JUBILEE DEBT CAMPAIGN

May 2013

JUBILEE FOR JUSTICE

Food, debt and power

PHOTO: IAN MACKENZIE

Summary of key points

- Hunger is caused by people not having the power and income to get the food which is produced. It is not caused by a lack of food.
- Debt has been used by the powerful to force through economic policies which have further removed people's control over food.
- Debt cancellation for some countries has only had a limited impact on rates of malnourishment because the provision of food has been increasingly pushed onto the free market, and the power of international institutions over food policies has continued.
- However, countries which have high debts and have not qualified for debt cancellation have made even less progress in tackling hunger.
- The growing food sovereignty movement across the world is bringing hope by challenging the corporate capture of food, and pushing for people to be able to control the food they produce, distribute and consume.
- The root to tackling hunger is about power: giving the marginalised more of it, and the rich less of it. Changing the economic structures which govern our world is part of what can be done to support those already working and pushing across the world for food sovereignty and greater equality.

"During the past decade, per capita income growth was positive in all developing country regions, but in many countries growth did not significantly reduce hunger, suggesting that growth alone is unlikely to make a significant impact on hunger reduction."[1]

UN State of Food Insecurity in the World report

"Starvation is the characteristic of some people not having enough food to eat. It is not the characteristic of there being not enough food to eat."[2]

Amartya Sen

Why are people going hungry?

There is easily enough food in the world to feed everyone, but 870 million are said to be chronically hungry.[3] In the early 1980s Indian economist Amartya Sen showed that during the 1943 Bengal famine in the then British colony of India, food was being exported as millions of people died. Sen argued the famine was not caused by an exceptional fall in the harvest, but because people did not have the money and power to get hold of the food produced.

This story is common to famines, such as the Irish potato famine in the mid-1800s, when hundreds of thousands of tonnes of grain were exported to England, and meat exports increased, while hundreds of thousands starved.

The same is true for the ongoing food crisis across the world today. It is not a problem of underproduction. It is about hundreds of millions of people not having the power and income to access the food that is produced. Many of these people themselves work on the land producing food.

Globally, since 1990[i] the amount of food produced *per person* has increased by 25 per cent, and the world economy has grown *per person* by 25 per cent.[4] However, the number of people who are undernourished has only fallen by 13 per cent, from 1 billion to 870 million.[5] Since the global financial crisis began in 2007, the UN's FAO estimates that the modest falls in the number of hungry people have stalled.

Moreover, there are big differences across the world in the prevalence of hunger. In East and South-East Asia the number of people undernourished has fallen from 395 million in 1990 to 232 million in 2010. In Latin America over the same period there has been a fall from 57 million to 42 million. But in sub-Saharan Africa there has been an increase from 170 million to 234 million (which given population growth is a slight fall in the percentage of people who are hungry).

The increase of hunger in Africa of 40 per cent is despite the fact that food production on the continent has increased modestly by 10 per cent *per person* since 1990. The increase in hunger is also despite the fact that African economies, whilst declining in per person terms in the 1990s, have since been growing, and are now almost 20 per cent larger per person than they were at the end of the Cold War.

Both food production and the size of the economy are higher in per person terms in Africa today than they were in 1990. Yet the prevalence of hunger has grown by even more, when many would have expected it to fall given economic growth and increasing food production.

Jubilee and hunger

The ancient concept of jubilee was intimately linked to power over the production and distribution of food. A biblical jubilee was a celebration when debts were cancelled, slaves freed, land returned to its original owners and fields left fallow.

