

AN OVERVIEW ON WORLD FOOD RESOURCES WITH SPECIAL REFERENCES TO UNILEVER

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ABSTRACT

Global politics is revolving around the war of resources to achieve as much as resources which could be sufficient for unlimited period. Food resources are the main objectives on which the developed nations of the world stressed a lot since the old times. European powers occupied Asia and Africa to plunder their wealth as well as to capture the food resources of these regions and export food stuff to European countries. Unilever which was called Lever Brothers was the main exporters of margarine and edible oils. Monopoly on the world food markets by few so-called multinational firms has restrained other food companies of different countries to participate in the global food business, which resulted uneven distribution of wealth.

INTRODUCTION

The politics of food and agriculture can vary dramatically from country to country, depending most of all on the level of industrial development. Governments in non-industrial developing countries have tended to tax rural agricultural producers and to subsidize urban consumers. By contrast, governments in industrial countries tend to subsidize rural producers and tax urban food consumers. When nations undergo rapid industrial development, they tend to switch the bias in their food and agricultural policies accordingly. In this century, Japan, Taiwan, and the Republic of Korea (South Korea) have all switched from taxing farmers and subsidizing consumers to taxing consumers and subsidizing farmers.

Why these divergent policy patterns? The tendency of non-industrial countries to subsidize food consumers is a part of "urban bias". The political of urban bias have included [1] a pro-industry, anti-agriculture bias among elites in postcolonial developing countries (likewise among Marxist-Leninist elites in centrally planned societies); [2] the political disorganization and low social status of remote rural villagers in most developing countries; and [3] the political threat to regime survival that can be presented by urban food consumers, rich and poor alike. These consumers in developing countries are especially sensitive to food prices because a relatively larger share of their total income tends to be spent on food purchases (often nearly 50 percent).

The policies of taxing farmers and subsidizing consumers have frequently gone wrong in the developing world, especially in those countries that have been command economies. Where implicit taxes on farmers have been steepest—for example, in much of sub-Saharan Africa, and also historically in the Soviet Union – food production failed to keep pace with either population growth or demands for dietary enrichment. In most African countries, food crop production has declined on a per capita basis since independence. It is popular to blame this adverse trend on cash cropping, but in most of Africa nonfood cash crop production per capita has actually declined more rapidly than food crop production.

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USE OF FOOD POWER

In order to keep food consumption increasing in these circumstances, the supply gap must be made up through commercial or food aid imports. To ensure low food prices in urban areas, developing country governments have also been obliged to spend beyond their means on direct consumer food subsidies. When these governments subsequently try to cut back on these food subsidies (often a condition for obtaining new lending from the International Monetary Fund), they have found themselves politically challenged in the streets by rioting mobs.

One of the most controversial aspects of the international politics of food has been the question of “food power” - the hypothetical international power advantage enjoyed by food-exporting countries. They have at times argued for the importance of “food self-sufficiency” so as to reduce the vulnerability associated with import dependence.

This hypothetical vulnerability to food power has seldom been tested, mostly because food-exporting nations are constrained by domestic producers from withholding commercial exports. On those occasions when “food power” has been attempted, the exporter’s advantage has not been confirmed. In 1980-1981, when the United States imposed a partial grain embargo on the Soviet Union following the Soviet invasion of Afghanistan, the Soviet Union had little trouble finding alternative grain suppliers in Argentina, Australia, Canada, and the European Community. Total Soviet grain imports actually increased during the period that the U.S. embargo was in place. In 1990, following the Iraqi invasion of Kuwait, a comprehensive economic embargo was imposed on Iraq by the UN Security Council, but it excluded food and medicine exports on humanitarian grounds and is likely to remain- in most years- a setting in which buyers rather than sellers enjoy a political and commercial advantage.

Just a brief look at some of the issues involved explains why this is so. The UN General Assembly states in 2000 its ‘collective responsibility to uphold the principles of human dignity, equality and equity at the global level’ and established a series of ‘millennium goals’ to be achieved by 2015. These included, in the goal of the eradication of extreme hunger, a target of reducing by half the numbers of malnourished people in the world. Yet the UN itself admits that more than 40 countries are not on track to achieve this goal. The extent of food deprivation and threat of famine can be gauged by the fact that overall 36 percent of the populations in the least developed countries are officially classed as undernourished. That rises to over 45 percent in those countries in the UN’s index of low human development and includes Haiti, Tanzania, Congo, Eritrea, Angola, Zimbabwe and Kenya, which are officially classed under UN’s index of medium development countries.¹

A further measure of extreme poverty comes from the number of people living on less than \$1 a day, which has hardly changed in the ten years from 1990 to 2000 – 1.2 billion people. In sub Saharan Africa, Latin America and Caribbean the numbers have actually increased.²

