying together to restrict food production in order to take a 'stand', however this would limit supplies of "nutritious and safe foods", resulting in "consumers' food purchasing powers...limited" (Bazerghi et al., 2016). Another overlooked consequence of free trade in agriculture is that it can lead to famine and food crises. Proponents against trade liberalization have argued that the WTO have continuously defended an "outdated vision of food security", that has depended on "food systems where the most efficient producers with the biggest economies of scale are relied upon to feed food-deficient regions" (De Schutter, 2011). This methodology ultimately presents the agriculture industry as a zero-sum game, making food prices more volatile, binding developing nations to import-export businesses and strengthening the market power of multinational agribusinesses. The chain reaction continues, as developing countries lose sovereignty over the policy space of their agriculture sector which in turn constrains their state ability to manage food crises or to protect the livelihood of small-scale farmers. As one can see, market deregulation perpetuates the inequality divide among nations, thus causing famine and food crisis to become rife (OWINFS 2008). The contraction in small-scale farming due to food crisis leads to additional consequences that further harm global food security. The systems of domestic farming typically are "highly productive, demonstrate more agricultural biodiversity, contribute to poverty reduction, and enhance dietary diversity" (Chappell et al. 2013; Graeub et al. 2015, 3). The decrease in small-scale farming has embedded costs which trade liberalization fails to consider. Firstly, agricultural biodiversity has long-term benefits to global food security, as it increases the ecosystem's stability amidst environmental changes without reducing the potential for agricultural yield (Farming Connect 2022). Secondly, the systems used by small-scale producers contribute to the overall productivity of the agricultural sector, by stripping these systems away presents possible inefficiencies in farming infrastructure which can then result in adverse crop yields (Farming Connect 2022). Dietary diversity is a critical component of food security as it enables optimal nutritional intake and promotes an "active, healthy life" (FAO 1996). Domestic farming practices generate agricultural production diversity, a study taken from Ethiopia

shows that an increase in farm production diversity by one food group is associated with a 0.2-unit increase in child height-for-age z score ((Bakhtsiyarava & Grace, 2021). By reducing the size of the domestic farming community, inadvertently limits dietary diversity which limits the healthy development of children. Supporters of free trade will challenge the view that trade liberalization leads to unintended consequences, stressing that it is integral for advancing the sustainable food agenda.

One objection to the notion that free trade in agriculture harms global food security is that rather, free trade makes a positive contribution to the sustainable food agenda. The trade-ification of the global food system posits net efficiency gains due to liberal economic theory surrounding comparative advantage. Computer-generated, partial equilibrium models have produced estimated benefits of moving to free trade in agriculture, suggesting that around 63% of total gains would arise from liberalizing agriculture (Anderson and Martin, 2012). This is because liberalization will “shift production to the most efficient areas”(Lamy 2011), lowering prices in the medium term, which *ceteris paribus* will improve the affordability of food. With the price of food being more affordable not only improves accessibility concerns but also brings about higher growth and higher incomes within the sector, allowing for increased food consumption and thus improving global food security. Former WTO director-general Lamy substantiated this view, “The reduction of trade barriers in agriculture and enhanced market access for agricultural products...all contribute to the same objective: the implementation of the right to food for all” (Lamy 2008). The notion here is that free trade allows for greater flexibility in achieving food security, whilst offsetting the embedded costs and trade distorting features of domestic measures (WTO 2011a). It is interesting to note that Lamy is a staunch supporter of “absolute free trade”, with *Parisian* magazine describing his views as “closer to... the gurus of Wall Street than to Jean Jaurès (Dedieu et al., 2020), stressing how he goes against the socialist position on free trade which generally opposes the notion of trade liberalization. The dominant narrative in the literature presents the case that trade liberalization and sustainability co-exist within global food governance. SDG (Sustainable Development Goals) seventeen stresses the need to “promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization including through the conclusion of negotiations under its Doha

Development Agenda”(UN 2015). The fact that one of the SDGs reinstates the idea of an “open” and “universal” trading system highlights the significant contributions free trade can potentially make towards promoting more sustainable agricultural markets. The G20 countries also support the view that free trade improves global food security, demonstrated by their adoption of an action plan on Food Security and Sustainable Food Systems in fall of 2015. The plan reinforces the significance of “building food systems that are more sustainable and resilient” with a key component being an “open” trade system (G20 2015). The notion that one can only build sustainable and resilient food systems through free trade reflects the fundamental belief of many trade-policy makers and economists that protectionism was one of the key contributors of the Great Depression (Siles-Brugge, 2014). The economic theory of comparative advantage plays a huge role in the narrative that free trade improves global food security. Advocates stress the fact that some nations are “naturally endowed” with the perfect climate for growing specific crops which allows them to produce those crops with minimal additional inputs and without systems that might deplete their natural resources (Lamy 2012). This creates surpluses in the agricultural sector, which generates export revenues which can go towards enhancing agricultural markets and developing more sustainable and resilient food systems (Meridian 2011, 19). The OECD (The Organization for Economic Cooperation and development) also favour this claim, highlighting that trade liberalization “enables production to locate in areas where natural resources, notably land and water are relatively abundant, and where systems are more resilient to the effects of climate change” (OECD 2013). The point being made here is that free trade in agriculture promotes resilient supply chains which ensure that global food security is enhanced by virtue of being placed under less duress. Due to globalisation, a large number of countries lack either the infrastructure or biophysical requirements for food self-sufficiency, thus it has become highly inefficient from an economic sense to employ restrictive trade policies (Lamy 2012). Advocates against the notion of free trade will challenge the view that trade restrictions disrupt contributions to sustainable development (UNEP-WTO 2009; Baldos and Hertel 2015). Instead, they argue that free trade harms global food security through its lack of sufficient defence mechanisms to protect weaker states from exploitation.