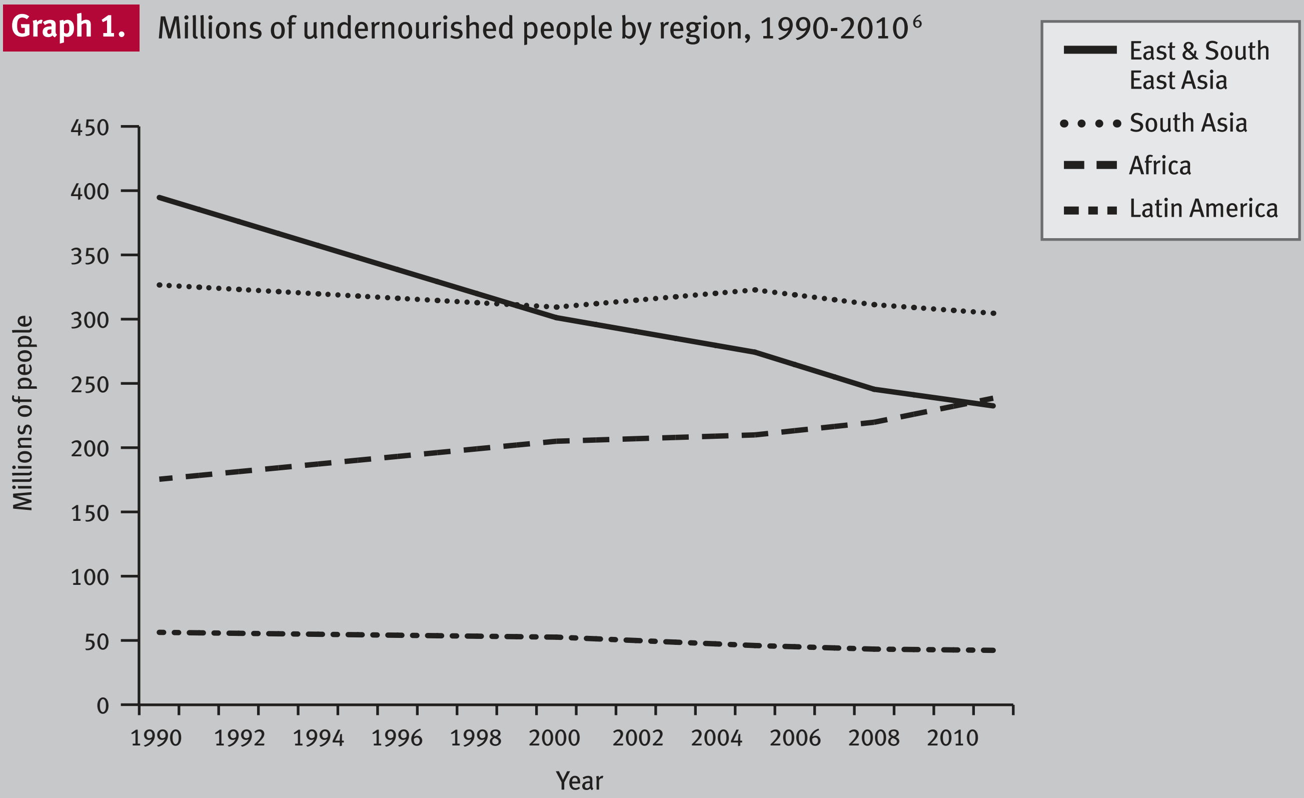
All these were linked. Those working on the land got in debt when harvests failed. In order to not go hungry they borrowed from neighbours. As debts rose and families became unable to pay, they had to sell off their land, further losing power over their ability to control their own food.

Rent was charged on the sold land, creditors got richer, debtors poorer, and debts increased. Now when struggling to pay, debtors sold off what was left to them; daughters, sons and themselves. Many ended up in slavery. Jubilee was a time to stop and put right these wrongs.

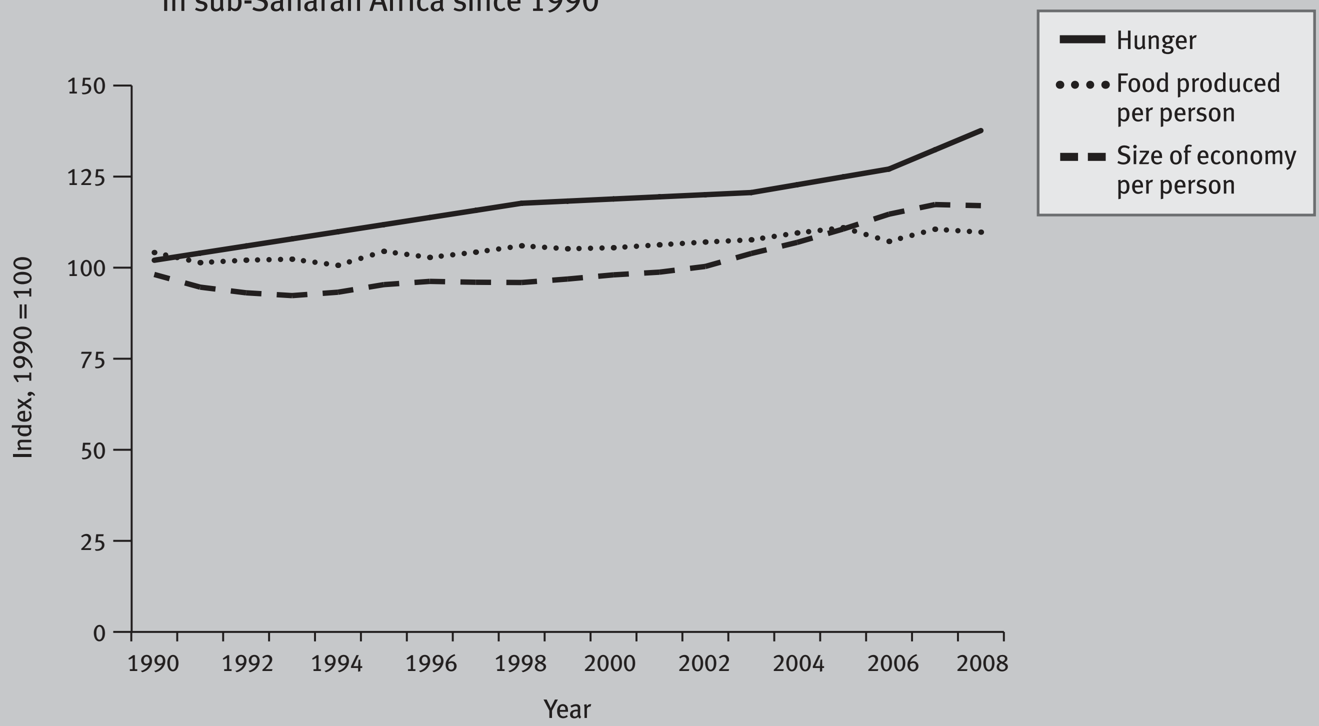
Just as with the ancient jubilees, tackling hunger today requires changing the inequality in power and resources which control who can get the ample food which is produced.