Even among those in the developed world with supposedly ‘adequate’ levels of nutrition, the food we eat has become a major cause of ill health and early death, especially among the poor. Poor diet, alcohol consumption and sedentary lifestyles to 400,000 of the 2 million deaths in the US each year.³ The levels of obesity, coronary heart disease and diabetes, all diet-related illnesses, are soaring in the US and now across much of the

developed world. Levels obesity in Britain have increased threefold since 1980 and are estimated to reach as high as 30 to 40 percent of the population by 2025, while in the US the rates of obesity could reach 40 to 45 percent of the population.⁴ It is suggested that 20,000 people per year die prematurely from diabetes In Britain⁵ Estimates suggest at least 20,000 children have insulin- dependent diabetes in Britain, up from 1, 529 suggest diagnosed cases in 1988. One study in Leicester indicated a threefold in the number of diagnosed cases in the period from the 1950s to the 1970s.⁶

In Britain we have a society which is eating more, yet what we eat is of lower quality, consisting of high calorie and high fat content foods, leading to diet-related ill health. The same time high levels of poverty continue to affect large swathes of society.

Benzeval, Taylor and Judge's longitudinal study assessing the impact of household income on child development traced the experience of children aged seven until they reached 33 years old. They suggest that children of poor families are twice as likely to develop a longstanding limiting illness as better-off-families by the age of 23.⁷

Elsewhere Gregg, Harkens and machine highlighted the 1980s as a period in which income inequality in Britain rise faster than in any other OECD country, leading directly to marked rises in child poverty rates. As a result by 1995-1996 over 4.3 million children, around one in three, were living in households below the poverty line, defined as households whose income is below half the mean household income.⁸ It is precisely the poorest in societies who consumes the foods with the least nutritional quality, and are most likely to develop long term illnesses and die prematurely. Thus the issue of food poverty is explicitly linked to issues of class and the distribution of wealth in both the developed and developing world.

The third point to make is that the food we eat is also directly causing increases in disease and death. Food safety has become a major concern since the food scares of the 1990s and currently over the introduction of genetically modified (GM) crops.

Bovine spongiform encephalopathy (BSE), or mad cow disease, which led to new variant Creutzfeldt-Jakob disease vCJD in humans, has cost over 100 lives so far and it is still feared that as many as 100,000 people may be affected. BSE was publicly linked to vCJD in March 1996 and in the following year some 1.8 million cows and calves were slaughtered, with compensation being paid to farmers and the livestock industry amounting to over £1.5 billion.⁹ By 2000 costs had increased to over £4 billion in Britain alone.¹⁰ BSE was believed to have derived from one of two reasons. The official government view was that the mechanical recovery of meat and its reprocessing into animal feed meant that cows were fed the dead remains of other cows leading to the prion protein which caused BSE being rapidly transferred throughout the livestock.

Under this view the incidence of BSE in cows should have rapidly died away with the ending of the practice of reprocessing animal remains into animal feeds and the slaughtering of animals born prior to the introduction of these restrictions. However, the continued existence of BSE in Britain, with 1,354 confirmed cases in 2000 and its emergence across Europe, with 329 reported cases in 2000, suggests that BSE may not have been caused by this reprocessing, only spread using reprocessing.¹¹ The cause of BSE may have been the use of organo-phosphate pesticides on cattle and the feeding of manganese to cattle in order to promote milk production. Under this view the

development of the prion protein responsible for BSE derived from the industrial practices used in the cattle industry.¹²

A similar problem emerged with the spread of foot and mouth disease in which the industrialization of sheep farming, following the concentration of livestock markets and the large distances sheep were transported, led to the rapid spread of infection across much of the British Isles.¹³ Thus again it was the changes in the organization of food production that created the scale of the food scares once disease broke out. Further potential time bombs are also waiting to happen with, for example, E coli infection

Through the spread of untreated sewage directly onto farmland, whose incidence has increased fourfold from 1990 to 2000?¹⁴

Finally, concerns over the introduction of GM crops continue. Despite the biotechnology industry's early claims, GM crops are now recognized to cross-pollinate with existing wild species, leading to fears that 'super weeds' could emerge. GM material also inevitably finds its way into the food chain in unpreventable ways. The single field used for the farm-scale crop trial in Fife, Scotland, gave rise to GM material being detected in honey produced two miles away within first year of the trial.¹⁵ Still more worryingly, GM material has been detected in the human gut, leading to the fear that bacteria may develop which are resistant to antibiotics.¹⁶

The connection between food poverty, leading to malnutrition in the developing world and ill health in the developed world, lack of food safety, leading to a disease-ridden food chain, and the strong links campaigns have made to the anti-capitalist movement is recognition that the food industry has played such a major role in creating these outcomes. It has created a system of production which threatens the ability of economies to provide their populations with sufficient quantities of food at sufficient levels of quality to satisfy their needs.¹⁷ Thus it is the undermining of food security and the links between capitalism, food production and big business that lie at the heart of these issues.

