

**An Agrarian Renaissance?**  
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## Global or Local Markets?

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## Globalisation (1982 – 2007 version)

- *Free markets*
- *Free international trade*
- *Free capital movements*
- *Free international investment*
- *Economic development derives from trade*
- *Food security found in global markets*
- *Policies determined globally, not nationally*

## Who gained? Who lost?

- 30 countries of highest human development  
(UNDP data, 2004):*
- *GDP per capita highest in 2004 for 25*
  - *in 2002 for 2*
  - *in 2001 for 1*
  - *in 2000 for 1*
  - *in 1997 for 1*

## Who gained? Who lost?

- 31 countries of low human development  
(2004):*
- *GDP per capita highest in 2004 for 7*
  - *in 2001-03 for 4*
  - *in 1986-98 for 8*
  - *in 1975-83 for 12*
  - *(DR Congo 1975, Senegal & Zambia 1976)*

## What kinds of country lost?

- 1.Small population*
- 2.Remote from world markets*
- 3.Dependent on commodity exports*
- 4.Rural poverty with food imports*

## Which people lost?

- Rural and agrarian more than anyone*
- *small and subsistence farmers*
  - *livestock herders*
  - *artisanal fishers*
  - *rural landless*
  - *Worldwide agrarian crisis*

## Real commodity prices

From boom to boom

*% change in averages from 1978-80 to July 2005 – June 2008:*

- *Copper* + 103
- *Iron ore* + 96
- *Crude oil* + 59
- *Phosphate rock* + 46

## Real commodity prices

*% change in averages from 1978-80 to July 2005 – June 2008:*

- *Maize* - 25
- *Wheat* - 19
- *Rice* - 45
- *Soya beans* - 28

## Real commodity prices

*% change in averages from 1978-80 to July 2005 – June 2008:*

- *Coffee* - 63
- *Cocoa* - 65
- *Sugar* - 56
- *Cotton* - 57

## Entry to global markets

*Inhibited by:*

- *Buyer-dominated supply chains*
- *Private and public standards in rich countries*

## LIFDCs

*Low-Income Food-Deficit Countries (FAO):*

*77 in May 2009*

*(Five 'graduated' since 2008 because incomes rose above threshold – three of them in Europe.)*

## Long-term trend in LIFDCs

*Rapid increase in food imports*

- *e.g. Sub-Saharan net imports:*
- *Rice:* 4.7m tons in 1990  
11.4m tons in 2005
- *Wheat:* 4.6m tons in 1990  
14.5m tons in 2005

## Food Crisis 2008

- *Proximate cause: changes on global markets*
- *Poor countries had become DOUBLY dependent on commodity markets*
  - *For exports AND STAPLE FOOD IMPORTS*
- *Loss of food reserves and other facilities to address the crisis*

## Policy recommendations

1. *Restore governments' power to determine their own policies*
2. *End requirement for export orientation*
3. *Restore international prices for agricultural produce*
4. *Restore balance of power on international supply chains*
5. *Support domestic agriculture and production of staple foods*
6. *Promote domestic and regional trade, especially in staple foods*