i. 1990 is the earliest year for which figures on the prevalence of hunger are available from the UN's Food and Agriculture Organisation.

Graph 1. Millions of undernourished people by region, 1990-2010[6]



Graph 2. Change in food production, size of economy and hunger in sub-Saharan Africa since 1990



Debt and hunger

> *"There is growing concern that opening national agricultural markets to international competition before basic institutions and infrastructure are in place can undermine the agricultural sector, with long-term negative effects for poverty, food security and the environment."*[7]
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> International Assessment of Agricultural Knowledge, Science and Technology for Development, report accepted by 58 governments, including the UK[i]

Many of the countries in which hunger is prevalent today were colonies of other countries, primarily in Europe, but also Japan and the United States. One common feature of the colonial economic system was that colonies would provide raw materials for occupying powers, such as cash crops (crops produced to sell) and metals, and in return use the proceeds to buy industrialised goods.

Independence did not lead to an end to this system. While some countries attempted to develop alternative industries – most successfully in East Asia – many, particularly in Latin America and Africa, remained dependent on primary commodity exports.

In the 1970s, US, British and Japanese banks were awash with dollars saved by oil exporting countries, who benefited from a high oil price after the OPEC cartel of producers restricted production. Banks lent large amounts to Southern countries. But at the start of the 1980s, the US increased interest rates on the dollar, whilst world recession caused a crash in the price of cash crops and other primary commodities.

Debt payments shot up. But many countries remained dependent on primary commodities, such as cash crops, for their income, and so had far less money available. With governments unable to make payments on their debt, the International Monetary Fund and World Bank stepped in with bailout loans to prevent Western banks going bust. Banks were paid off, whilst the debt remained.

The IMF and World Bank demanded countries introduce economic policies which they argued would make the debt payable in the future. These included cutting government spending, privatisation, liberalising trade and deregulating the economy. Debt was used as a tool to push through austerity and liberalisation of the economy.

Some policies were aimed at increasing the export of cash crops and other primary commodities. It was argued this increase in export revenues would then be used to pay the debt. For example, Vietnam, Uganda, Ethiopia and Kenya were all encouraged by the World Bank to increase coffee exports in the 1990s.[8] However, oversupply of coffee led to the effective collapse of the International Coffee Agreement, which had protected producers against volatile prices, and caused the price of coffee to crash. This left coffee producers without the income needed to buy food, whilst leaving the countries concerned with no greater export income to pay their debts, never mind having revenue left over with which to invest or cut poverty. Between 1999 and 2002, the price of coffee halved.

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i. Australia, Canada and the United States refused to accept the report. The 58 countries who did accept are Armenia, Azerbaijan, Bahrain, Bangladesh, Belize, Benin, Bhutan, Botswana, Brazil, Cameroon, China, Costa Rica, Cuba, Democratic Republic of Congo, Dominican Republic, El Salvador, Ethiopia, Finland, France, Gambia, Ghana, Honduras, India, Iran, Ireland, Kenya, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Libyan Arab Jamahiriya, Maldives, Republic of Moldova, Mozambique, Namibia, Nigeria, Pakistan, Panama, Paraguay, Philippines, Poland, Republic of Palau, Romania, Saudi Arabia, Senegal, Solomon Islands, Swaziland, Sweden, Switzerland, United Republic of Tanzania, Timor-Leste, Togo, Tunisia, Turkey, Uganda, United Kingdom of Great Britain, Uruguay, Viet Nam, Zambia

Trade liberalisation in Haiti

In Haiti, the IMF and World Bank made trade liberalisation a condition of their bailout loans. This included removing taxes on the importation of food, which led to a huge increase in food imports, decimating local production. Food produced per person fell by one-third in the late 1980s and early 1990s, and it has not increased since.[9]

In 1995 the IMF forced Haiti to slash its rice tariff from 35 per cent to 3 per cent. According to Oxfam, this resulted in an increase in imports of more than 150% between 1994 and 2003, the vast majority from the US.[10] The IMF and World Bank push trade liberalisation because they argue that, while it will put local producers out of business, they will move into producing other goods which are more 'competitive'. Certainly it meant lower prices for Haitian consumers in the short-term, but it also devastated Haitian rice farmers.