A reasonable counter to the objection aforementioned is that free trade incentivises the exploitation of less prominent countries (both ethically and economically) and undermines their food sovereignty. One reasonable way free trade exploits weaker countries is through legislative writing; Winham tells us that “the original GATT articles on agriculture were written to be consistent with US farming-support legislation presented in 1947” (Winham, 1986). The fact that the earliest echoes of trade legislation couldn’t be written impartially but in the tone of a group of countries foreshadowed the malpractice and bad faith that would follow. A constructivist approach would apply the quote from Orwell’s 1984 novel, “who controls the past controls the future” (Orwell 1949). The emphasis here is that since the voice of developing nations was not considered when crafting this legislature, suggests that their best interest were not accounted for when designing trading systems. This is reinforced by the works of Subramanian and Wei which highlight that the benefits of the trade system skew towards industrialized countries whilst little gains from trade were distributed to developing countries, especially those relying on agricultural exports (Subramanian and Wei, 2003). The European Union’s (EU) shameful history of abusive agricultural trade practices with African countries greater brings light to this argument. The chicken dumping epidemic has severely starved African domestic industries, as a result of a flood of EU imports, 70% of broiler operations in Senegal closed, 120,000 jobs in Cameroon were lost and in Ghana, poultry processing plants were reduced to 25% operating capacity whilst feed mills were reduced to 42% (The Mail and Guardian, 2017). This predatory approach has had catastrophic effects on poultry farmers in Africa and parts of Asia. One being the forced migration of Ghanaian poultry farmers who embark on risky voyages to Europe because they’re unable to “compete with the tonnes of frozen chicken dumped on African markets annually”(Mahama 2016). This large-scale cultural appropriation of African poultry markets causes a major dent in global food security. This is because it enables European firms to “manipulate prices in ways that result in inefficient outcomes” (Gonzalez 2011, 771), whereby gains from trade are expropriated from local farmers and accrued to transnational corporate actors” (McMichael 2013). Figure 1 highlights the EU export composition of chicken meat across major markets, depicting the scale of exploitation that free trade facilitates. Food sovereignty is the rights of people to “healthy and culturally appropriate food produced through ecologically sound and sustainable methods” and their right to “define their own food and agriculture systems” (Nyeleni

2007). Thus placing those who produce food, distribute, and consume food at the heart of food systems and policies ahead of the demands of markets and corporations (Nyeleni 2007). Many organisations have formed as direct opposition to the WTO such as LVC (La Vie Campesin), a network of peasant and small farmer communities. They argue that trade measures need to “give primacy to food security and food sovereignty principles” (IPCFS 2002). This is achieved by prioritising local and national economies and markets (Desmarias 2007:134), a focus that’s negated with trade liberalization. Free trade infringes on a country’s policy space despite the need for “poor countries’ ...freedom to determine the extent and pace of their own agricultural market opening” (Oxfam 2011:47). Through undermining food sovereignty, trade liberalization destroys the livelihood of small-scale farmers despite circa 2.5 billion people engaging in small-scale agriculture (IFAD & UNEP 2013, 8; Graeub et al. 2015) and around 70% of the world’s food supply being provided by small scale producers. Proponents of free trade seem to ignore these statistics and the fact that preserving diverse farming systems are a “vital component of both food security and sustainability” (ETC Group 2013). They will instead argue that the expected shrinkage of the domestic farming industry is offset by the economic benefits of trade liberalization.