FOOD AND BIG BUSINESS

We live in a world in which, as with the oil or armaments industries, a few firms dominate the world's food market. Just as the project for the New American century provided the ideological explanation for the war against Iraq, so it also provides the ideological explanation of what is now happening to our food. International food policy has been dominated by three interrelated needs: the protection of big business interests and markets in the developed world; the securing of access to raw, unprocessed food products from developing countries; and the securing of access into developing countries' markets for processed exports from the developed world.

One look at the structure of the food industry explains why this is so. For well over 30 years the world food industry has been dominated by the needs of multinational firms, especially those of the US and Britain. By 1947 US and British multinationals were dominating the world's food markets. Of the 100 largest companies 48 were US-owned while a further 22 were British-owned.¹⁸ Currently of the top 200 companies 100 are US-owned and of the top 50 European companies 19 are British-owned. Together the top 200 food-producing companies in the world account for £700 billion of food sales; or approximately half the world food market, and this share is expected to rise to around two thirds of the market.¹⁹ In Britain three companies- Unilever, Schweppes and

associated British foods -owned two thirds of total capitalization of the food industry by 1995. The food industry is one of those few in which British firms still have a strong base. Thus, together with the armaments industry, the British economy can be said to have succeeded in the dubious achievement of creating a competitive advantage in both feeding and killing the world.

An examination of just some of these firms demonstrates the way in which they have secured control over the food industry.

UNILEVER

Unilever, one of the world largest food and packaged consumer goods companies, is jointly British and Dutch and owned. With worldwide sales of over £30 billion, employing 247,000 workers in over 90 countries in 2002, the company is a truly transnational company. Its origins lie in its development as a soap and margarine which later diversified into a wide range of consumer and industrial goods, including even chemical. This diversification involved developing linkages back to production and transportation as well forward into manufacturing, distribution and marketing.

Much of Unilever's wealth has come from the exploitation world, and its origins derive from the advantages it received following the mass clearing of land of indigenous people. Unilever's move into plantation ownership and palm oil production in Congo, then a Belgian colony, before the First World War came on the back the mass destruction of Congolese society. When the contract was signed to hand over up to 200,000 hectares of land the population had reduced from around 40 million down to 8.5 million in the space of 50 years.²⁰ Even today Unilever continues to have major investments in Africa, with over one fifth of its workforce employed in the African continent. Further, through its Brooks Bond tea company it continues to maintain control over world tea production through its ownership and control of plantations in Kenya and Tanzania as well as India.

CONCLUSION

The most important point to reiterate is that there is currently the ability to produce enough food to adequately feed the world's population. The primary problem facing the developing world is that distribution of food and its control. While there are demands for greater food security and greater access to developed world markets from producers in the developing world, until the chains of exploitation are broken these demands will, at best only be realized in so far as they provide the major businesses with new business opportunities. In other words the mechanism used for the integration of the developing peasants and workers producing food for the world's populations. The geography of unlikely that even this limited restructuring of the world food industry will occur given the interests at stake in the developed world.

In the absence of any such fundamental change in the relation of production it is still necessary to recognize that food security has become a major issue for the developed and developing world. The US and Britain government are desperate to ensure that the control over the world's food resources is firmly within the grip of firms they are linked with. Both the ability of developing countries to feed their populations to an adequate level and their ability to determine how that food is produced and distributed within their economics must again be a starting point for any debate. Any moves, such as free trade, which undermine food security or sovereignty must be a step away from increasing equality. The origins of the problems of food security and sovereignty derive from the

fluctuate widely causing famine. Only a planned rational production system in which investment in agriculture and food production was not duplicated across the globe causing overproduction could guarantee equality.

Should we seek to move away from industrial farming systems? Here the concern is that current farming techniques, factory-produced meat, and fertilizer-reliant techniques for crop production are unsustainable in terms of wasting the earth's resources and damaging the environment. Certainly we should seek methods of production which are sustainable, but that does not rule out all industrial forms of agriculture. There is not a simple dichotomy between non-organic and organic farming—rather a continuum exists between the two. Certainly moves away from monoculture farming heavily dependent upon chemical fertilizer and herbicides is necessary. Nevertheless, this does not dictate the essential criteria, and in so far as alternative farming techniques achieve the same goals they should be welcomed because of their sustainability.

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