Traditional rice-farming areas of Haiti now have some of the highest concentrations of malnutrition.

In the past, Haiti was self-sufficient in supplying its people with food, but by 2006 it was using 80 per cent of export earnings to pay for food imports.[11] Sectors collapsed which had been in receipt of investment loans, such as the chicken and sugar industries, leaving unproductive loans to be repaid.

Furthermore, small-scale farmers were actively moved off the best land, to make way for cash crop plantations. Christian Aid say about the shift to cash crops that: "Small-scale subsistence farmers – including the more vulnerable, especially women and members of marginalised groups such as ethnic minorities – have been worst hit by the effect of such policies. In the most extreme cases they have been driven off their land and denied access to water and other resources."[12]

The shift towards cash crops, and the general increase in reliance on food imports, also made people and countries more vulnerable to the dramatic swings in world prices for food. In the 1990s and early 2000s low commodity prices continued, holding back economies dependent on exporting commodities. However, in more recent years, high commodity prices have created growth and income for some. But those left out of this boom, usually more vulnerable groups including women, especially small-scale farmers who tend to be net buyers of food, have suffered from having to pay higher prices for the food they buy.

The policies pushed on people in the name of making debt payable also had other impacts on people's ability to access food. Some trade liberalisation (eg the removal of taxes on imports) put manufacturing businesses out of production. For example, in several African countries the removal of taxes on the import of used clothes undercut domestic textile producers, leading to thousands of job losses. This made countries even more dependent on primary commodity exports to be able to pay debts and get the money to buy vital imports such as food and fuel.

Another common IMF and World Bank condition has been the removal of government support for the agricultural sector. For example, in the 1990s, the World Bank insisted that Zambia remove government support for farmers such as lending, subsidised inputs and marketing. A World Bank evaluation later found that the removal of fertiliser subsidies led to "stagnation and regression" in Zambia's agriculture sector, whilst the UN Conference on Trade and Development found that "many farmers were left worse off" following the changes.[13]

In 2005, the World Bank admitted that a "development strategy based on agricultural commodity exports is likely to be impoverishing in the current policy environment".[14] However, a 2008 study by ActionAid and Eurodad found that "the problematic agricultural model promoted by the Bank and others has not been reconsidered".[15]

The Philippines

Over the last thirty years the Philippines has gone from being a large net exporter of food, to the world's largest importer of rice.

From the 1970s until 1986 the dictator Ferdinand Marcos was in power and is thought to have stolen up to $10 billion during his rule. Marcos was heavily supported by Western powers on his side during the Cold War, receiving billions of dollars in loans, including for a nuclear power plant that never produced any electricity and was built on an earthquake fault line.

Popular opposition to the Marcos regime increased throughout the 1980s and he was finally ousted from power in 1986 through the 'Edsa Revolution'. Activists demanded that the Marcos era debts be declared illegitimate and cancelled. However, new President Aquino made a speech in the US Congress in September 1986 where she announced all debts would be honoured. A subsequent law was passed prioritising all debt payments over any other government spending.

Debt payments averaged 17 per cent of export revenues in the 1980s and 1990s, and still 12 per cent in the 2000s. In contrast, spending on agriculture fell by more than half, as the World Bank pushed for the removal of government involvement in supporting production.

In 1995 the Philippines entered the World Trade Organisation and had to cut quotas and tariffs on imports, such as maize and rice. Walden Bello argues that "The one-two punch of IMF-imposed adjustment and WTO-imposed trade liberalization swiftly transformed a largely self-sufficient agricultural economy into an import-dependent one as it steadily marginalized farmers."[16] When rice prices increased dramatically in 2008 millions of Filipinos were left having to queue for hours each day for government hand-outs of expensive imported rice.

In 1990 the Philippines food exports were almost double those of its imports. By the year 2000 the situation had been reversed; imports were now double exports.[17] Some in Philippines society have benefited from changes over the last 20 years – national income per person has increased by 50 per cent. But the number of people undernourished has remained constant at 15 million. And debt continues to dominate the economy. Today, the Philippines government spends 20 per cent of government revenue on foreign debt payments each year, more than is spent on public health and education combined.