A proposed counter to the notion that free trade in agriculture harms global food security, is that trade liberalization protects a nation from the threats posed by climate change. The economic benefits derived from trade liberalization enhance production methods, allowing nations to develop adaptation and resilience strategies to climate change. The dominant narrative here suggests that the economic rents accrued through free trade, enhance the capacity of farmers to obtain modern technologies which support more sustainable agricultural methods (UNEP-WTO 2009, 31). On the flipside, promoters of trade liberalization claim that restrictive agricultural trade can directly result in “environmental degradation” (UNEP-WTO 2009). The heavy insistence on domestic food production actually works against a country by increasing their reliance on irrigation which ultimately places their water resources under duress and promotes land clearing. These consequences inadvertently result in deforestation, the loss of biodiversity and the release of greenhouse gases (UNEP-WTO 2009); which combined produce a heightened strain on global food security. The objection to the proposal aforementioned is that trade

theory is inherently flawed and the supposed economic benefits are not translated over into the real-world. Critical economists are at the forefront of this discovery, highlighting that the assumptions which comparative advantage theory rests on don't hold in today's world (Daly 1993; Prasch 1996; Chang 2009; Fletcher 2010; Moon 2011). The idea that capital is not mobile between countries is one assumption which does not carry over into the real world as the capacity for transnational firms to invest across countries and at differing axes along global supply chains undermines this very assumption (Clapp 2014). Secondly, the colonial legacy of many developing countries disables them from truly realizing the supposed efficiency gains transferred along the supply chain. For instance, the Kenyan-Uganda railway built by the East Africa company that linked Mombasa at the coast to Lake Victoria, at first glance seems like an infrastructure project which should improve global food security. However, the development of this public project still has ties to colonialization, as the priority of the railway has been reduced to exporting crops to European countries, allowing colonial powers to expropriate the economic benefits yielded by domestic farmers (Gordon 2022). Despite there being good reason to object free trade in agriculture, there still concerns questions surrounding whether as a stand alone factor it harms global food security. For instance, supporters of free trade do not completely deny the fact that there does exist environmental challenges within global food systems and even label part of the cause to industrial agriculture (Hertel et al. 2014). Yet, they are not content on conceding that these problems can solely be attributed to trade liberalization, rather they see these problems as mutually exclusive from trade; arising from externalities brought about by domestic policy failure.

This essay evaluated whether free trade in agriculture harms or improves global food security presenting cases aligned with the views of the WTO and G20 whilst also highlighting critiques led by organisations such as LVC. Despite there being strong claims towards the notion that free trade in agriculture causes damage to global food security, I reaffirm my position that as a sole factor, trade liberalization does not conclusively harm or improve global food security. Perfectly put, "trade policy no doubt has its place in this picture... but it cannot and does not, by itself, answer each and every challenge in agriculture" (Lamy 2011).

Empirical Evidence

Table 3:

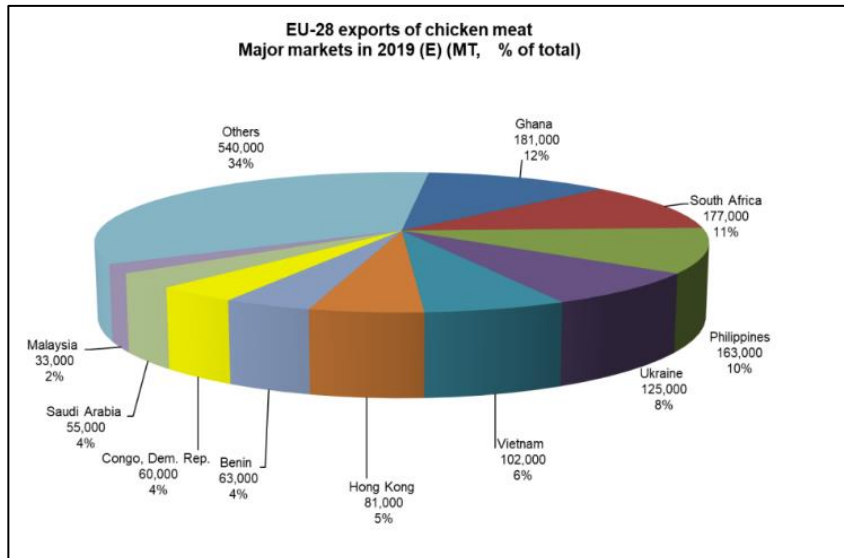
Table 3 Results from the longitudinal fixed effects models estimating an association between child HAZ and farm production diversity

Variable	b	SE	sig
Child characteristics			
Child age (months)	-0.056	0.011	***
Child age squared (months)	0.001	0.001	***
Child sex (female)	0.790	0.262	**
Household sociodemographic characteristics			
Age of hh head (years)	-0.008	0.010	
Female-headed household	-0.254	0.224	
Household size	0.061	0.048	
Dependency ratio	0.161	0.069	*
Mother has any education	0.096	0.169	
Household uses a toilet	0.001	0.112	
Water source (protected)	0.187	0.129	
Floor type (finished)	0.496	0.375	
Farm size (ha)	0.004	0.013	
Log (non-farm income, PPP \$ 2016)	-0.016	0.012	
Farm production diversity	0.176	0.035	***
R ²	0.049		
N (children-years)	6214		

* $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$

Source: Bakhtsiyarava & Grace, 2021

Figure 1:



Source: USDA Foreign Agricultural Service, 2019

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