European debt crisis and hunger

In the 2000s, large amounts were lent between European countries. For example, Spanish and Irish banks, and the Greek government, borrowed from banks elsewhere on the continent based in countries such as Germany, France and the UK. This lending fuelled property bubbles in Spain and Ireland. In Greece the lending supported higher government spending on the military as a percentage of GDP than in any other Western country, while US bank Goldman Sachs helped hide the true scale of the debt from the Greek people.

When the global financial crisis began, banks stopped lending to each other, fearful of the huge debts they carried. Many banks were bust, including in Ireland, Spain, Portugal and Greece. Governments took on many of the debts, pushing the burden on to taxpayers.

In 2010 a new Greek government opened the books and announced it could no longer afford to pay its debts. Just as in Latin America and Africa, this threatened to bankrupt banks in other EU countries, so the IMF and EU stepped in with bailout loans for the reckless lenders, whilst the debt remained, and increased. Debt has been used as a way to force austerity on countries, causing economies to contract further. Ireland and Portugal have also taken bailout loans, whilst Spain has had to increase austerity in order to get help from the European Central Bank.

The debt crisis and austerity are causing havoc with people's livelihoods. In both Greece and Spain, one in four people are unemployed, with one in two young people out of work.

While these societies are richer than those affected by debt in the global South, the crisis has still made it harder for marginalised people to get food. In Greece 11 per cent of the population are now classed as living in 'extreme material deprivation'. This includes not being able to afford a decent diet, sufficient heating or electricity or to meet emergency expenses. The Church of Greece now distributes 250,000 daily rations of food, with unknown numbers of rations from local councils and NGOs. There has been a rising incidence of children fainting in school due to low calorie intake.[18]

The Spanish Red Cross said it was trying to help 2.3 million malnourished people in Spain in 2012.[19] In the UK, 180,000 people used food banks between April and December 2012[20] and such banks are opening at a rate of 3 a week.[21]

Debt and farmers

Since the 1980s, there has been a growth in 'microcredit' for farmers. These are loans to impoverished people, often women, who do not have the assets or steady income stream normally needed to borrow. The debt can potentially enable smallholders to invest in things such as technology and crops to increase their production, but also risks burdening farmers with high debts if investments do not work out. The growth of microcredit has been influenced by the reduction of public agricultural services, leaving small farmers more dependent on private loans.

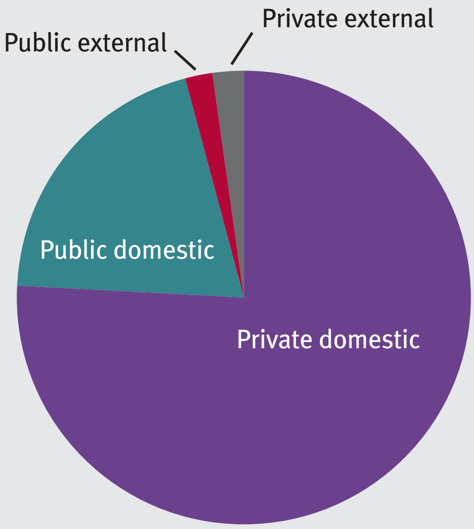
Microcredit has allowed some to benefit from investment they would not otherwise have been able to get, but others have been trapped in debt – with severe consequences. In the Indian state of Andhra Pradesh in 2010, reports said that 80 recipients of microcredit had committed suicide in a matter of months, and opposition politicians had started calling on debtors to default on repayments.[22] Across India more than 70,000 farmers are thought to have committed suicide between 2002 and 2006, with the combination of debts and failed crops thought to be one of the prime reasons.

Bangladesh is widely seen as the home of microcredit. In April 2010 floods destroyed the crops of previously solvent farmers in receipt of loans in north-east Bangladesh. But debt repayments were still demanded. Villagers began sending children to work to help earn the money. Those still unable to pay had to sell cattle, chickens and other assets, finally including land. In November 2010, villagers complained to BBC reporters of harassment from the debt collectors and physical assaults. The same impact of debt – selling off land and assets, and putting children to work – was being seen in modern Bangladesh as in the biblical times of jubilee.

Alternative means for financing investments by small farmers could be used. This includes equity, rather than debt-based finance, where 'lenders' get a share of any profits, but nothing if the investment doesn't work out. There could be mechanisms for writing-off debts if people become unable to pay. Or there could be greater government involvement in financing investments and inputs, such as fertiliser and seeds, so that the risk is shared more widely across society.

Investment needs to be made available to small farmers. Simple private debt-based investment can help some recipients, but it will almost inevitably also lead to others being trapped in debt.

Graph 3. **Sources of investment in agriculture in low and middle income countries, 2005-2007**[23]



Private domestic investors are primarily farmers in the country concerned. Domestic public investors are national governments. Public external is aid money, loans from bodies such as the World Bank and investment by foreign governments such as sovereign wealth funds. Private external is non-government investment from abroad, such as multinational companies.

Debt cancellation and hunger

The global jubilee movement has demanded the cancellation or repudiation of the unjust debts of impoverished countries. The response of Western countries, through the IMF and World Bank, was to launch a debt relief scheme known as the Heavily Indebted Poor Countries (HIPC) initiative. In order to qualify for the scheme, countries had to continue implementing IMF and World Bank economic policy conditions, including trade and agricultural liberalisation. Even in the process of reducing debt, debt was still used as a means to force a free market economic model on people.

Debt relief and agricultural liberalisation in Malawi

In the early 2000s, in order to qualify for the IMF and World Bank debt relief scheme, Malawi had to privatise its agricultural marketing system, remove subsidies for inputs such as fertilisers and sell off some of the country's grain reserves. In 2001/02 and 2004/05 the country was hit by a food crisis with production falling and fewer grain reserves available. In 2001/02 the government reported that 500 people died of starvation, but this is probably an understatement, whilst 500,000 children were unable to go to school.

Since qualifying for debt cancellation in 2006 Malawi has reintroduced fertiliser subsidies – against the wishes of the World Bank – and maize production has increased.[24]

Thirty-five countries have now completed HIPC, having $130 billion of debt cancelled in total. In many cases this has increased government spending in areas such as health and education. For example, the percentage of national income spent on public health in these countries has increased on average by one-third between 1995-2000 and 2006-2009. The percentage of children enrolled in primary school has increased from an average of 63 per cent in 2000 to 83 per cent by 2010.[25]

However, there has not been the same level of improvements on hunger. On average the percentage of the population malnourished in countries qualifying for debt relief has fallen, but only from 34 per cent to 28 per cent. With population increases this means the actual number of people going hungry in these countries has increased from 119 million in 2000 to 129 million today.

Of course, there are big differences between countries. Burundi, Madagascar, Uganda and Zambia have seen increases in the *percentage* of the population who are malnourished over the last decade (with very large increases in the absolute number of people), whilst Benin, Cameroon, Ghana, Mali and Niger have seen the absolute number of people going hungry fall (leading to large falls in the percentage).[26]

One reason for the difference in performance on public services and hunger following debt relief is that the reforms of the previous thirty years mean provision of food is often left to the free market, with humanitarian interventions when chronic hunger turns into crisis. There is therefore no direct relationship between a government having more money to spend and some of this being invested in agricultural or social protection which would enable the marginalised to purchase enough food or have the resources to be able to produce their own.

Furthermore, whilst debts have been reduced in many countries, this has only had limited impact in allowing governments to follow alternative policies towards food, even if they wanted to. Around 30 low income countries today are on IMF lending programmes – with their economic conditions – a similar number to the mid-2000s. Much international aid is dependent on being on IMF and World Bank programmes, and so their power to enforce liberalisation continues. World Trade Organisation and other free trade agreements continue to restrict the ability of governments to intervene in the food system.

While debts have been cancelled in some countries, and fallen significantly in others, there are still a sizeable number of countries in the global South which have large government debts, usually dating back to the 1970s. Of the ten countries in the global South with the highest current debt payments (for which there are figures on undernourishment)[i] there has been no progress in tackling malnutrition in the last decade. For these countries, on average, the percentage of the population going hungry is 8 per cent today, the same as in 2000. Yet while countries which have qualified for debt cancellation have not made major progress in tackling hunger, those which still have large debts have made even less.

The Bangladesh government has spent an average of more than 10 per cent of government revenue on foreign debt payments since 2000, amounting to $8 billion. Yet it was not eligible for the IMF and World Bank debt relief scheme because it 'was not indebted enough'. Today, 25 million people in Bangladesh are classed as undernourished, compared to 21 million in 2005.

i Jamaica, El Salvador, the Philippines, Georgia, Guatemala, Guinea, Costa Rica, Panama, Sri Lanka and Bangladesh (NB. Guinea qualified for debt cancellation in 2012 and its debt payments should now fall).

The Bangladesh government's debt payments are expected to shoot up to 17 per cent of government revenue in 2013. In April 2012 the IMF announced up to $1 billion of loans to Bangladesh over three years so that it could meet these high payments, rolling some of the debt over to be paid in future years. Conditions of this loan include cutting trade taxes on imports, whilst increasing VAT, including on essential food such as rice, lentils and cooking oil.

Bangladeshi campaigners Equity BD argue these conditions "will only increase malnutrition and inequality" and will prevent "the development of domestic businesses" whilst increasing imports, worsening Bangladesh's trade balance.[27]

Continued dependence on commodity exports

Since the mid-2000s there have been increases in the price of most of the primary commodities exported by southern countries, including foodstuffs. This has increased economic growth, and undoubtedly benefited elites in many countries, but there is little evidence of any of it trickling down to the majority of people. Plus, high commodity prices have left people needing more money to pay for food, whilst not necessarily getting more in wages or for the food they produce.

Dependence on a small number of commodities makes countries highly vulnerable to sudden changes, such as in price, or a natural disaster, or the depletion of resources such as minerals and fossil fuels. Revenues from commodities such as minerals, metals and fossil fuels are more likely to solely benefit elites and increase inequality, and diversifying away from commodities to higher-productivity goods tends to be associated with sustained economic growth. In the words of Dani Rodrik from Harvard University: "poor countries become rich by producing what rich countries produce".[28]

The United Nations Conference on Trade and Development reports that dependence on primary commodities has, if anything, increased over the last decade. In 2008/09, two-thirds of developing countries received more than half their export earnings from primary commodities, exactly the same number as in 2002/03. In contrast, primary commodities made up less than one-fifth of export earnings in just 10 per cent of developing countries, a fall from 14 per cent in 2002/03.[29]

Land grabs

Over recent years there have been large increases in 'land grabs' – the purchase or lease of land in developing countries by large companies, governments and individuals, often foreign. A 2010 assessment by the World Bank found that two-thirds of land leased or purchased has been in sub-Saharan Africa, with 37 per cent intended to be used for food crops, 21 per cent for cash crops and 21 per cent for biofuels.

Land grabs by foreign companies, governments and individuals are referred to as 'investment', technically known as 'foreign direct investment' and often regarded as a 'good thing' without any analysis of what it is for.

Foreign direct investment can be investment in genuinely new production, which provides jobs and pays a decent share of profit in taxes so the proceeds are shared with the recipient country. This requires regulations to ensure investments happen, fair taxes are paid and people and the environment are protected. But many of the polices pushed on countries in the name of debt have been to remove such regulations.

In their absence, foreign direct investment can also mean buying up resources like land which already exist, dispossessing people who are farming the land, with profit being sent out of the country untaxed. The foreign 'investors' can even borrow the money to lease or purchase land, increasing the foreign-owed debts of a country, and making it more susceptible to debt crisis in the future. Such 'investment' can create economic growth, but reduce the incomes of marginalised people, and their access to and control over food.

Financial markets in food

Many of the crops traded across the globe are bought and sold on financial markets, primarily in the US, London and Paris. Staples such as wheat, maize and soy and cash crops like coffee and cocoa are traded in virtual contracts known as derivatives. Most of these do not involve actually buying and selling real food, but this trading determines the prices crops are sold at across the world.

Since the financial crisis began there has been huge volatility in the price of crops in these international markets. Prices spiked in 2007/08, and again in 2010/2011. Some argue this is due to markets reacting 'efficiently' to new information, but much research has shown that just like other unregulated financial markets, herd behaviour into and out of food speculation has caused booms and bust in price.[30]

In 2007/08 price increases occurred at the same time as speculators were looking to take their money out of markets in assets suddenly seen as risky, such as property, and into 'safer' markets such as food. In late 2010 food prices shot up when the US announced it was printing more money through 'quantitative easing II'. The US Federal Reserve created money to buy US government debt from US banks. Once this had been done there were no regulations on where the money went, and some ended up being speculated on food, contributing to increased prices.

The World Development Movement and allies across the world have been calling for regulations to make the financial markets in food more transparent, and to limit the amount of money which banks and hedge funds can speculate on the price of food. Policies are needed to prevent speculators causing havoc with world food prices, and the chaos this creates for consumers and producers.

Food sovereignty

In response to the shift to a more market-based food system, in 1996 the worldwide peasant organisation *La Via Campesina* (which represents 200 million farmers in 70 countries) began to call for food sovereignty: the right of people to not just have access to food, but control the food system. Since then the movement has expanded, with a 2007 food sovereignty forum in Mali bringing together 500 representatives of rural workers, urban producers, fisherfolk and consumers. The Forum on Food Sovereignty in Mali in 2007 declared that food sovereignty "puts those who produce, distribute and consume food at the heart of food systems and policies rather than the demands of markets and corporations."

Food sovereignty is a challenge to the dominance of a few corporations over the production and distribution of food. Movements pushing for food sovereignty are calling for countless changes in national contexts to give people greater power over their production and access to food. But as well as convincing local political authorities, such policy changes require countries to be able to move away from IMF, World Bank, WTO and other free trade agreement policies which enshrine rights for corporations, whilst preventing public bodies from intervening in the food system.

A.A. Priyanthi, a peasant farmer in Sri Lanka, says: "We used to grow only one crop and sell our harvest. The income was not sufficient even to settle the debts we had taken on. So we had a problem with getting enough food. We were really starving and malnourished."[31] He continues: "We decided to get away completely from chemical use and to adopt 'natural farming principles'. We developed soil conservation, water management, compost-making, and mixed crop farming … Food sovereignty is not, in fact, a new idea, but something we had earlier. For me, the basic element in this concept of food sovereignty is that it allows us to feel free once more."[32]

In Mozambique, the *União Nacional de Camponeses* (National Union of Peasant Farmers) was founded in the midst of civil war in 1987 to oppose the free market economic policies being imposed by the IMF. Now with over 65,000 members, it pushes for government policies to increase people's control over food, whilst supporting small farmers.

Muezia is a community of 4,000 people in the centre of Mozambique. As well as having individual plots, there is community land shared by all. A few members of the community have been trained in techniques such as the production of green manure, pest repellents from regional plants and in how to combat soil erosion. As would have happened traditionally, seeds are being saved from year to year, rather than having to be bought from middlemen. The community associations have enabled investments in farm machinery, a sugar mill and a herd of goats. Amina Vachaneque, a 65-year-old woman, says that the new methods are working, but there are still problems. Middlemen flood the region during the harvest, setting low prices for goods. But lack of transport means people have to sell to them.[33]

In August 2010 there were riots in the Mozambique capital Maputo after an increase in the price of bread. The *União Nacional de Camponeses* called for a radical rethink of government policies, including:

- Increasing domestic food production to minimise dependence on international markets
- Better prices for small farms to encourage production
- Increased investment in peasant farms alongside measures to control imports of food[34]

Taking back power over food

One of the main proposals to reduce hunger is to improve agricultural production, particularly involving smallholders, especially women.[35] This is not because more food needs to be produced in itself, but because the majority of hungry people today are smallholders, especially women. Enabling them to increase their own agricultural production, which they will control and get the income from, will give them the means to overcome hunger. Other means of increasing agricultural production, such as handing land over to large corporations, or using GM crops, are likely to have the opposite effect, reducing marginalised people's power over food, and so will increase hunger.

International grants to smallholders (aid) can be a useful resource for investment. But national governments and local communities are and could be a much greater source of resources, which are sustainable in the medium and long term. For public bodies to play a greater role in supporting agriculture, and that of small holders in particular, they need:

- To have the resources to do so, by being able to collect fair taxes on companies and rich individuals, whilst not being burdened by large debts
- Not be prevented from doing so by international organisations such as the IMF and World Bank, and WTO and other free trade agreements
- To be convinced of the need to do so by populations in their own country

Western governments talk about the importance of investment in agriculture, but there is evidence much of this is used for large scale corporations, which may actually be reducing the control marginalised people have over food. War on Want have produced research which shows that UK government aid money is benefitting huge food and drinks corporations such as Monsanto, Syngenta, Unilever, Diageo and SABMiller, at the expense of smallholder farmers in countries such as Malawi, Mozambique and Tanzania.[36]

Those who are hungry are not just the rural poor working on the land. Millions of urban workers also fail to get enough income to be able to afford sufficient food to nourish themselves and their families. More and better jobs, with higher wages, will in many countries require a shift away from dependence on primary commodities into other economic activities. This in turn needs governments to be able to actively intervene in their economies, as happened in East Asia, Europe and North America, in the development of their economies.

An expansion of social protection – welfare payments – is also needed so that all marginalised groups can get the income needed to buy food. This again requires governments to have more resources through greater collection of taxes, lower debt burdens and economic growth, which leads to greater resources for the majority, rather than just being able to be captured by elites.

As with the ancient concept of jubilee, tackling hunger means challenging all the inequalities in finance, land and work which lead to our current unjust food system. There is no single silver bullet to tackling hunger through a technological fix or one amazing policy. This briefing has touched on some of the many issues which need to be addressed.

The root to tackling hunger is about power – giving the marginalised more of it, and the rich less of it. This is a challenge people are fighting across the world, seen in movements such as the inspiring global networks calling for food sovereignty to be the guiding concept in determining decisions over food. We have no one solution to hunger, or even a list. But changing the economic structures which govern our world is part of what can be done to support those already working and pushing across the world for food sovereignty and greater equality.

PHOTO: GRASSROOTS INTERNATIONAL

Women from the MST (Landless Workers' Movement) at the Chico Mendes Encampment in rural Brazil.

Food, debt and power

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This briefing has been produced with the assistance of the European Union. The content of this briefing is the sole responsibility of Jubilee Debt Campaign and can in no way be taken to reflect the views of the European Union.

JUBILEE DEBT CAMPAIGN

Jubilee Debt Campaign is part of a global movement demanding freedom from the slavery of unjust debts and a new financial system that puts people first.

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